

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED APRIL 30, 2005**

Prepared by the  
Finance Department

Patricia Wesolowski  
Director of Finance/Treasurer

VILLAGE OF LIBERTYVILLE, ILLINOIS

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Village of Libertyville including: List of Principal Officials, Organizational Chart, Certificate of Achievement for Excellence in Financial Reporting, and Letter of Transmittal from the Director of Finance/Treasurer.

August 12, 2005

To the Citizens of the Village of Libertyville:

The comprehensive annual financial report of the Village of Libertyville for the fiscal year ended April 30, 2005 is hereby submitted. This report consists of management's representations concerning the finances of the Village of Libertyville. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Village of Libertyville has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of Libertyville's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Village of Libertyville's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In 1999, the Governmental Accounting Standards Board (GASB) adopted Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments*. Beginning with the April 30, 2004 financial statements, the Village of Libertyville was required to comply with GASB 34. As such, the reader will notice many changes in scope, approach and presentation with reports after this date as compared to financial statements prior to this date.

The Village of Libertyville's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Libertyville for the fiscal year ended April 30, 2005, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village of Libertyville's financial statements for the fiscal year ended April 30, 2005, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical (unaudited). GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD &A). This letter of transmittal is designed to complement the MD & A and is meant to be read in conjunction with it. The Village's MD &A can be found immediately following the report of the independent auditors.

### **Profile of the Village of Libertyville**

The Village of Libertyville, incorporated in 1882, is located in Lake County and lies approximately thirty-five miles north of the City of Chicago and seven miles west of Lake Michigan. The Village covers an area of approximately nine square miles with unincorporated areas to the north and northwest. The Village has good transportation links to the Chicago metropolitan area and the interstate highway system. The Village is within one-half mile of Interstate 94 (Tri-State Tollway), the highway which connects the Chicago metropolitan area to Milwaukee. Located within commuting distance of Chicago, the Village has experienced strong growth in taxable valuation and new residential, commercial and industrial construction. Socioeconomic indices highlight the affluent character of the community with home values a third higher than the regional norm and per capita income almost double the state average. Although much of the Village is developed, there is open space bordering the corporate limits with the potential for further annexation.

The Village is governed by a President and Board of six trustees. Policy making and legislative authority are vested in the Village Board. The Village Board is responsible for passing ordinances, adopting the budget, appointing committees and hiring the Village's Administrator and Attorney. The Village Administrator is responsible for carrying out the policies and ordinances of the Village Board and for overseeing the day-to day operations of the Village. The Village President and Village Board are elected at large on a non-partisan basis to four-year staggered terms.

The Village provides a full range of services, including police, fire protection and paramedic services, parks and recreation, maintenance of streets, bridges and sewers, building and zoning, code enforcement, water distribution and waste water treatment. The financial reporting entity of the Village of Libertyville, as defined by Governmental Accounting Standards Board Statement No. 14, is comprised of all the funds and account groups of the primary government (i.e., the Village of Libertyville as legally defined). The North Suburban Employee Benefit Cooperative and the Intergovernmental Risk Management Agency are defined as public entity risk pools and are accounted for accordingly.

The annual budget serves as the foundation for the Village's financial planning and control. During the month of October, the Village Board meets to review the status of goals and priorities from the previous year and to develop goals for the upcoming year.

These goals and priorities are distributed to the department heads as they prepare their budget proposals. All departments of the Village are required to submit their budget requests to the Village Administrator during the first week of January each year. The Village Administrator and Finance Director use these requests to develop the proposed budget which is presented to the Village Board during the second week of February. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30<sup>th</sup> of each year.

### **Economic Condition and Outlook**

The Village continues to maintain a favorable financial position, with sizable fund balances in relation to revenues and substantial taxing margin still available for general operations. During this past year, the Village has continued to see a slow down in the local economy similar to what has been experienced in the State of Illinois and Lake County. Sales tax revenues, which account for a significant portion of operating revenues, experienced a slight decrease this fiscal year. Auto dealerships account for approximately 65% of sales tax receipts and the Village expects this revenue source to be stable over the next several years. The Village has also seen a reduction in State of Illinois shared taxes and significant budget reductions have been made to reflect these reduced revenues. Overall, the Village's increasing wealth and income levels are reflected in a substantial tax base which continues to appreciate in value. The Village's strong financial condition is recognized by Moody's Investors Service with the assignment of an Aa2 bond rating.

### **Major Initiatives**

During the 2004-05 fiscal year, the Village completed \$810,000 in Village-wide street rehabilitation projects which represented 2 miles of the Village's approximate 80 mile street system. These projects were funded by a combination of Motor Fuel Tax funds, and vehicle sticker revenues. The final phase of a \$4.5 million improvement project to the central business district was completed this fiscal year with the addition of \$.5 million in streetscape improvements.

Over \$850,000 in improvements were made at the Waste Water Treatment Plant which included replacement of the grit collector that was originally installed in 1977 and the completion of the project to upgrade the sand filters.

Various projects were also completed for the Village's water system. These projects included the painting and repair of the Winchester Road elevated water storage tank and the completion of the replacement of various water and sewer mains along Butterfield Road that were part of the Butterfield Road Improvement Program.

Another of the Village Board's goals was completed when village staff worked with the Mayor, Village Board and the Economic Development Commission to create an overall economic development strategy for the Village.

For the Future - For 2006, the Village will continue its emphasis on infrastructure and capital improvements. The 2005-06 budget includes \$1.1 million in Motor Fuel Tax and Capital Improvement Fund revenues for asphalt resurfacing, \$1 million in water main, sanitary sewer and wastewater treatment plant improvements, and \$444,000 in park and playground improvements. Overall, the Village has budgeted over \$3.0 million in capital expenditures for 2005-06.

The Village will continue to work with the Army Corps of Engineers to implement planned improvements to Butler Lake which will include shoreline erosion control and dredging portions of the lake.

The Village Board selected the Hummell Group as the developer of the School Street Redevelopment Project. Hummell proposes to construct 10 condominiums in the renovated Central School Building and 31 brownstone townhomes along School Street. In previous fiscal years, the Village had purchased the majority of the property along School Street with the School District owning the balance. Proceeds from the sale of the property to the Hummell Group will be shared with School District 70.

Village staff will work with the Village Board and a consultant to evaluate the possibility of extending the current Tax Increment Financing District (TIF) or to possibly create a new TIF area. Another option being considered is to establish a Special Service Area for the downtown area in order to provide funding for maintenance and improvements to the downtown area once the TIF is expired in 2009.

### **Financial Information**

Management of the Village is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Cash Management - Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, money market accounts, commercial paper, United States Agency obligations and obligations of the United States Treasury. As of April 30, 2005, the average yield on General Fund investments was 2.73%. The Police and Firefighters' pension funds realized a yield of 8.22% and 7.1% respectively for this same period. The Village earned 1.6 million on all investments for the year ended April 30, 2005. The Village of Libertyville has developed a comprehensive written investment policy, following these certain cash management and investment principles:

- Safety of principal is of foremost importance to the Village of Libertyville. Each investment transaction will seek first to ensure that capital losses are avoided whether they are from securities defaults or erosion of market value.

- Diversification of investments plays an important part in guaranteeing asset safety. The Village maintains diversity in its investments to avoid incurring unreasonable risks from concentrating investments in specific security types and/or particular financial institutions.

- The investment program must serve operating needs of the Village. The Village's investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements which may be reasonably anticipated in any Village fund.

- Public confidence in the investment program and practices is essential. In managing its investment portfolio, the Village will avoid any transaction that might impair public confidence in the governing body. Investments shall be made based upon standards of care which would, under then current circumstances, be utilized by reasonable, prudent persons in the management of their own affairs. Such standards emphasize proper investment, rather than speculation. Therefore, the safety of capital is more critical to a determination of appropriate investment than the probable income to be derived.

Risk Management - The Village of Libertyville is a member of the Intergovernmental Risk Management Agency (IRMA), which is an organization of sixty-eight municipalities and five special districts in the six-county collar area around Chicago, which have joined together to pool insurance risk, cost, and coverage. IRMA, through its risk-sharing provisions, provides the Village with coverage for liability, property damage, automobile, and worker's compensation insurance. The Village's successful loss control efforts are reflected in its loss experience, which continues to be below the IRMA average. This positive loss experience will help to minimize the rate of increase of the Village's annual IRMA contribution. The Village is also a member of the North Suburban Employee Benefit Cooperative, which provides health, workers compensation and life insurance.

Pension and Other Post-Employment Benefits - The Village sponsors a single-employer defined benefit pension plan for its police and fire officers. Each year, an independent actuary engaged by the Village and the pension plans calculates the amount of the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the Village fully funds each year's annual required contribution to the respective pension plans as determined by the actuary. As a result of the Village's conservative funding policy, the Village has succeeded as of April 30, 2004, in funding 62.6% of the Police Pension and 76.0% of the Firefighter's Pension actuarial accrued liabilities. The remaining unfunded liability is being systematically

funded through 2033 as part of the annual required contribution calculated by the actuary.

The Village also provides pension benefits for its non-public safety employees. These benefits are provided through a statewide plan managed by the Illinois Municipal Retirement Fund (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

Additional information on the Village's pension arrangements can be found in the notes in the financial statements.

Awards and Acknowledgments - The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Libertyville for its comprehensive annual financial report for the fiscal year ended April 30, 2004. This was the twelfth consecutive year the Village received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

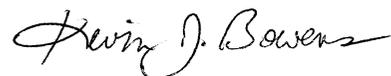
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department and in particular the efforts of the Assistant Finance Director, Paul Bober and Staff Accountant, Ariel Tax. We would like to express our sincere appreciation to all, as well as the Mayor and Board of Trustees who encourage and insist upon the highest standards of excellence in planning and conducting the financial operations of the Village.

Sincerely,



Patricia A. Wesolowski  
Director of Finance



Kevin J. Bowens  
Village Administrator

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## List of Principal Officials

April 30, 2005

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### LEGISLATIVE

Village President: Jeffrey A. Harger

Village Clerk: Sally Kowal

Village Attorney: David L. Pardys

### BOARD OF TRUSTEES

Dean Larson

David A. Giza

Robert Peron

William J. Westerman

Debbie Weber

Luke Lukens

### ADMINISTRATIVE

Village Administrator

Kevin J. Bowens

Director of Finance/Treasurer

Patricia A. Wesolowski

Director of Public Works

Steven R. Magnusen

Community Development

John P. Spoden

Chief of Police

Patrick W. Carey

Fire Chief

Robert L. Zamor

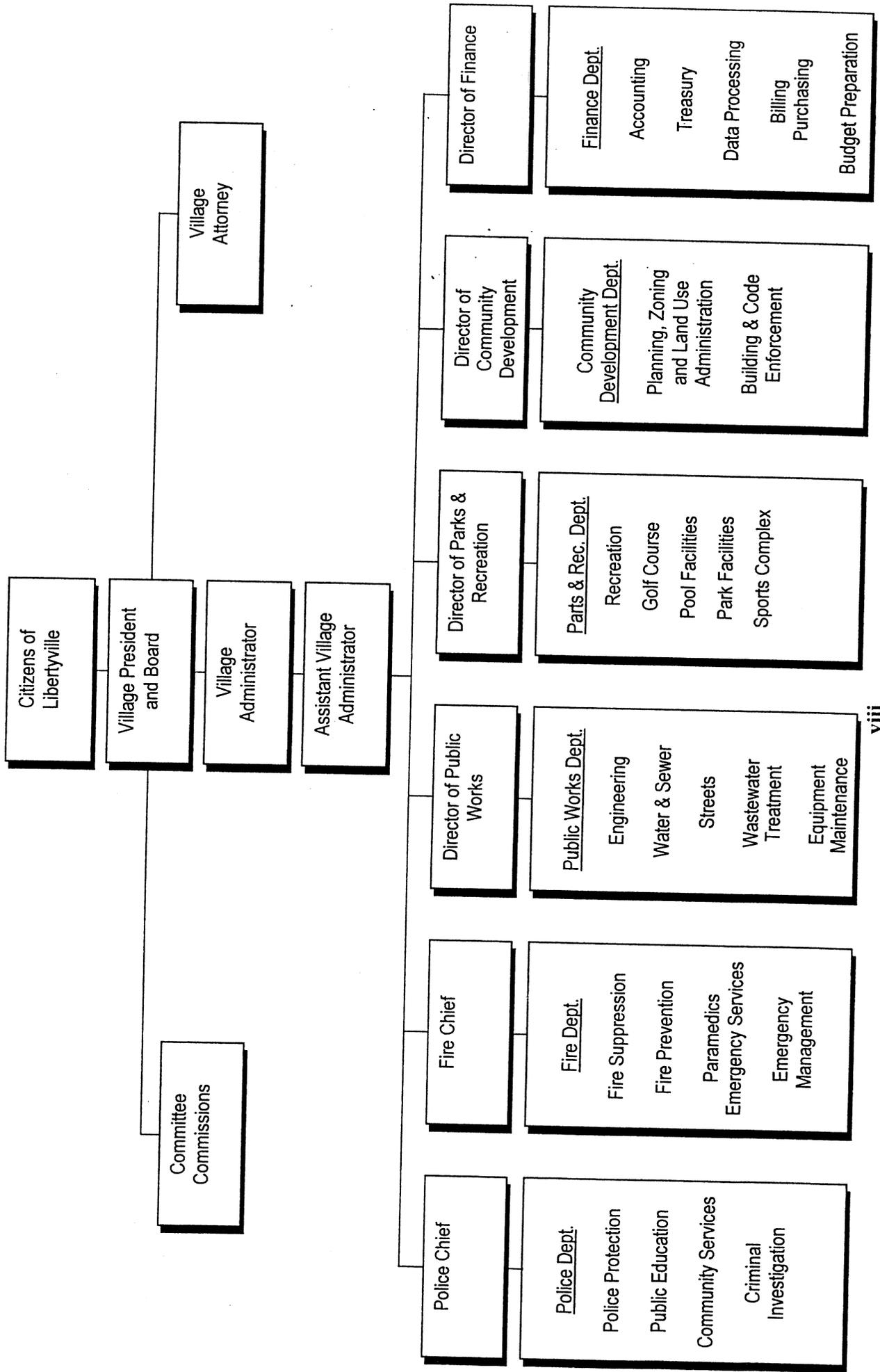
Director of Parks and Recreation

James Zych

Assistant Administrator

Kelly Amidei

# Village of Libertyville Organizational Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Libertyville,  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
April 30, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Ziehl*

President

*Jeffrey R. Emer*

Executive Director

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Schedules

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the Village's independent auditing firm.

## **INDEPENDENT AUDITORS' REPORT**

July 18, 2005

The Honorable Village President  
Members of the Board of Trustees  
Village of Libertyville, Illinois

We have audited the accompanying basic financial statements of the Village of Libertyville, Illinois as of and for the year ended April 30, 2005, as listed in the accompanying table of contents. These basic financial statements are the responsibility of the Village of Libertyville, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 basic 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 the Village of Libertyville, Illinois as of April 30, 2005, and the results of its operations and the cash flows of its business type activities for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund schedules, as well as the information listed as supplemental and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of Libertyville, Illinois. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

Village of Libertyville, Illinois

July 18, 2005

Page 2

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily 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 thereon.

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

*Lauterbach & Amen LLP*

LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## Village of Libertyville, ILLINOIS

### Management's Discussion and Analysis

April 30, 2005

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Our discussion and analysis of the Village of Libertyville's financial performance provides an overview of the Village of Libertyville's financial activities for the fiscal year ended April 30, 2005. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, readers are urged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal (beginning on page i) and the Village's financial statements which begin on page 18.

#### FINANCIAL HIGHLIGHTS

- The Village of Libertyville's net assets exceeded its liabilities as of April 30, 2005, by \$56,637,688. Net assets of governmental activities amounts to \$36,643,888 and for business activities are \$19,993,800. The total of net assets does not include any infrastructure of the governmental funds installed prior to May 1, 2003. When the historical cost of general infrastructure assets is available, a more meaningful comparison will be available.
- The Village of Libertyville's total net assets increased by \$580,346 with the general governmental activities net assets increasing by \$1,703,757 and the business-type activities net assets decreasing by \$1,123,411.
- Revenues for governmental activities increased by \$735,226 or 3.2% while expenses for governmental activities decreased by \$121,180 or .5%
- Revenues for business-type activities decreased by \$220,542 or 2.15% while expenses for these activities decreased \$852,395 or 7.16%.
- As of April 30, 2005, the unreserved fund balance for the general fund was \$9,567,686 or approximately 51% of total general fund expenditures.
- The Village of Libertyville refunded \$1,200,000 and issued \$2,435,000 of debt during this fiscal year. Total debt decreased by \$1,490,000 to \$35,220,000 due to scheduled debt maturities.

#### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 18-21) provide information about the activities of the Village of Libertyville as a whole and present a longer-term view of the Village of Libertyville's finances. Fund financial statements begin on page 22. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Libertyville's operation in more detail than the government-wide statements by providing information about the Village of

## **Village of Libertyville, ILLINOIS**

### **Management's Discussion and Analysis**

**April 30, 2005**

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Libertyville's most significant funds. The report also contains other supplementary and statistical information in addition to the basic financial statements themselves.

#### **Government-Wide Financial Statements**

The government-wide financial statements provide readers with a broad overview of the Village of Libertyville's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 18-21 of this report.

The Statement of Net Assets reports information on all of the Village of Libertyville's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village of Libertyville is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village of Libertyville's property tax base and the condition of the Village of Libertyville's roads, is needed to assess the overall health of the Village of Libertyville.

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

Both of the government-wide financial statements distinguish functions of the Village of Libertyville that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village of Libertyville include general government, public safety, highways and streets, community development, economic development, and parks and recreation. The business-type activities of the Village of Libertyville include waterworks and sewerage and the Libertyville Sports Complex, which includes an indoor recreation center, golf learning center and family entertainment center.

The government-wide financial statements include only the financial activities of the Village of Libertyville. There are no component units such as affiliated school or library districts.

#### **Fund Financial Statements**

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

# Village of Libertyville, ILLINOIS

## Management's Discussion and Analysis

April 30, 2005

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### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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. Such information may be useful in evaluating the Village of Libertyville's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Village of Libertyville maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, the Capital Improvements Fund, and the Tax Increment Financing District Construction Fund, all of which are considered major funds. Data from the other governmental fund, Commuter Parking, is listed as a Nonmajor Fund.

The Village of Libertyville adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 22-27 of this report.

### Proprietary Funds

The Village of Libertyville maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Libertyville utilizes enterprise funds to account for its waterworks and sewerage, and the Libertyville Sports Complex. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village of Libertyville's various functions.

## **Village of Libertyville, ILLINOIS**

### **Management's Discussion and Analysis**

**April 30, 2005**

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The Village of Libertyville uses internal service funds to account for its fleet of vehicles and construction equipment and for its technology costs. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund and for the Libertyville Sports Complex Fund, both of which are considered to be major funds of the Village of Libertyville. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 28-31 of this report.

#### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village of Libertyville's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 32-33 of this report.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-72 of this report.

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Libertyville's I.M.R.F. and police and firefighters employee pension obligations. Required supplementary information can be found on pages 73-79 of this report. The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 80-133 of this report.

# Village of Libertyville, ILLINOIS

## Management's Discussion and Analysis April 30, 2005

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Libertyville, assets exceeded liabilities by \$56.6 million. Net assets increased 1%, from \$56,057,342 to \$56,637,688. Total net assets for governmental activities increased by \$1,703,757. For business-type activities, net assets decreased by \$1,123,411.

**Table #1  
Village of Libertyville's Net Assets**

	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Current and Other Assets	\$ 21,886,734	20,604,472	3,502,043	4,838,248	25,388,777	25,442,720
Capital Assets	32,226,223	32,581,653	47,391,021	48,048,780	79,617,244	80,630,433
Total Assets	54,112,957	53,186,125	50,893,064	52,887,028	105,006,021	106,073,153
Long-Term Debt Outstanding	7,617,499	8,948,961	28,219,004	30,101,137	35,836,503	39,050,098
Other Liabilities	9,851,570	9,297,033	2,680,260	1,668,680	12,531,830	10,965,713
Total Liabilities	17,469,069	18,245,994	30,899,264	31,769,817	48,368,333	50,015,811
Net Assets						
Invested in Capital Assets, Net of Debt	24,520,248	23,528,062	18,071,513	18,271,947	42,591,761	41,800,009
Restricted	1,725,315	1,201,639	-	-	1,725,315	1,201,639
Unrestricted (Deficit)	10,398,325	10,210,430	1,922,287	2,845,264	12,320,612	13,055,694
Total Net Assets	36,643,888	34,940,131	19,993,800	21,117,211	56,637,688	56,057,342

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

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

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

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

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

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

## Village of Libertyville, ILLINOIS

### Management's Discussion and Analysis

April 30, 2005

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By far the largest portion of the Village of Libertyville's net assets, which is 75 percent, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village of Libertyville uses these capital assets to provide services to citizens'; consequently, these assets are not available for future spending. Although the Village of Libertyville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The Village has chosen to delay the reporting of governmental infrastructure assets. Once these assets are added, the Village's governmental net assets will increase substantially.

An additional portion or 3 percent of the Village of Libertyville's net assets represents resources that are subject to external restrictions on how they may be used. The remaining 22 percent, or \$12 million, represents unrestricted net assets and may be used to meet the village's ongoing obligations to citizens and creditors.

Net assets of the Village of Libertyville's governmental activities increased by 4.8 percent (\$36,643,888 compared to \$34,940,131). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints, total \$10,398,325. As of April 30, 2005, the unrestricted net assets amounts to 48% of operating expenses (\$21,509,972) of the governmental funds.

During the 2004-05 fiscal year, net assets of business-type activities decreased by 5.3 percent (\$19,993,800 compared to \$21,117,211). This decrease, however, cannot be offset by the increase reported in governmental activities. The Village of Libertyville generally can only use these net assets to finance the continuing operations of governmental activities of the Village. Excluding depreciation both the Waterworks and Sewage and the Libertyville Sports Complex generated an operating income this fiscal year. When depreciation and interest expenditures are added, both funds experienced a net loss. This is the third year of operation for the Sports Complex and the Village had anticipated a loss for the first three years. The Village has made adjustments to the 2005-06 budget for the Sports Complex in order to break even or generate a small surplus.

Total revenues (excluding special items) increased from \$32,836,444 to \$33,351,128 or 1.57%. The total cost of all programs and services decreased from \$33,544,357 to \$32,570,782 or 2.9%. Table #2 compares the revenue and expenses for the current and prior fiscal years.

# Village of Libertyville, ILLINOIS

## Management's Discussion and Analysis April 30, 2005

**Table #2  
Changes in Net Assets**

	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 6,908,582	6,202,518	9,949,326	10,105,434	16,857,908	16,307,952
Operating Grants/Contributions	618,286	602,715	-	-	618,286	602,715
General Revenues						
Property Taxes	5,938,095	5,523,186	26,784	26,784	5,964,879	5,549,970
Sales Taxes	7,420,912	7,840,044	-	-	7,420,912	7,840,044
Intergovernmental	1,491,650	1,358,868	-	-	1,491,650	1,358,868
Other General Revenues	933,114	1,048,082	64,379	128,813	997,493	1,176,895
Total Revenues	<u>23,310,639</u>	<u>22,575,413</u>	<u>10,040,489</u>	<u>10,261,031</u>	<u>33,351,128</u>	<u>32,836,444</u>
<b>Expenses:</b>						
General Government	2,767,055	2,684,660	-	-	2,767,055	2,684,660
Public Safety	11,204,047	11,349,821	-	-	11,204,047	11,349,821
Public Works	2,011,215	2,275,270	-	-	2,011,215	2,275,270
Economic Development	703,633	109,275	-	-	703,633	109,275
Parks & Recreation	3,550,485	3,772,294	-	-	3,550,485	3,772,294
Community Development	968,502	1,030,429	-	-	968,502	1,030,429
Interest on Long-Term Debt	305,035	409,403	-	-	305,035	409,403
Water and Sewer	-	-	6,507,588	6,734,485	6,507,588	6,734,485
Libertyville Sports Complex	-	-	4,553,222	5,178,720	4,553,222	5,178,720
Total Expenses	<u>21,509,972</u>	<u>21,631,152</u>	<u>11,060,810</u>	<u>11,913,205</u>	<u>32,570,782</u>	<u>33,544,357</u>
Increase in Net Assets Before Transfers	1,800,667	944,261	(1,020,321)	(1,652,174)	780,346	(707,913)
Transfers	103,090.0	104,980.0	(103,090.0)	(104,980.0)	-	-
Increase (Decrease) in Net Assets	1,903,757.0	1,049,241.0	(1,123,411.0)	(1,757,154.0)	780,346.0	(707,913.0)
Net Assets-Beginning	34,740,131.0	33,890,890.0	21,117,211.0	22,874,365.0	55,857,342.0	56,765,255.0
Net Assets-Ending	<u>36,643,888.0</u>	<u>34,940,131.0</u>	<u>19,993,800.0</u>	<u>21,117,211.0</u>	<u>56,637,688.0</u>	<u>56,057,342.0</u>

\*Net Assets –Beginning for 2005 includes a prior period adjustment of \$200,000 due to a reduction of a prior year's receivable.

### Governmental Activities

For the fiscal year ended April 30, 2005, revenues from governmental activities increased from \$22,575,413 to \$22,310,639 (3.26%). Sales taxes which comprise the largest segment of governmental revenues decreased from \$7,840,044 to \$7,420,912.

Property tax collections increased by \$414,909 (7.51%) to \$5,938,095. This comprises 25% of the total governmental activities revenue. The Village's 2003 levy year equalized assessed

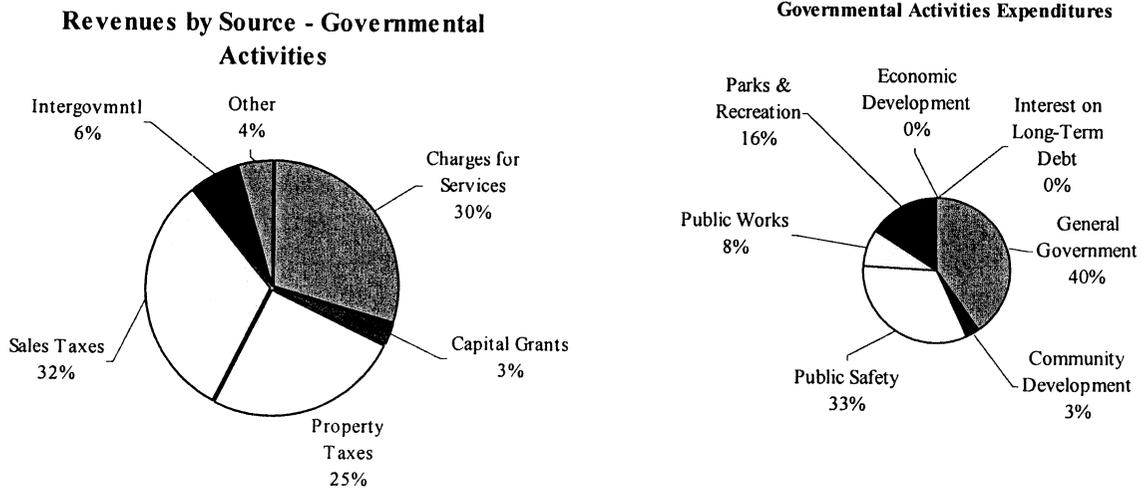
# Village of Libertyville, ILLINOIS

## Management's Discussion and Analysis

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valuation increased 12.15%, while the property tax rate for the village decreased from .515 to .479 per \$1000 of equalized assessed valuation for tax year 2003.

Charges for services, which include fire district payments and parks and recreation fees, amounted to \$6,908,582 or 30% of governmental revenues. This revenue source increased \$706,064 (11.3%) from the previous fiscal year due to park impact fees generated by several new developments approved in the Village.



Sales tax revenues decreased \$419,132 (5.35%) compared to the previous year and also ended the year below final budgets by \$663,000. Many other revenue sources also fell short of the final budget estimates. These shortfalls included building permit fees, hotel taxes, recreation fees and investment income. The Village did receive revenues in excess of budget for impact fees, alarm fees and court fines.

The cost of all governmental activities this year was \$21,509,972 compared to \$21,631,152 last fiscal year. The Village Board directed staff to maintain current service levels and quality programs in the face of a continued downturn in the economy. Several positions and capital purchases were placed on hold until the economy and Village revenues rebound. Due to competition in the local area for qualified employees, the Village did grant a 3.0% salary range adjustment this fiscal year for its non-union employees. Expenditures for governmental funds were below budgeted amounts.

The above table graphically depicts the major revenue sources of the Village of Libertyville. It depicts very clearly the reliance of sales and property taxes to fund governmental activities. Approximately 67% of sales tax revenue is generated from auto dealerships. This is down from

# Village of Libertyville, ILLINOIS

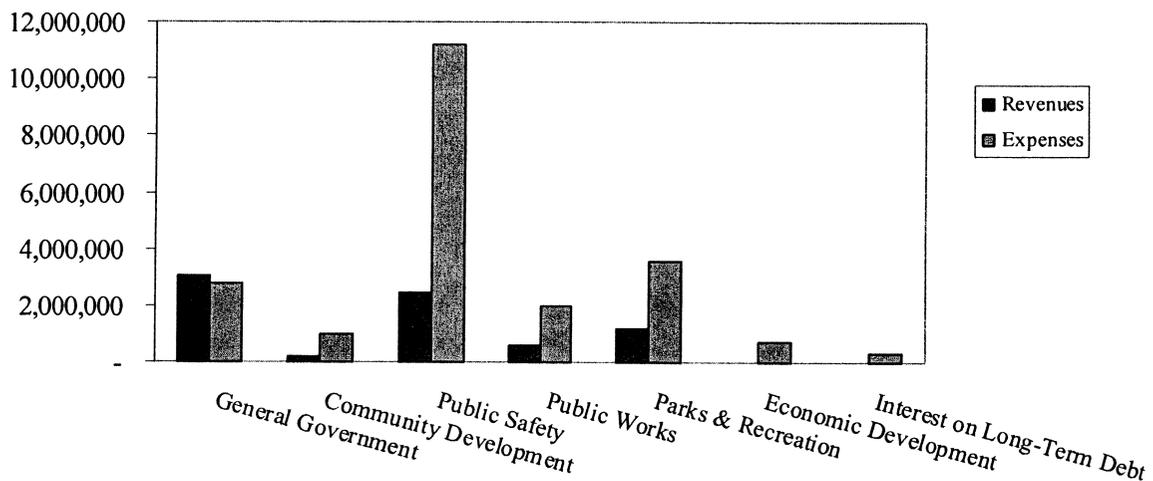
## Management's Discussion and Analysis

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70% in previous years due to increased competition from new car dealerships in other surrounding towns and the general downturn in the economy. The Village Board has hired a consultant to research other areas in the Village that can serve as a commercial corridor to attract several retail businesses to help diversify the sales tax base.

The expenses and program revenues table below identifies those governmental functions where program expenses exceed revenues. Most governmental activities do not generate sufficient program revenues to fund operations. These activities are normally financed through general property and sales tax revenues.

### Expenses and Program Revenues - Governmental Activities



#### Business-type activities

Revenues of the Village's business-type activities decreased by 2.15% (\$10,261,031 in 2004 compared to \$10,040,489 in 2005) and expenses decreased by 7.16% (\$11,913,205 in 2004 and \$11,060,810 in 2005). Key factors behind these results include:

- The waterworks and sewerage system saw decreased revenues from charges for services due to the extremely wet and cool summer months. Excluding depreciation, this fund had a change in net assets of \$1,260,350. Once depreciation of \$1,448,536 is included, this

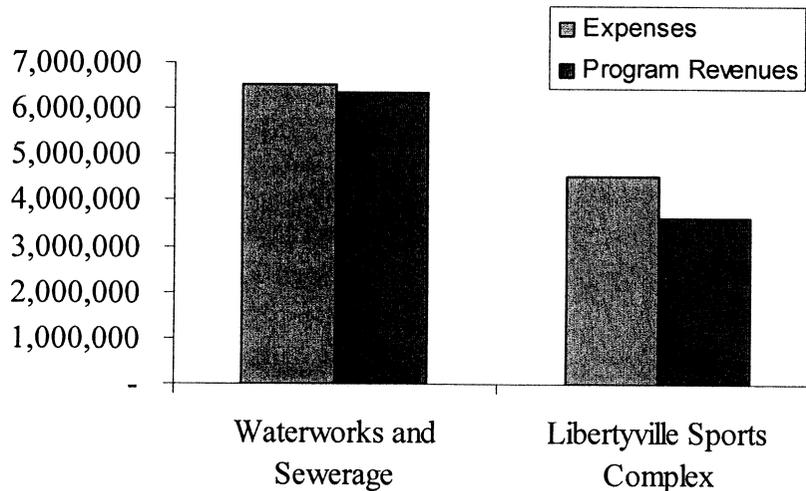
# Village of Libertyville, ILLINOIS

## Management's Discussion and Analysis April 30, 2005

becomes a negative change in net assets of \$188,186. Expenses before depreciation amounted to \$4,877,109 compared to \$5,083,917 in 2004.

- The Libertyville Sports Complex had an operating income of \$407,618 compared to last year's operating loss of \$261,476. This is the third full year of operation at the Sports Complex. Preliminary projections indicated that it would be at least three years before the Sports Complex is profitable. The Sports Complex also had a decrease in net assets. For 2005, this decrease amounted to \$935,225 compared to a decrease of \$1,479,658 in 2004. Expenses before depreciation amounted to \$2,411,333 compared to \$3,242,348 in 2004.

Expenses and Program Revenues - Business-Type Activities



The above graph compares program revenues to expenses for waterworks and sewerage operations, and The Libertyville Sports Complex. The Village Board requested staff to again make adjustments to the Sports Complex budget for 2005-06 in order to break even or generate a small profit.

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village of Libertyville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. 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.

## Village of Libertyville, ILLINOIS

### Management's Discussion and Analysis

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As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$13,492,019, which is slightly above last year's total of \$12,083,492. Approximately 85% of the governmental fund balance total constitutes unreserved fund balance, which is available for spending at the village'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 1) to pay debt service (\$923,409), 2) to fund specific programs (\$343,811), or 3) for prepaid insurance premiums (\$420,581).

The General fund is the chief operating fund of the Village. At the end of the current fiscal year, unreserved fund balance of the general fund was \$9,567,686, while total fund balance reached \$10,342,081. This is slightly below last year's total fund balance of \$10,444,989. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 51% of total general fund expenditures, while total fund balance represents 55% of that same amount.

The Debt Service Fund has a total fund balance of \$923,409, all of which is reserved for the payment of debt service. Due to a bond issue being refunded the previous fiscal year, fund balance decreased by \$3,539.

The Capital Improvement Fund provides funding for capital projects of the Village of Libertyville which are not normal operating or maintenance type expenditures reportable within the general fund or other governmental funds. The total fund balance as of April 30, 2005 is \$1,292,885, of which 100% is unreserved. The Capital Improvement Fund balance increased by \$739,164 during this fiscal year mainly due to increased park impact fees for newly approved developments.

The Tax Increment Financing Construction (TIF) Fund provides funding for the redevelopment of the Village's downtown area. The TIF is due to expire in 2009. The total fund balance increased by \$652,796. Fund balance as of April 30, 2004 as adjusted by a prior period adjustment in sales tax receivable was a negative \$272,073.

The Commuter Parking Fund is included as a governmental fund but is considered a nonmajor fund. Fund balance increased by \$123,012 to \$552,921. The Village is planning on purchasing property to increase the size of the commuter parking facilities and is planning on using some of this fund balance for repayment of a possible debt issue.

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

The Village reports the Waterworks and Sewerage Fund and Sports Complex Fund as major proprietary funds. These funds account for all of the operations of the municipal water and sewer system and the sports complex. Water is purchased from the Central Lake County Joint Action

## Village of Libertyville, ILLINOIS

### Management's Discussion and Analysis

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Water Agency (CLCJAWA) at a rate of \$2.11 per thousand gallons. Water is sold to all municipal customers at a rate of \$4.18 per thousand gallons. For users connected to the Village's sewage system, the charge is \$3.60 per thousand gallons for the first 4,000 gallons. For each additional 1,000 gallons, the charge is \$2.50. The spread between purchase and sale rates is intended to finance the operations of the waterworks and sewerage system, including labor costs, supplies, and infrastructure maintenance.

The Village intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The deficit during the current fiscal year was \$85,096 which includes \$1,444,536 of depreciation. Net assets of the water and sewer fund at the end of the year amounted to \$24,627,500 compared to \$24,815,686 in 2004.

Net assets for the Libertyville Sports Complex Fund amounted to (\$4,633,700) compared to (\$3,698,475) at the end of 2004. The loss for 2005 amounts to \$935,225 which includes \$794,276 in depreciation expense. As mentioned elsewhere in this report, this fund was anticipated to have a loss for the first three years of operation. The Village Board and Staff made many adjustments for the 2005-2006 fiscal year, which should cause the Sports Complex to breakeven or have a small profit for next fiscal year.

### GENERAL FUND BUDGETARY HIGHLIGHTS

The 2004-2005 budget was revised once at the end of the fiscal year. The changes include: 1) The addition of \$20,000 to the Emergency Management Agency due to costs associated with the Citizens Emergency Response Teams. Additional grant revenue was received to offset these costs. 2) The addition of \$186,000 to the legal budget for additional costs associated with labor contracts and various litigation. 3) Addition of \$2,100 to the Central Business District Parking budget to pay property taxes on newly purchase property. 4) The addition of \$6,500 for the Concord Special Service Area due to the repair and replacement of damaged property. and 5) The addition of \$27,500 to the pension budget.

Revenues in the general fund were \$18,650,374, which was \$555,876 below budget. The final expense budget amounted to \$19,412,819, a \$242,100 variance from the original budget of \$19,170,719. Actual expenses were below the final budget by \$719,537. Budgeted sales tax revenues were projected \$469,144 higher than the actual receipts. State Income Tax revenues were \$66,226 above amounts budgeted due to increased collections from the State of Illinois. The Village also received a surplus distribution from the Liability Insurance Pool the Village is part of. This amounted to \$112,860 and was not budgeted.

**Village of Libertyville, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2005**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Village of Libertyville's investment in capital assets for its governmental and business type activities as of April 30, 2005 was \$66.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, park facilities, roads, sidewalks, and bridges. The Village of Libertyville had a decrease of \$1,518,505 in its capital assets for the current fiscal year despite the addition of \$3,213,543 in assets this fiscal year.

Capital Assets - Net of Depreciation

	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Land	\$ 2,976,162	2,976,162	4,901,005	4,901,005	7,877,167	7,877,167
Land Improvements	13,081,810	12,576,194	-	-		
Buildings	12,461,229	12,797,040	17,498,143	18,312,065	29,959,372	31,109,105
Machinery & Equipment	3,707,022	4,231,957	1,696,576	1,690,858	5,403,598	5,922,815
Waterworks System	-	-	11,664,474	11,077,199	11,664,474	11,077,199
Sewerage System	-	-	11,630,823	12,067,653	11,630,823	12,067,653
<b>Total</b>	<b>32,226,223</b>	<b>32,581,353</b>	<b>47,391,021</b>	<b>48,048,780</b>	<b>66,535,434</b>	<b>68,053,939</b>

**This year's major additions included:**

Ambulance & Public Works Vehicles	\$ 321,543
Street rehabilitation Program	799,080
Streetscape Improvements to downtown business district	577,039
Watermain, sanitary sewer and wastewater treatment plant improvements	<u>1,511,084</u>
	<u>3,208,746</u>

# Village of Libertyville, ILLINOIS

## Management's Discussion and Analysis

April 30, 2005

The governmental activities net capital assets decreased from last year by \$1,518,505 net of depreciation. This is attributable to the fact that the depreciation was greater than the amount of assets added this year. Depreciation increased by \$4,226,732 to a total of \$47,259,720. The amount of depreciation expensed will increase once the Village recognizes all of its infrastructure assets.

For Business-type activities, the net capital assets decreased by \$657,759. A total of \$1,571,600 was added in water and sewer improvements while \$2,229,359 was expensed as depreciation. Additional information on the Village of Libertyville's capital assets can be found in note 3 on pages 51-52 of this report.

### Debt Outstanding

At year-end, the Village of Libertyville had total outstanding bonded debt of \$35.2 million as compared to \$36.7 million the previous year, a decrease of 4 percent. The following is a comparative statement of outstanding debt:

	General Obligation and Revenue Bonds					
	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
General Obligation Bonds	\$ 7,345,000	8,485,000	27,875,000	28,225,000	35,220,000	36,710,000
Revenue bonds and notes	-	-	-	-	-	-
Total	7,345,000	8,485,000	27,875,000	28,225,000	35,220,000	36,710,000

The Village issued one General Obligation Refunding Bond during this fiscal year to restructure one of the debt issues for the Libertyville Sports Complex. The original debt was scheduled to be paid within a five year period while the new bond will mature in 2021, the same year as the balance of the Sports Complex Debt.

The Village of Libertyville maintains an AA2 rating from Moody's Investors Service for general obligation debt. This rating has not changed in the past five years. State statutes limit the amount of general obligation debt a non home-rule community may issue to 8.625% of total assessed value. The current debt limitation for the Village of Libertyville is \$82.3 million, which significantly exceeds the Village's outstanding general obligation debt. Additional information on the Village of Libertyville's long-term debt can be found in Note 3 on pages 54-62 of this report.

**Village of Libertyville, ILLINOIS**

**Management's Discussion and Analysis**

**April 30, 2005**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2005-2006 budget, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. Unemployment rate for April 30, 2005 for the Village of Libertyville is 3.4 percent, which is under the state unemployment rate of 5.2 percent and the national unemployment rate of 5.9 percent.

Inflation increases in the Midwest area is somewhat lower than the national Consumer Price Index (CPI) increases. The Midwest CPI increase was 2.8 percent for fiscal year 2004-05 compared with the average national rate of 3.2 percent.

These indicators were taken into account when adopting the General Fund budget for 2005-2006. Amounts available for appropriation in the General Fund budget are \$19,612,905, an increase of \$962,531 over the final 2004-2005 budget of \$18,650,374. Budgeted expenditures are expected to increase \$705,739, from \$19,412,819 to \$20,118,558. Even with the deferral of the hiring of two police and one fire employee and the reduction in travel, training and tuition reimbursements the Village Board approved using previous year's fund balance to fund the budgeted deficit of \$505,653 in 2005-06. The Village has added no major new programs or initiatives to the 2005-06 budget. The Village will also be looking at the possibility of increasing fees for the 2006-07 budget to prevent programs from being cut in future years.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Village of Libertyville finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Finance Director, Village of Libertyville, 118 W. Cook Ave., Libertyville, IL 60048.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds
  - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Statement of Net Assets**

**April 30, 2005**

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**See Following Page**

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Net Assets  
April 30, 2005

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 12,035,784	3,372,195	15,407,979
Receivables - Net	8,377,916	1,074,579	9,452,495
Internal Balances	1,036,604	(1,036,604)	-
Prepaid Items/Inventory	436,430	91,873	528,303
	<u>21,886,734</u>	<u>3,502,043</u>	<u>25,388,777</u>
Capital Assets			
Land	2,976,162	4,901,005	7,877,167
Land Improvements	21,473,659	-	21,473,659
Buildings and Improvements	15,922,818	26,398,738	42,321,556
Machinery and Equipment	12,714,958	4,711,769	17,426,727
Waterworks and Sewerage System	-	37,777,855	37,777,855
	<u>53,087,597</u>	<u>73,789,367</u>	<u>126,876,964</u>
Accumulated Depreciation	(20,861,374)	(26,398,346)	(47,259,720)
	<u>32,226,223</u>	<u>47,391,021</u>	<u>79,617,244</u>
 Total Assets	 <u>54,112,957</u>	 <u>50,893,064</u>	 <u>105,006,021</u>

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business- Type Activities	Total
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	333,744	428,111	761,855
Accrued Payroll	593,963	104,253	698,216
Deposits Payable	529,191	22,462	551,653
Interest Payable	104,826	517,300	622,126
Deferred Revenues	6,731,032	187,258	6,918,290
Current Portion of Long-Term Debt	1,558,814	1,420,876	2,979,690
	<u>9,851,570</u>	<u>2,680,260</u>	<u>12,531,830</u>
Noncurrent Liabilities			
Net Pension Obligation	142,944	-	142,944
Compensated Absences Payable	1,061,915	256,298	1,318,213
Installment Contracts Payable	257,640	40,154	297,794
IEPA Loans Payable	-	1,466,703	1,466,703
General Obligation Bonds Payable	6,155,000	26,735,000	32,890,000
Unamortized Bond Discount	-	(279,151)	(279,151)
	<u>7,617,499</u>	<u>28,219,004</u>	<u>35,836,503</u>
Total Liabilities	<u>17,469,069</u>	<u>30,899,264</u>	<u>48,368,333</u>
<b>NET ASSETS</b>			
Invested in Capital Assets - Net of Related Debt	24,520,248	18,071,513	42,591,761
Restricted - Special Revenues	906,732	-	906,732
Restricted - Debt Service	818,583	-	818,583
Unrestricted	10,398,325	1,922,287	12,320,612
	<u>36,643,888</u>	<u>19,993,800</u>	<u>56,637,688</u>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Statement of Activities  
Year Ended April 30, 2005**

	Expenses	Program Revenues	
		Charges for Services	Capital Grants/ Contributions
<b>Governmental Activities</b>			
General Government	\$ 2,767,055	3,041,474	-
Community Development	968,502	196,770	-
Public Safety	11,204,047	2,473,544	-
Public Works	2,011,215	-	618,286
Parks and Recreation	3,550,485	1,196,794	-
Economic Development	703,633	-	-
Interest on Long-Term Debt	305,035	-	-
<b>Total Governmental Activities</b>	<b>21,509,972</b>	<b>6,908,582</b>	<b>618,286</b>
<b>Business-Type Activities</b>			
Waterworks and Sewerage	6,507,588	6,336,099	-
Libertyville Sports Complex	4,553,222	3,613,227	-
<b>Total Business-Type Activities</b>	<b>11,060,810</b>	<b>9,949,326</b>	<b>-</b>
	<b>32,570,782</b>	<b>16,857,908</b>	<b>618,286</b>

General Revenues  
Taxes  
    Property Taxes  
    Other Taxes  
Intergovernmental  
    Sales and Use Taxes  
    Income Taxes  
    Other  
Interest Income  
Miscellaneous  
Transfers - Internal Activity

Change in Net Assets

Net Assets - Beginning as Restated

Net Assets - Ending

The notes to the financial statements are an integral part of this statement.

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
274,419	-	274,419
(771,732)	-	(771,732)
(8,730,503)	-	(8,730,503)
(1,392,929)	-	(1,392,929)
(2,353,691)	-	(2,353,691)
(703,633)	-	(703,633)
(305,035)	-	(305,035)
(13,983,104)	-	(13,983,104)
-	(171,489)	(171,489)
-	(939,995)	(939,995)
-	(1,111,484)	(1,111,484)
(13,983,104)	(1,111,484)	(15,094,588)
5,938,095	26,784	5,964,879
362,902	-	362,902
7,420,912	-	7,420,912
1,404,226	-	1,404,226
87,424	-	87,424
184,131	56,379	240,510
386,081	8,000	394,081
103,090	(103,090)	-
15,886,861	(11,927)	15,874,934
1,903,757	(1,123,411)	780,346
34,740,131	21,117,211	55,857,342
36,643,888	19,993,800	56,637,688

The notes to the financial statements are an integral part of this statement.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2005

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	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 8,087,728
Receivables - Net of Allowances	
Property Taxes	4,332,667
Other Taxes	1,514,950
Accounts	305,592
Accrued Interest	29,571
Due from Other Funds	1,366,732
Prepaid Items	420,584
	<hr/>
Total Assets	16,057,824
	<hr/> <hr/>
<b>LIABILITIES AND FUND BALANCES</b>	
Liabilities	
Accounts Payable	264,770
Accrued Payroll	576,342
Deposits Payable	529,191
Due to Other Funds	12,773
Deferred Revenues	4,332,667
Total Liabilities	5,715,743
	<hr/>
Fund Balances	
Reserved - Prepaid Items	420,584
Reserved - Special Revenues	353,811
Reserved - Debt Service	-
Unreserved - Nonmajor Special Revenues	-
Unreserved	9,567,686
Total Fund Balances	10,342,081
	<hr/>
Total Liabilities and Fund Balances	16,057,824
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Improvement	Tax Increment Financing Construction	Nonmajor Commuter Parking	Total
715,871	1,248,776	714,732	546,496	11,313,603
229,118	-	1,675,247	-	6,237,032
204,865	49,246	23,750	-	1,792,811
-	-	9,051	-	314,643
2,673	-	-	-	32,244
-	-	-	11,738	1,378,470
-	-	-	-	420,584
1,152,527	1,298,022	2,422,780	558,234	21,489,387

-	5,137	36,682	3,032	309,621
-	-	-	2,281	578,623
-	-	-	-	529,191
-	-	330,128	-	342,901
229,118	-	1,675,247	-	6,237,032
229,118	5,137	2,042,057	5,313	7,997,368

-	-	-	-	420,584
-	-	-	-	353,811
923,409	-	-	-	923,409
-	-	-	552,921	552,921
-	1,292,885	380,723	-	11,241,294
923,409	1,292,885	380,723	552,921	13,492,019
1,152,527	1,298,022	2,422,780	558,234	21,489,387

The notes to the financial statements are an integral part of this statement.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Reconciliation of Total Governmental Fund Balance to the  
Statement of Net Assets - Governmental Activities

April 30, 2005

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<b>Total Governmental Fund Balances</b>	<b>\$ 13,492,019</b>
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital Assets used in Governmental Activities are not Financial Resources and therefore, are not Reported in the Funds.	30,046,824
Internal Service Funds are used by the Village to Charge the Costs of Vehicle and Equipment Management and Technology Services to Individual Funds. The Assets and Liabilities of the Internal Service Funds are Included in the Governmental Activities in the Statement of Net Assets.	2,002,291
Long-Term Liabilities are not Due and Payable in the Current Period and therefore are not Reported in the Funds.	
Pension Obligation Payable	(142,944)
Compensated Absences Payable	(1,304,476)
General Obligation Bonds Payable	(7,345,000)
Accrued Interest Payable	(104,826)
	<hr/>
<b>Net Assets of Governmental Activities</b>	<b><u><u>36,643,888</u></u></b>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds  
Year Ended April 30, 2005**

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**See Following Page**

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds  
Year Ended April 30, 2005

	<u>General</u>
Revenues	
Taxes	\$ 4,616,631
Licenses and Permits	931,936
Intergovernmental	8,006,837
Charges for Services	4,517,958
Fines and Forfeits	226,257
Interest	143,328
Miscellaneous	207,427
Total Revenues	<u>18,650,374</u>
Expenditures	
Current	
General Government	2,296,028
Community Development	945,485
Public Safety	10,740,333
Public Works	2,052,131
Parks and Recreation	2,659,305
Economic Development	-
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>18,693,282</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(42,908)</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	<u>(60,000)</u>
	<u>(60,000)</u>
Net Change in Fund Balances	(102,908)
Fund Balances - Beginning as Restated	<u>10,444,989</u>
Fund Balances - Ending	<u>10,342,081</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Improvement	Tax Increment Financing Construction	Nonmajor Commuter Parking	Total
232,307	-	1,452,059	-	6,300,997
-	955,736	-	-	1,887,672
792,365	618,286	113,360	-	9,530,848
-	-	-	276,695	4,794,653
-	-	-	-	226,257
6,204	10,585	8,194	3,152	171,463
-	176,206	1,936	512	386,081
1,030,876	1,760,813	1,575,549	280,359	23,297,971
-	-	-	157,347	2,453,375
-	-	-	-	945,485
-	-	-	-	10,740,333
-	-	-	-	2,052,131
-	-	-	-	2,659,305
-	-	703,633	-	703,633
-	978,239	-	-	978,239
1,140,000	-	-	-	1,140,000
320,035	-	-	-	320,035
1,460,035	978,239	703,633	157,347	21,992,536
(429,159)	782,574	871,916	123,012	1,305,435
425,620	35,000	-	-	460,620
-	(78,410)	(219,120)	-	(357,530)
425,620	(43,410)	(219,120)	-	103,090
(3,539)	739,164	652,796	123,012	1,408,525
926,948	553,721	(272,073)	429,909	12,083,494
923,409	1,292,885	380,723	552,921	13,492,019

The notes to the financial statements are an integral part of this statement.

VILLAGE OF LIBERTYVILLE, ILLINOIS

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

Year Ended April 30, 2005

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Net Change in Fund Balances - Total Governmental Funds \$ 1,408,525

Amounts Reported for Governmental Activities in the Statement of Activities  
are Different Because:

Governmental Funds Report Capital Outlays as Expenditures. However, in the  
Statement of Activities the Cost of those Assets is Allocated over their Estimated  
Useful Lives and Reported as Depreciation Expense.

Capital Outlays	1,320,401
Depreciation Expense	(1,514,089)

The Issuance of Long-Term Debt Provides Current Financial Resources to  
Governmental Funds, While the Repayment of the Principal on Long-Term  
Debt Consumes the Current Financial Resources of the Governmental Funds.

Additions to Net Pension Obligation	(8,473)
Additions to Compensated Absences Payable	(43,484)
Retirement of Debt	1,140,000

Changes to Accrued Interest on Long-Term Debt in the Statement of Activities  
does not Require the use of Current Financial Resources and, therefore, are not  
Reported as Expenditures in the Governmental Funds.

15,000

Internal Service Funds are used by the Village to Charge the Costs of Vehicle  
and Equipment Management and Technology Services to Individual Funds.  
The Net Revenue of Certain Activities of Internal Service Funds is  
Reported with Governmental Activities.

(414,123)

**Changes in Net Assets of Governmental Activities**

1,903,757

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Statement of Net Assets - Proprietary Funds**  
**April 30, 2005**

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**See Following Page**

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Net Assets - Proprietary Funds  
April 30, 2005

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 3,372,195	-	3,372,195	722,181
Receivables - Net of Allowances				
Property Taxes	26,784	-	26,784	-
Accounts	1,015,635	23,385	1,039,020	1,145
Accrued Interest	8,775	-	8,775	41
Due from Other Funds	1,281,401	-	1,281,401	21,183
Inventory	-	39,873	39,873	15,846
Prepaid Expenses	52,000	-	52,000	-
	<u>5,756,790</u>	<u>63,258</u>	<u>5,820,048</u>	<u>760,396</u>
Capital Assets				
Land	68,920	4,832,085	4,901,005	-
Buildings and Improvements	8,290,450	18,108,288	26,398,738	-
Machinery and Equipment	3,224,782	1,486,987	4,711,769	4,661,255
Waterworks System	18,367,884	-	18,367,884	-
Sewerage System	19,409,971	-	19,409,971	-
	<u>49,362,007</u>	<u>24,427,360</u>	<u>73,789,367</u>	<u>4,661,255</u>
Accumulated Depreciation	(24,468,507)	(1,929,839)	(26,398,346)	(2,481,856)
	<u>24,893,500</u>	<u>22,497,521</u>	<u>47,391,021</u>	<u>2,179,399</u>
Total Assets	<u>30,650,290</u>	<u>22,560,779</u>	<u>53,211,069</u>	<u>2,939,795</u>

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	338,749	89,362	428,111	24,123
Accrued Payroll	60,005	44,248	104,253	15,340
Deposits Payable	20,682	1,780	22,462	-
Accrued Interest Payable	73,336	443,964	517,300	-
Due to Other Funds	-	2,318,005	2,318,005	20,148
Deferred Revenues	144,000	43,258	187,258	494,000
Compensated Absences Payable	57,763	6,311	64,074	4,584
Installment Contract Payable	-	67,510	67,510	103,335
IEPA Loans Payable	149,292	-	149,292	-
General Obligation Bonds Payable	635,000	505,000	1,140,000	-
	<u>1,478,827</u>	<u>3,519,438</u>	<u>4,998,265</u>	<u>661,530</u>
<b>Noncurrent Liabilities</b>				
Compensated Absences Payable	231,052	25,246	256,298	18,334
Installment Contract Payable	-	40,154	40,154	257,640
IEPA Loans Payable	1,466,703	-	1,466,703	-
General Obligation Bonds Payable	2,900,000	23,835,000	26,735,000	-
Unamortized Bond Discount	(53,792)	(225,359)	(279,151)	-
	<u>4,543,963</u>	<u>23,675,041</u>	<u>28,219,004</u>	<u>275,974</u>
<b>Total Liabilities</b>	<u>6,022,790</u>	<u>27,194,479</u>	<u>33,217,269</u>	<u>937,504</u>
<b>NET ASSETS</b>				
<b>Invested in Capital Assets - Net of Related Debt</b>				
Unrestricted	19,796,297	(1,724,784)	18,071,513	1,818,424
	<u>4,831,203</u>	<u>(2,908,916)</u>	<u>1,922,287</u>	<u>183,867</u>
<b>Total Net Assets</b>	<u>24,627,500</u>	<u>(4,633,700)</u>	<u>19,993,800</u>	<u>2,002,291</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds  
Year Ended April 30, 2005

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
Operating Revenues				
Charges for Services	\$ 5,831,274	3,613,227	9,444,501	-
Interfund Services	-	-	-	1,052,853
Total Operating Revenues	5,831,274	3,613,227	9,444,501	1,052,853
Operating Expenses				
Operations	4,877,109	2,411,333	7,288,442	1,032,125
Depreciation and Amortization	1,448,536	794,276	2,242,812	483,284
Total Operating Expenses	6,325,645	3,205,609	9,531,254	1,515,409
Operating Income (Loss)	(494,371)	407,618	(86,753)	(462,556)
Nonoperating Revenues (Expenses)				
Interest Income	51,609	4,770	56,379	12,668
Connection Fees	504,825	-	504,825	-
Property Tax	26,784	-	26,784	-
Other Income	8,000	-	8,000	53,069
Interest Expense and Fiscal Charges	(181,943)	(1,347,613)	(1,529,556)	(17,304)
	409,275	(1,342,843)	(933,568)	48,433
Income (Loss) Before Transfers	(85,096)	(935,225)	(1,020,321)	(414,123)
Transfers Out	(103,090)	-	(103,090)	-
Change in Net Assets	(188,186)	(935,225)	(1,123,411)	(414,123)
Net Assets - Beginning	24,815,686	(3,698,475)	21,117,211	2,416,414
Net Assets - Ending	24,627,500	(4,633,700)	19,993,800	2,002,291

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Cash Flows - Proprietary Funds  
Year Ended April 30, 2005

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Service
	Waterworks and Sewerage	Libertyville Sports Complex	Total	
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 5,960,727	3,636,782	9,597,509	-
Receipts from Interfund Services	-	-	-	1,031,885
Payments to Employees	(1,374,551)	(1,073,108)	(2,447,659)	(351,678)
Payments to Suppliers	(3,847,609)	(1,424,925)	(5,272,534)	(691,953)
	<u>738,567</u>	<u>1,138,749</u>	<u>1,877,316</u>	<u>(11,746)</u>
Cash Flows from Noncapital Financing Activities				
Transfers Out	(103,090)	-	(103,090)	-
Other Income	539,609	-	539,609	53,069
	<u>436,519</u>	<u>-</u>	<u>436,519</u>	<u>53,069</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(1,511,087)	(60,513)	(1,571,600)	(321,542)
Issuance of Capital Debt	-	2,500,045	2,500,045	176,978
Interest on Capital Debt	(181,943)	(1,347,613)	(1,529,556)	(17,304)
Principal on Capital Debt	(759,891)	(2,235,438)	(2,995,329)	(250,123)
	<u>(2,452,921)</u>	<u>(1,143,519)</u>	<u>(3,596,440)</u>	<u>(411,991)</u>
Cash Flows from Investing Activities				
Interest Received	51,609	4,770	56,379	12,668
Net Change in Cash and Cash Equivalents	(1,226,226)	-	(1,226,226)	(358,000)
Cash and Cash Equivalents - Beginning	4,598,421	-	4,598,421	1,080,181
Cash and Cash Equivalents - Ending	<u>3,372,195</u>	<u>-</u>	<u>3,372,195</u>	<u>722,181</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(494,371)	407,618	(86,753)	(462,556)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization Expense	1,448,536	794,276	2,242,812	483,284
(Increase) Decrease in Current Assets	129,453	23,555	153,008	(20,968)
Increase (Decrease) in Current Liabilities	(345,051)	(86,700)	(431,751)	(11,506)
Net Cash Provided by Operating Activities	<u>738,567</u>	<u>1,138,749</u>	<u>1,877,316</u>	<u>(11,746)</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Net Assets - Fiduciary Funds  
April 30, 2005

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	<u>Pension Trust</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,919,716
Investments	
State and Local Obligations	568,238
U.S. Government and Agency Obligations	12,527,851
Mutual Funds	12,468,980
Receivables	
Accrued Interest	<u>238,515</u>
Total Assets	<u>27,723,300</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>6,778</u>
<b>NET ASSETS</b>	
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	<u><u>27,716,522</u></u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Changes in Net Assets - Fiduciary Funds  
Year Ended April 30, 2005

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	<u>Pension Trust</u>
<b>Additions</b>	
Contributions - Employer	\$ 1,190,091
Contributions - Plan Members	<u>465,975</u>
Total Contributions	<u>1,656,066</u>
Investment Income	
Interest Earned	1,114,429
Net Change in Fair Value	<u>321,982</u>
	1,436,411
Less Investment Expenses	<u>(56,517)</u>
	<u>1,379,894</u>
Total Additions	<u>3,035,960</u>
<b>Deductions</b>	
Administration	31,161
Benefits and Refunds	<u>1,397,955</u>
Total Deductions	<u>1,429,116</u>
<b>Change in Net Assets</b>	1,606,844
<b>Net Plan Assets Held in Trust for Pension Benefits</b>	
Beginning	<u>26,109,678</u>
Ending	<u><u>27,716,522</u></u>

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2004

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# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2004

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# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Libertyville, Illinois, incorporated in 1882, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, water and sanitary sewer services, recreation services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

### REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Libertyville
Blended Component Units:	Police Pension Employees Retirement System Firefighters' Pension Employees Retirement System

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the Village.

*Blended Component Units* - Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Village Board or the Component unit provides services entirely to the Village. These component units' funds are blended into those of the Village's by appropriate activity type to compose the primary government presentation.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### REPORTING ENTITY – Continued

##### Blended Component Unit

###### Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

###### Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a nine-member pension board. The Village's President, Treasurer, Clerk, Attorney and Fire Chief, one elected pension beneficiary and three elected firefighters constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a pension trust fund.

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION – Continued

##### Government-Wide Statements – Continued

The Village's police and fire safety, highway and street maintenance and reconstruction, parks and recreation, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage services and sports complex are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc).

The Village allocates indirect costs to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid through the General Fund

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net assets resulting from the current year's activities.

#### Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Fund Financial Statements - Continued

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

#### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

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

**Special revenue funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village has one nonmajor special revenue fund.

**Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accounts for the payment of interest and principal on the long-term general obligation debt.

**Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Fund Financial Statements – Continued

##### Governmental Funds – Continued

The Village maintains two major capital projects fund, the Capital Improvements Fund and the Tax Increment Financing Construction Fund, and two nonmajor capital projects fund. The Capital Improvements Fund accounts for the purchase or construction of major capital facilities that are not financed by proprietary funds. The Tax Increment Financing District Construction Fund accounts for resources to acquire property and construct certain improvements in the Tax Increment Financing District.

##### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

**Enterprise funds** are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds, the Waterworks and Sewerage Fund and the Libertyville Sports Complex Fund. The Waterworks and Sewerage Fund accounts for the provision of water and sewer service to the residents of the Village. The Libertyville Sports Complex Fund accounts for all activities associated with the complex, including, but not limited to, purchase of land, construction of facilities, operations, maintenance and all related debt service for the 48-acre site.

**Internal service funds** are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains two internal service funds. The Vehicle Maintenance and Replacement Service Fund accounts for costs associated with maintaining and replacing motor vehicles in all Village departments. The Technology Equipment and Replacement Service Fund accounts for acquiring, maintaining, and updating management information systems including computers, communications, software, etc. in all Village departments. The Village's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, public works, etc.).

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION- Continued

#### Fund Financial Statements – Continued

#### Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

**Pension Trust Funds** are used to account for assets held in a trustee capacity for pension benefit payments. The Police and Firefighters' Pension Funds account for the accumulation of resources to pay pension costs. Resources are contributed by members at rates fixed by state statutes and by the Village through an annual property tax levy.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Measurement Focus – Continued

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets.

##### Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Basis of Accounting – Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds, and of the Village's internal service funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

##### Cash and Investments

Cash and cash equivalents on the Statement of Net Assets are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

##### Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Prepays

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

##### Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

##### Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	20 - 30 Years
Buildings and Improvements	10 - 50 Years
Machinery and Equipment	3 - 30 Years
Infrastructure	40 – 50 Years

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Capital Assets – Continued

GASB Statement No. 34 requires the Village to report and depreciate new infrastructure assets effective with the beginning of the 2004 fiscal year. Infrastructure assets include roads, sidewalks, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period; the Village has elected to implement retroactive infrastructure reporting in the fiscal year ending 2008.

##### Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

##### Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements April 30, 2005

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Unearned Revenue

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

##### Fund Equity

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

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.

### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. All departments of the Village submit requests for budgets to the government’s administrator so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested budgets for the next fiscal year. The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2005**

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued**

**BUDGETARY INFORMATION - Continued**

The administrator 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 governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year several supplementary appropriations were necessary.

**EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS**

The following fund had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

<u>Fund</u>	<u>Excess</u>
Vehicle Maintenance	\$ 99,362
Police Pension	66,765
Firefighters' Pension	7,351

**DEFICIT FUND EQUITY**

The following funds had deficit fund equity as of the date of this report:

<u>Fund</u>	<u>Deficit</u>
Libertyville Sports Complex	\$ 4,633,700
Technology Equipment and Replacement Service	522,946

**NOTE 3 – DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2005

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NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS – Continued

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds, and the Illinois Metropolitan Investment Fund. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, life insurance company contracts, money market mutual funds and common and preferred stocks. The Illinois Funds and the Illinois Metropolitan Investment Fund are external investment pools regulated by state statutes; the pools value participant's shares on a fair value basis.

Deposits

At year-end the carrying amount of the Village's deposits totaled \$6,668,993 and the bank balances totaled \$7,054,476.

	<u>Bank Balances</u>
Category 1	
Deposits covered by federal depository insurance, or by collateral held by the Village, or its agent, in the Village's name.	\$ 7,054,476
Category 2	
Deposits covered by collateral held by the pledging financial institution's trust department, or by its agent, in the Village's name.	-
Category 3	
Deposits covered by collateral held by the pledging financial institution, or its trust department, or its agent but not in the Village's name, and deposits which are uninsured and uncollateralized.	-
Total Deposits	<u><u>7,054,476</u></u>

For pension trust funds the types of deposits authorized and the mix of credit risk categories do not differ significantly from other funds of the Village.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

##### Investments

The Village's investments are categorized to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the Village or its agent in the Village's name holds the securities. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Village's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Village's name, and uninsured and unregistered investments.

	Fair Value			Totals
	Category			
	1	2	3	
U.S. Government Securities	\$ 17,065,030	-	-	17,065,030
Local Obligations	566,495	-	-	566,495
	<u>17,631,525</u>	-	-	<u>17,631,525</u>
Non-categorizable				
Illinois Funds				4,196,021
IMET				1,999,054
Equities				6,290,566
Mutual Funds				5,675,958
Insurance Contracts				<u>430,647</u>
Total Investments				<u><u>36,223,771</u></u>

The pension trust funds own approximately 74% of the investments in Category 1.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2005**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**DEPOSITS AND INVESTMENTS - Continued**

**Reconciliation to Government-Wide Statement of Net Assets**

Statement of Net Assets	
Cash and Investments	<u>\$ 15,407,979</u>
Deposits and Investments	
Deposits at Carrying Amount	6,668,993
Investment at Fair Value	36,223,771
Fiduciary Funds	<u>(27,484,785)</u>
	<u>15,407,979</u>

**PROPERTY TAXES**

Property taxes for 2004 attach as an enforceable lien on January 1, 2004, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, 2005, and September 1, 2005. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2005**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets- Not Being Depreciated				
Land	\$ 2,976,162	-	-	2,976,162
Other Capital Assets				
Land Improvements	20,153,258	1,320,401	-	21,473,659
Buildings and Improvements	15,922,818	-	-	15,922,818
Machinery and Equipment	12,393,416	321,542	-	12,714,958
	<u>48,469,492</u>	<u>1,641,943</u>	-	<u>50,111,435</u>
Less Accumulated Depreciation				
Land Improvements	7,577,064	814,785	-	8,391,849
Buildings and Improvements	3,125,778	335,811	-	3,461,589
Machinery and Equipment	8,161,159	846,777	-	9,007,936
	<u>18,864,001</u>	<u>1,997,373</u>	-	<u>20,861,374</u>
Total Other Capital Assets	<u>29,605,491</u>	<u>(355,430)</u>	-	<u>29,250,061</u>
Total Capital Assets	<u>32,581,653</u>	<u>(355,430)</u>	-	<u>32,226,223</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 206,695
Public Safety	259,052
Public Works	219,558
Culture and Recreation	828,784
Internal Service	483,284
	<u>1,997,373</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets - Not Being Depreciated				
Land	\$ 4,901,005	-	-	4,901,005
Other Capital Assets				
Buildings and Improvements	26,176,610	222,128	-	26,398,738
Machinery and Equipment	4,651,256	60,513	-	4,711,769
Waterworks System	17,268,716	1,099,168	-	18,367,884
Sewerage System	19,220,180	189,791	-	19,409,971
	<u>67,316,762</u>	<u>1,571,600</u>	<u>-</u>	<u>68,888,362</u>
Less Accumulated Depreciation				
Buildings and Improvements	7,864,545	1,036,050	-	8,900,595
Machinery and Equipment	2,960,398	54,795	-	3,015,193
Waterworks System	6,191,517	511,893	-	6,703,410
Sewerage System	7,152,527	626,621	-	7,779,148
	<u>24,168,987</u>	<u>2,229,359</u>	<u>-</u>	<u>26,398,346</u>
Total Other Capital Assets	<u>43,147,775</u>	<u>(657,759)</u>	<u>-</u>	<u>42,490,016</u>
Total Capital Assets	<u>48,048,780</u>	<u>(657,759)</u>	<u>-</u>	<u>47,391,021</u>

Depreciation expense was charged to business-type as follows:

Waterworks and Sewerage	\$ 1,435,083
Libertyville Sports Complex	<u>794,276</u>
	<u>2,229,359</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Libertyville Sports Complex	\$ 1,366,732
Nonmajor Governmental	General	11,738
Waterworks and Sewerage	Tax Increment Financing Construction	330,128
Waterworks and Sewerage	Libertyville Sports Complex	951,273
Vehicle Maintenance	Technology Equipment	20,148
Vehicle Maintenance	General	1,035
		2,681,054

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer Out	Transfer In		Totals
	Debt Service	Capital Improvements	
General	\$ 25,000	35,000	60,000
Capital Improvement	78,410	-	78,410
TIF Construction	219,120	-	219,120
Waterworks and Sewerage	103,090	-	103,090
	425,620	35,000	460,620

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2005**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT**

**General Obligation Bonds/Certificates**

The government issues general obligation bonds/certificates to provide funds for the acquisition and construction of major capital facilities. General obligation bonds/certificates are direct obligations and pledge the full faith and credit of the government. General obligation bonds/certificates currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances May 1	Issuances	Retirements	Balances April 30
General Obligation (Sales Tax Alternate Revenue Source) Bond Series of 1997 (\$1,000,000), due in annual installments of \$30,000 to \$75,000, including interest at 4.375% to 5.15% through December 15, 2017.	Debt Service	\$ 785,000	-	40,000	745,000
General Obligation (Sales Tax Alternate Revenue Source) Bond Series of 1998 (\$3,695,000), due in annual installments of \$305,000 to \$435,000, including interest at 3.60% to 3.75% through December 15, 2008.	Debt Service	2,020,000	-	375,000	1,645,000
General Obligation Limited Tax Bond Series of 2000 (\$1,800,000), due in annual installments of \$10,000 to \$215,000, including interest at 5.20% to 5.70% through December 15, 2019.	Debt Service	1,755,000	-	20,000	1,735,000

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Bonds/Certificates – Continued

Issue	Fund Debt Retired By	Balances May 1	Issuances	Retirements	Balances April 30
General Obligatoin Refunding Bond Series of 2001 (\$2,600,000), due in annual installments of \$340,000 to \$405,000, including interest at 3.25% to 3.75% through December 15, 2008.	Debt Service	\$ 1,900,000	-	355,000	1,545,000
General Obligation Refunding Bond Series of 2003A (\$665,000), due in annual installments of \$75,000 to \$115,000, including interest at 1.50% to 2.90% through December 15, 2010.	Debt Service	665,000	-	90,000	575,000
General Obligation Refunding Bond Series of 2003B (\$1,360,000), due in annual installments of \$260,000 to \$285,000, including interest at 1.50% to 2.90% through December 15, 2008.	Debt Service	1,360,000	-	260,000	1,100,000
General Obligation Alternate Revenue Bond Series of 2000 (\$5,000,000), due in annual installments of \$180,000 to \$415,000, including interest at 5.125% to 5.15% through December 15, 2020.	Sports Complex	4,820,000	-	190,000	4,630,000

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT – Continued

General Obligation Bonds/Certificates – Continued

Issue	Fund Debt Retired By	Balances May 1	Issuances	Retirements	Balances April 30
General Obligation Refunding Bond Series of 2001A (\$5,290,000), due in annual installments of \$290,000 to \$635,000, including interest at 3.20% to 4.25% through May 1, 2013.	Waterworks and Sewerage	\$ 4,150,000	-	615,000	3,535,000
General Obligation Bond Series of 2001 (\$17,800,000), due in annual installments of \$245,000 to \$1,590,000, including interest at 4.25% to 5.125% through December 15, 2020.	Sports Complex	17,555,000	-	280,000	17,275,000
General Obligation Taxable Bond Series of 2001 (\$2,200,000), due in annual installments of \$200,000 to \$500,000, including interest at 5.20% to 5.25% through December 15, 2007.	Sports Complex	1,700,000	-	1,200,000 * 500,000	-

\*Refunded

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT – Continued

General Obligation Bonds/Certificates – Continued

Issue	Fund Debt Retired By	Balances May 1	Issuances	Retirements	Balances April 30
General Obligation Taxable Bond Series of 2004 (\$2,435,000), due in annual installments of \$125,000 to \$250,000, including interest at 4.10% to 4.45% through December 15, 2020.	Sports Complex	\$ -	2,435,000	-	2,435,000
		36,710,000	2,435,000	3,925,000	35,220,000

IEPA Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances May 1	Issuances	Retirements	Balances April 30
Loan Payable in Illinois Environmental Protection Agency (IEPA), due in annual installments of \$98,449, including interest at 3.015% through September 1, 2014.	Waterworks and Sewerage	\$ 1,760,886	-	144,891	1,615,995

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT – Continued

Installment Contracts Payable

The balance on the installment contracts currently outstanding is as follows:

Issue	Fund Debt Retired By	Balances May 1	Issuances	Retirements	Balances April 30
Sports Complex installment contract dated May 24, 2002 due in annual installments of \$12,116 to \$14,000 plus interest through maturity at February 24, 2006.	Sports Complex	\$ 108,057	65,045	65,438	107,664
Vehicle Maintenance installment contracts due in annual installments of \$12,036 to \$117,345 plus interest through maturity at fiscal year 2005 to fiscal year 2008.	Vehicle Maintenance	381,737	176,978	217,445	341,270
Technology Equipment installment contract due in annual installments of \$5,320 to \$15,295 plus interest through maturity at fiscal year 2004 to fiscal year 2007.	Technology Equipment	52,383	-	32,678	19,705
		<u>542,177</u>	<u>242,023</u>	<u>315,561</u>	<u>468,639</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2005**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT – Continued**

**Long-term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Net Pension Obligation	\$ 134,471	8,473	-	142,944	-
Compensated Absences	1,260,992	132,804	66,402	1,327,394	265,479
Installment Contracts	434,120	176,978	250,123	360,975	103,335
General Obligation Bonds	8,485,000	-	1,140,000	7,345,000	1,190,000
	<u>10,314,583</u>	<u>318,255</u>	<u>1,456,525</u>	<u>9,176,313</u>	<u>1,558,814</u>
<b>Business-type Activities</b>					
Compensated Absences	311,690	17,364	8,682	320,372	64,074
Installment Contracts	108,057	65,045	65,438	107,664	67,510
IEPA Loans Payable	1,760,886	-	144,891	1,615,995	149,292
General Obligation Bonds	28,225,000	2,435,000	2,785,000	27,875,000	1,140,000
	<u>30,405,633</u>	<u>2,517,409</u>	<u>3,004,011</u>	<u>29,919,031</u>	<u>1,420,876</u>

The Libertyville Sports Complex, Vehicle Maintenance and Technology Equipment Funds make payments on the installments contracts. Payments on the IEPA bonds payable are made by the Waterworks and Sewerage Fund. The Debt Service, Waterworks and Sewerage and Sports Complex Funds make payments on the general obligation bonds. Governmental compensated absences are retired by the General and Vehicle Maintenance Funds.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending April 30	Governmental Activities			
	General Obligation Bonds		Installment Contracts	
	Principal	Interest	Principal	Interest
2006	\$ 1,190,000	279,534	103,335	16,038
2007	1,215,000	243,191	107,908	11,465
2008	1,240,000	206,724	112,691	6,684
2009	1,315,000	167,360	37,041	1,716
2010	180,000	123,398	-	-
2011	165,000	116,922	-	-
2012	195,000	110,244	-	-
2013	210,000	100,197	-	-
2014	215,000	89,322	-	-
2015	230,000	78,107	-	-
2016	245,000	65,883	-	-
2017	255,000	52,776	-	-
2018	270,000	38,902	-	-
2019	210,000	24,120	-	-
2020	210,000	12,255	-	-
Total	7,345,000	1,708,935	360,975	35,903

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2005**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT – Continued**

**Debt Service Requirements to Maturity – Continued**

Fiscal Year Ending April 30	Business-Type Activities					
	General Obligation		IEPA Loans		Installment	
	Bonds		Payable		Contracts	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 1,140,000	1,303,442	149,293	47,605	67,510	3,330
2007	1,175,000	1,260,272	153,827	43,071	12,862	1,395
2008	1,205,000	1,219,320	158,500	38,398	13,377	881
2009	1,595,000	1,166,865	163,315	33,583	13,915	343
2010	1,650,000	1,097,773	168,276	28,622	-	-
2011	1,725,000	1,024,136	173,388	23,510	-	-
2012	1,800,000	946,816	178,655	18,243	-	-
2013	1,885,000	860,761	184,081	12,816	-	-
2014	1,985,000	770,009	189,673	7,224	-	-
2015	1,690,000	682,805	96,987	1,462	-	-
2016	1,770,000	599,684	-	-	-	-
2017	1,860,000	512,344	-	-	-	-
2018	1,950,000	420,396	-	-	-	-
2019	2,045,000	323,849	-	-	-	-
2020	2,145,000	222,393	-	-	-	-
2021	2,255,000	113,983	-	-	-	-
<b>Total</b>	<b>27,875,000</b>	<b>12,524,848</b>	<b>1,615,995</b>	<b>254,534</b>	<b>107,664</b>	<b>5,949</b>

**Legal Debt Margin**

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2005**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT – Continued**

**Legal Debt Margin – Continued**

Assessed Valuation - 2004	<u>\$ 980,297,159</u>
Legal Debt Limit - 8.625% of Assessed Valuation	84,550,630
Amount of Debt Applicable to Debt Limit	
General Obligation Bonds of 2000	1,735,000
General Obligation Bonds of 2003A	<u>575,000</u>
Legal Debt Margin	<u>82,240,630</u>

**Industrial Development Revenue Bonds**

The issuance of Industrial Development Revenue Bonds by the Village is to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment, or extension of any economic development project in order to encourage economic development within or near the Village.

Industrial Development Revenue Bonds are not a debt of the Village. The entity using the bond proceeds to finance a construction or improvement project is liable for the bonds. Since the Village does not act as an agent for Industrial Development Revenue Bonds, the transactions relating to the bonds and property do not appear in the Village's financial statements.

**Bond Defeasances**

During prior years, the Village defeased general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Since the requirements which normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's general purpose financial statements. Defeased bonds in the amount of \$1,665,000 are still outstanding as of the date of this report.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2005

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NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND EQUITY

Fund Balance – Reserved for Special Revenues

The following is a schedule of fund balance reservations for special or restricted revenues as of the date of this report:

	Beginning Balances	Increases	Decreases	Ending Balances
General Fund				
Emergency Telephone System 911	\$ 314,436	300,516	345,577	269,375
Foreign Fire Insurance	66,794	30,841	36,257	61,378
Tim/Creek Special Service Area	6,264	17,077	18,530	4,811
Hotel/Motel Tax	3,271	210,830	195,854	18,247
Lucerne/Interlaken Special Service Area	3,752	15,128	26,475	(7,595)
	394,517	574,392	622,693	346,216
Nonmajor Governmental Funds				
Commuter Parking	429,909	280,359	157,347	552,921
Plus negative Reserves Allocated to Unreserved Fund Balance				7,595
Total Reserved Amount				906,732

Restatements

During the current fiscal year, the Village decreased beginning fund balance of \$(72,073) in the Tax Increment Financing Construction Fund by \$200,000 to reflect a change in a receivable. As a result, beginning fund equity has been restated to \$(272,073).

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 4 – OTHER INFORMATION – Continued

#### RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the government's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program. The Village currently reports all its risk management activities in its General Fund.

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of Illinois municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers compensation claim administration and litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

Each member appoints one delegate along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Each member assumes the first \$1,000 of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. The coverages provided by IRMA are generally consistent with the coverages in the prior year.

Risks for medical, dental and health benefits for employees and retirees are provided through the Village's participation in the North Suburban Employee Benefit Cooperative (NSEBC). NSEBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each participating member. NSEBC maintains specific reinsurance coverage for claims in excess of \$100,000 per individual employee participant. The Village pays premiums to NSEBC based upon current employee participation and its prior experience factor with the pool. Current year coverages or underages for participation in the pool are adjusted into the subsequent year's experience factor of premiums.

For insured programs, there have been no significant reductions in insurance coverage over the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current year or for the three prior years.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2005**

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**NOTE 4 – OTHER INFORMATION**

**POST-EMPLOYMENT BENEFITS**

In addition to providing pension benefits, the Village provides certain health care insurance benefits for retired employees. In accordance with the personnel policy substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. The retirees pay an annual premium that is equal to the actuarially determined costs for each plan year. Accordingly, no liability has been recorded for post-retirement health care benefits. The Village also provides COBRA health and dental benefits to all prior employees as required by federal law. The prior employee pays 100 percent of the premium.

**CONTINGENT LIABILITIES**

**Commitments – Central Lake County Joint Action Water Agency (CLC-JAWA)**

The government has committed to purchase water from the Central Lake County Joint Action Water Agency (CLC-JAWA). The government expects to pay the following minimum amounts:

Year Ending	Amount
2005	\$ 2,358,371
2006	2,377,045
2007	2,388,055
2008	2,393,129
2009	1,686,900
2010-2029	<u>32,051,119</u>
	<u><u>43,254,619</u></u>

These amounts have been calculated using the government's current allocation percentage in accordance with the contract. In future years this allocation percentage will be subject to change.

**Litigation**

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 4 – OTHER INFORMATION – Continued

#### CONTINGENT LIABILITIES - Continued

##### Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

##### JOINT VENTURE

##### Central Lake County Joint Action Water Agency (CLCJAWA)

The Village is a member of CLCJAWA, which consists of twelve municipalities. CLCJAWA is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). CLCJAWA is empowered under the Act to plan, construct, improve, extend, acquire, finance, operate, and maintain a joint water supply system to serve its members and other potential water purchasers.

CLCJAWA is governed by a board of directors, which consists of one elected official from each member municipality. Each director has an equal vote. The officers of CLCJAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of CLCJAWA; makes all appropriations; approves contracts for sale or purchase of water; adopts resolutions providing for the issuance of bonds or notes by CLCJAWA; and adopts bylaws, rules and regulations. The Village has no explicit and measurable equity interest in CLCJAWA, although there does exist a residual interest in CLCJAWA's assets upon dissolution of the joint venture. The Village has an ongoing financial responsibility for its share of CLCJAWA's liabilities. Each participant is liable for its share of any agency contracts entered into while bound by the intergovernmental agreement, until those contracts are paid off. Additionally, the Village has an ongoing financial responsibility to purchase water from CLCJAWA. To obtain complete government financial statements, write to: Central Lake County Joint Action Water Agency, 200 Rockland Road, Lake Bluff, Illinois 60044.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 4 – OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 118 West Cook Avenue, Libertyville, IL 60048-1847. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The Police and Firefighters' Pension plans also issue separate reports that may be obtained by writing the Village of Libertyville, 118 West Cook Avenue, Libertyville, Illinois 60048. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

#### Plan Descriptions, Provisions and Funding Policies

##### Illinois Municipal Retirement System

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2004 was 8.72 percent.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

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**NOTE 4 – OTHER INFORMATION - Continued**

**Plan Descriptions, Provisions and Funding Policies – Continued**

**Police Pension Plan**

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At fiscal year end the Police Pension Plan membership consisted of:

Current Employees	
Vested	23
Nonvested	<u>18</u>
	<u>64</u>

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

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

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2005

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NOTE 4 – OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS - Continued

Plan Descriptions, Provisions, and Funding Policies - Continued

Firefighters' Pension Plan

The Firefighters' Pension Plan is a single-employer defined pension plan that covers all sworn fire personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At fiscal year end the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	10
Current Employees	
Vested	17
Nonvested	15
	<u>42</u>

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered 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 monthly salary attached to the rank at the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter 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% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Notes to the Financial Statements

April 30, 2005

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### NOTE 4 – OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS - Continued

##### Summary of Significant Accounting Policies and Plan Asset Matters

###### Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

###### Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

###### Significant Investments

There are no investments (other than U.S. Government and U.S. Government - guaranteed obligations) in any one organization that represent 5 percent or more of net assets available for benefits for either the Police or Firefighters' Pension Plans. Information for IMRF is not available.

###### Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements  
April 30, 2005

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NOTE 4 – OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS - Continued

Annual Pension Cost and Net Pension Obligation

The pension liability was determined in accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers." There was no net pension obligation for the IMRF plan. The pension liability (asset) for the Police and Firefighters' Pension Plans is as follows:

	Police Pension	Firefighters' Pension	Totals
Annual Required Contribution	\$ 587,484	478,147	1,065,631
Interest on the NPO	5,048	5,037	10,085
Adjustment to the ARC	(3,165)	(3,158)	(6,323)
Annual Pension Cost	589,367	480,026	1,069,393
Actual Contribution	582,020	478,900	1,060,920
Increase in the NPO	7,347	1,126	8,473
NPO Beginning of Year	67,306	67,165	134,471
NPO End of Year	74,653	68,291	142,944

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2005**

**NOTE 4 – OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS - Continued**

**Annual Pension Cost and Net Pension Obligation – Continued**

The Village annual required contribution for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	8.72%	20.85%	22.65%
Employee	4.50%	9.91%	9.46%
Annual Pension Cost	\$540,962	\$667,352	\$516,428
Contributions Made	\$540,962	\$670,984	\$519,107
Actuarial Valuation Date	12/31/2002	4/30/04	4/30/04
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	10	29 Years	29 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.00%	5.00%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2005**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Trend Information**

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

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Required Contribution (ARC)	2003	\$ 314,992	\$ 545,383	\$ 414,572
	2004	389,481	587,484	478,147
	2005	540,962	667,352	516,428
Actual Contributions	2003	314,992	533,219	419,493
	2004	389,481	582,020	478,900
	2005	540,962	670,984	519,107
Percentage of ARC Contributed	2003	100.00%	97.77%	101.19%
	2004	100.00%	99.07%	100.16%
	2005	100.00%	100.54%	100.52%
Net Pension Obligation	2003	-	53,430	69,847
	2004	-	67,306	67,165
	2005	-	74,653	68,291

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Funding Progress
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
  
- Employer Contributions
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
  
- Budgetary Comparison Schedule – General Fund

### **Notes to the Required Supplementary Information**

**Budgetary Information** – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information  
 Schedule of Funding Progress  
 April 30, 2005

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
1999	\$ 9,232,145	\$ 8,331,023	110.82%	\$ (901,122)	\$ 4,307,862	(20.92%)
2000	11,026,524	9,711,828	113.54%	(1,314,696)	4,667,646	(28.17%)
2001	11,642,260	10,524,924	110.62%	(1,117,336)	5,037,230	(22.18%)
2002	12,129,280	12,077,990	100.42%	(51,290)	5,696,062	(0.90%)
2003	12,983,971	13,510,740	96.10%	526,769	6,133,563	8.59%
2004	13,135,869	14,374,301	91.38%	1,238,432	6,203,695	19.96%

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
April 30, 2005**

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<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
1999	\$ 359,706	\$ 359,706	100.00%
2000	320,200	320,200	100.00%
2001	301,730	301,730	100.00%
2002	314,992	314,992	100.00%
2003	389,481	389,481	100.00%
2004	540,962	540,962	100.00%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information  
 Schedule of Funding Progress  
 April 30, 2005

Actuarial Valuation April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
1999	\$ 12,805,621	\$ 16,151,897	79.28%	\$ 3,346,276	\$ 2,312,836	144.68%
2000	13,852,123	17,363,881	79.78%	3,511,758	2,335,296	150.38%
2001	13,401,680	19,167,003	69.92%	5,765,323	2,404,582	239.76%
2002	12,974,373	20,303,638	63.90%	7,329,265	2,584,753	283.56%
2003	12,761,516	21,076,678	60.55%	8,315,162	2,619,717	317.41%
2004	14,417,561	23,037,972	62.58%	8,620,411	2,790,845	308.88%

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
April 30, 2005**

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<b>Fiscal Year Ended</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2000	\$ 372,906	\$ 370,384	100.68%
2001	424,328	423,258	100.25%
2002	436,090	431,256	101.12%
2003	533,219	545,383	97.77%
2004	582,020	587,484	99.07%
2005	670,984	667,352	100.54%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information  
 Schedule of Funding Progress  
 April 30, 2005

Actuarial Valuation April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
1999	\$ 9,476,664	10,646,549	89.01%	\$ 1,169,885	\$ 1,677,658	69.73%
2000	10,318,365	11,845,804	87.11%	1,527,439	1,660,124	92.01%
2001	10,194,236	12,525,963	81.38%	2,331,727	1,626,096	143.39%
2002	10,186,823	13,558,360	75.13%	3,371,537	2,025,081	166.49%
2003	10,186,046	14,004,618	72.73%	3,818,572	2,063,417	185.06%
2004	11,692,117	15,393,069	75.96%	3,700,952	2,114,190	175.05%

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Firefighters' Pension Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
April 30, 2005**

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<b>Fiscal Year Ended</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2000	\$ 305,275	\$ 304,148	100.37%
2001	358,660	358,207	100.13%
2002	401,189	397,622	100.90%
2003	419,493	414,572	101.19%
2004	478,900	478,147	100.16%
2005	519,107	516,428	100.52%

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Taxes	\$ 4,636,130	4,636,130	4,616,631
Licenses and Permits	984,500	984,500	931,936
Intergovernmental	8,373,400	8,373,400	8,006,837
Charges for Services	4,617,420	4,617,420	4,517,958
Fines and Forfeits	210,000	210,000	226,257
Interest	310,700	310,700	143,328
Miscellaneous	74,100	74,100	207,427
<b>Total Revenues</b>	<b>19,206,250</b>	<b>19,206,250</b>	<b>18,650,374</b>
<b>Expenditures</b>			
General Government	2,257,200	2,445,300	2,296,028
Community Development	1,071,360	1,071,360	945,485
Public Safety	10,983,810	11,031,310	10,740,333
Public Works	2,091,070	2,097,570	2,052,131
Parks and Recreation	2,767,279	2,767,279	2,659,305
<b>Total Expenditures</b>	<b>19,170,719</b>	<b>19,412,819</b>	<b>18,693,282</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,531	(206,569)	(42,908)
<b>Other Financing (Uses)</b>			
Transfers Out	(60,000)	(60,000)	(60,000)
Net Change in Fund Balance	<u>(24,469)</u>	<u>(266,569)</u>	(102,908)
Fund Balance - Beginning			<u>10,444,989</u>
Fund Balance - Ending			<u><u>10,342,081</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental General, Debt Service, Capital Improvement and Tax Increment Financing Construction Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Fund
- Budgetary Comparison Schedules – Enterprise Funds
- Combining Schedules – Internal Service Funds
- Budgetary Comparison Schedules – Internal Service Funds
- Combining Schedules – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Schedules of Governmental Capital Assets

# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **GENERAL FUND**

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

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## **SPECIAL REVENUE FUND**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes. The Village's Special Revenue Funds are all nonmajor funds.

### **Commuter Parking System Fund**

The Commuter Parking System Fund is used to account for the operations of the Village's commuter parking lot. Financing is provided by parking fees.

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## **DEBT SERVICE FUND**

The Debt Service Fund, a major fund, accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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## **CAPITAL PROJECTS FUND**

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

### **Capital Improvement Fund**

The Capital Improvements Fund is used to account for the acquisition and improvement of Village property including infrastructure and general fixed assets.

### **Tax Increment Financing Construction**

The Tax Increment Financing Construction Fund is used to account for a portion of the infrastructure costs for the tax increment service area.

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# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been 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 purpose. The Village's enterprise funds are both major funds.

### **Waterworks and Sewerage Fund**

The Waterworks and Sewerage Fund is used to account for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

### **Libertyville Sports Complex Fund**

The Libertyville Sports Complex Fund is used to account for all activities associated with the complex, but not limited to, purchase of land, construction of facilities, operations, maintenance, and all related debt service for the 48-acre site.

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## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

### **Vehicle Maintenance and Replacement Service Fund**

The Vehicle Maintenance and Replacement Service Fund is used to account for costs associated with maintaining and replacing motor vehicles in all Village departments.

### **Technology Equipment and Replacement Service Fund**

The Technology Equipment and Replacement Service Fund is used to account for acquisition, maintenance and updates of management information systems including computers, communications, software, etc. in all Village departments.

# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

## **TRUST AND AGENCY FUNDS**

### **PENSION TRUST FUNDS**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

#### **Firefighters' Pension Fund**

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

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## **CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**

Capital Assets used in the operation of governmental funds include only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from this fund. The capital assets of internal funds are however, included as governmental activities in the statement of net assets.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
<b>Taxes</b>			
Property Taxes			
General Corporate	\$ 780,000	780,000	777,351
Fire Protection	700,000	700,000	696,921
Parks	270,000	270,000	276,800
Recreation	270,000	270,000	276,800
Highway and Bridges - Village	530,000	530,000	508,252
Highway and Bridges - Township	150,000	150,000	175,656
Municipal Retirement	340,000	340,000	339,690
Police Pension	657,000	657,000	660,984
Fire Pension	506,000	506,000	509,107
Concord/Interlaken Special Service Area	15,130	15,130	15,120
Timber Creek Special Service Area	17,000	17,000	17,048
Leased Car Tax	53,000	53,000	43,394
Hotel/Motel Tax	250,000	250,000	210,802
Foreign Fire Insurance Tax	28,000	28,000	30,644
Personal Property Replacement Tax			
General	50,000	50,000	58,062
Police	10,000	10,000	10,000
Fire	10,000	10,000	10,000
	<u>4,636,130</u>	<u>4,636,130</u>	<u>4,616,631</u>
<b>Licenses and Permits</b>			
Building Plan Review Fees	50,000	50,000	79,738
Building Permits	770,000	770,000	681,886
Zoning Fees	30,000	30,000	41,430
Fire Bureau - Permits/Fees	62,500	62,500	59,074
Liquor Licenses	60,000	60,000	54,933
Other Licenses	12,000	12,000	14,875
	<u>984,500</u>	<u>984,500</u>	<u>931,936</u>
<b>Intergovernmental</b>			
Sales Tax	6,770,000	6,770,000	6,300,856
Income Tax	1,338,000	1,338,000	1,404,226
Use Tax	191,900	191,900	214,331
Street/Signal Maintenance Fees	72,000	72,000	51,813
Grants	1,500	1,500	35,611
	<u>8,373,400</u>	<u>8,373,400</u>	<u>8,006,837</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
<b>Charges for Services</b>			
Libertyville Fire Protection	\$ 2,010,140	2,010,140	2,010,144
Ambulance Fees	180,000	180,000	154,594
Golf Rentals	6,000	6,000	3,477
Recreation Fees	710,000	710,000	655,513
Green Fees	141,000	141,000	92,698
Swimming Fees	362,000	362,000	275,382
Swimming Programs	-	-	105,074
Senior Meals Fees	6,000	6,000	14,430
Parking Fees	4,000	4,000	4,610
Engineering	50,000	50,000	43,649
Burglary Fire Alarm Fees	120,000	120,000	141,584
Elevator Inspection Fees	11,000	11,000	11,537
Legal Fee Reimbursement	10,000	10,000	6,732
Birth/Death Certificates	112,200	112,200	101,317
Cable Franchise Fee	168,300	168,300	193,612
Telecom Infrastructure Maintenance Fee	275,000	275,000	262,765
Police Services	65,000	65,000	82,549
Damage to Village Property	-	-	12,798
Senior Center Sponsorship	25,000	25,000	11,451
Concessions - Pools	40,000	40,000	37,431
Pro Shop Merchandise	1,500	1,500	1,338
Telephone Surcharge	224,000	224,000	188,626
Wireless Surcharge	96,280	96,280	106,647
	<u>4,617,420</u>	<u>4,617,420</u>	<u>4,517,958</u>
<b>Fines and Forfeits</b>			
Local Fines	85,000	85,000	73,960
Circuit Court Fines	125,000	125,000	145,897
DUI Fines - Senate Bill 740	-	-	6,400
	<u>210,000</u>	<u>210,000</u>	<u>226,257</u>
<b>Interest</b>			
Investment Income	310,700	310,700	143,328

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued**  
**Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Miscellaneous			
Park Rentals	\$ 2,500	2,500	1,605
Scholarship/Donations	11,000	11,000	23,985
Hazardous Materials Reimbursement	-	-	8,109
Drug Forfeiture	500	500	-
Cash Over	100	100	99
Insurance Surplus	-	-	112,860
Miscellaneous	60,000	60,000	60,769
	<u>74,100</u>	<u>74,100</u>	<u>207,427</u>
Total Revenues	<u>19,206,250</u>	<u>19,206,250</u>	<u>18,650,374</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
<b>General Government</b>			
Legislative	\$ 125,900	125,900	110,567
Administration and Finance	1,065,670	1,065,670	1,030,208
Legal	328,500	514,500	504,154
Public Buildings	180,290	180,290	178,108
Community Organization/Activities	203,100	203,100	184,595
Senior Programs	78,910	78,910	61,889
Central Business District Parking	28,570	30,670	30,653
Hotel/Motel Tax	246,260	246,260	195,854
	<u>2,257,200</u>	<u>2,445,300</u>	<u>2,296,028</u>
<b>Community Development</b>			
Planning	405,900	405,900	390,561
Building Services	665,460	665,460	554,924
	<u>1,071,360</u>	<u>1,071,360</u>	<u>945,485</u>
<b>Public Safety</b>			
<b>Police Department</b>			
Administration/Communication/Records	2,327,270	2,341,270	2,314,784
Patrol Services	2,671,630	2,671,630	2,682,129
Investigation	485,100	485,100	429,094
Public Education	83,650	83,650	74,366
Community Service	151,860	151,860	145,809
	<u>5,719,510</u>	<u>5,733,510</u>	<u>5,646,182</u>
<b>Fire Services Department</b>			
Administration	688,150	701,650	693,481
Fire Prevention	222,540	222,540	187,069
Emergency Services	3,504,300	3,504,300	3,348,555
Support Services	482,620	482,620	483,833
Foreign Fire Insurance	40,000	40,000	36,257
	<u>4,937,610</u>	<u>4,951,110</u>	<u>4,749,195</u>
<b>Emergency Management Agency</b>	<u>4,950</u>	<u>24,950</u>	<u>24,378</u>
<b>Emergency Telephone System (911)</b>	<u>321,740</u>	<u>321,740</u>	<u>320,578</u>
<b>Total Public Safety</b>	<u>10,983,810</u>	<u>11,031,310</u>	<u>10,740,333</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
<b>Public Works</b>			
Engineering	\$ 387,440	387,440	378,306
Highways and Bridges	1,417,840	1,417,840	1,430,755
Snow Removal and Ice Control	250,040	250,040	198,065
Concord/Interlaken Special Service Area	18,750	25,250	26,475
Timber Creek Special Service Area	17,000	17,000	18,530
	<u>2,091,070</u>	<u>2,097,570</u>	<u>2,052,131</u>
<b>Parks and Recreation</b>			
Parks	1,168,626	1,168,626	1,137,041
Recreation	978,010	978,010	945,097
Libertyville Golf Course	223,473	223,473	201,897
Swimming Pool	397,170	397,170	375,270
	<u>2,767,279</u>	<u>2,767,279</u>	<u>2,659,305</u>
<b>Total Expenditures</b>	<u>19,170,719</u>	<u>19,412,819</u>	<u>18,693,282</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
General Government			
Legislative			
Salaries	\$ 45,600	45,600	45,600
Employer Contribution - IMRF	1,200	1,200	1,494
Employer Contribution - FICA & Medicare	4,500	4,500	4,060
Travel, Training, Subscriptions and Dues	21,000	21,000	20,309
Appearance Review Committee	3,500	3,500	1,175
Board of Police and Fire Commissions	25,000	25,000	15,622
Economic Development Commission	3,000	3,000	3,867
Keep Libertyville Beautiful	1,500	1,500	1,897
Plan Commission/Zoning Board of Appeals	15,600	15,600	8,795
Miscellaneous	5,000	5,000	7,748
	<u>125,900</u>	<u>125,900</u>	<u>110,567</u>
Administration and Finance			
Salaries	550,650	550,650	548,450
Employer Contribution - IMRF	49,560	49,560	48,942
Employer Contribution - FICA & Medicare	34,430	34,430	38,556
Materials and Supplies	4,350	4,350	352
Telephone	22,000	22,000	21,361
Maintenance - Computer	1,330	1,330	970
Maintenance - Copy Machines	19,180	19,180	17,377
Maintenance - Motor Vehicles	2,000	2,000	2,000
Maintenance - Other Equipment	1,920	1,920	1,620
Vital Records	3,870	3,870	5,024
Insurance	107,000	107,000	108,713
Intergovernmental Risk Management Agency	86,000	86,000	78,300
Postage	20,320	20,320	18,892
Office Supplies	11,000	11,000	11,787
Audit Services	19,500	19,500	19,415
Travel, Training, Subscriptions and Dues	10,660	10,660	7,495
Technical Services	10,750	10,750	12,226
Credit Card/Bank Fees	20,000	20,000	6,571
Publication	22,950	22,950	22,147
Printing	24,400	24,400	20,996
Section 125 Administration Fees	3,900	3,900	3,439

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration and Finance - Continued			
Employee Programs	\$ 26,150	26,150	27,587
Unemployment Benefits	2,000	2,000	1,474
Vehicle Replacement Fees	4,250	4,250	4,250
Miscellaneous	7,500	7,500	2,264
	<u>1,065,670</u>	<u>1,065,670</u>	<u>1,030,208</u>
Legal			
Village Attorney	200,000	200,000	155,413
Village Prosecutor	48,000	48,000	49,102
Labor Counsel	50,000	211,000	221,443
Litigation	25,000	50,000	50,892
Special Projects	500	500	25,276
Miscellaneous	5,000	5,000	2,028
	<u>328,500</u>	<u>514,500</u>	<u>504,154</u>
Public Buildings			
Salaries	44,920	44,920	43,929
Employer Contribution - IMRF	4,040	4,040	3,887
Employer Contribution - FICA & Medicare	3,230	3,230	3,222
Materials and Supplies	-	-	5
North Shore Gas	750	750	1,177
Maintenance - Village Hall	22,000	22,000	26,621
Maintenance - Schertz Building	74,000	74,000	71,764
Maintenance - Motor Vehicle	2,000	2,000	2,000
Insurance	10,350	10,350	9,622
Intergovernmental Risk Management Agency	5,000	5,000	4,569
Uniforms	500	500	500
Civic Center	11,000	11,000	8,813
Miscellaneous	2,500	2,500	1,999
	<u>180,290</u>	<u>180,290</u>	<u>178,108</u>
Community Organization/Activities			
Dial-A-Ride	21,600	21,600	13,381
Northern Illinois Special Recreation Assn.	93,500	93,500	93,562

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Organization/Activities - Continued			
Village Band	\$ 3,000	3,000	2,862
Special Events	25,000	25,000	20,787
Spring Cleanup	35,000	35,000	37,815
Mosquito Control	25,000	25,000	16,188
	<u>203,100</u>	<u>203,100</u>	<u>184,595</u>
Senior Programs			
Salaries	30,450	30,450	23,638
Employer Contribution - IMRF	2,700	2,700	2,067
Employer Contribution - FICA & Medicare	2,390	2,390	1,808
Materials and Supplies	5,250	5,250	3,636
Meal Supplies	700	700	115
Utilities	720	720	-
Contractual Services	24,000	24,000	20,374
Senior Trips	9,200	9,200	7,507
Office Supplies	500	500	125
Publicity	500	500	-
Special Events	2,000	2,000	2,599
Miscellaneous	500	500	20
	<u>78,910</u>	<u>78,910</u>	<u>61,889</u>
Central Business District Parking			
Materials and Supplies	1,800	1,800	-
Maintenance - Parking Lots	4,000	4,000	4,132
Rent	22,770	22,770	22,770
Miscellaneous	-	2,100	3,751
	<u>28,570</u>	<u>30,670</u>	<u>30,653</u>
Hotel/Motel Tax			
Libertyville Days	24,000	24,000	24,000
Cook House	11,500	11,500	7,196
Mainstreet Libertyville	50,000	50,000	25,000
Lake County Convention	10,000	10,000	10,000
Sports Complex Marketing	125,000	125,000	125,119

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
General Government - Continued			
Hotel/Motel Tax - Continued			
Adler Cultural Center	\$ 11,500	11,500	2,804
Lease Payments	14,260	14,260	1,735
	<u>246,260</u>	<u>246,260</u>	<u>195,854</u>
 Total General Government	 <u>2,257,200</u>	 <u>2,445,300</u>	 <u>2,296,028</u>
Community Development			
Planning			
Salaries	255,460	255,460	248,357
Employer Contribution - IMRF	22,990	22,990	21,956
Employer Contribution - FICA & Medicare	18,770	18,770	18,197
Materials and Supplies	4,000	4,000	3,515
Telephone	3,000	3,000	5,845
Maintenance - Motor Vehicle	1,500	1,500	1,500
Insurance	46,300	46,300	45,501
Intergovernmental Risk Management Agency	5,000	5,000	4,600
Postage	1,700	1,700	1,590
Technical Services	4,500	4,500	5,724
Travel, Training, Subscriptions and Dues	4,500	4,500	2,527
Consulting Services	20,000	20,000	20,000
Printing and Photoprocessing	11,000	11,000	5,614
Publication Notices	1,300	1,300	92
Vehicle Replacement Fees	4,380	4,380	4,380
Miscellaneous	1,500	1,500	1,163
	<u>405,900</u>	<u>405,900</u>	<u>390,561</u>
Building Services			
Salaries	440,890	440,890	382,735
Employer Contribution - IMRF	38,500	38,500	33,507
Employer Contribution - FICA & Medicare	32,870	32,870	28,572
Materials and Supplies	7,400	7,400	3,482
Telephone	4,000	4,000	3,748
Maintenance - Motor Vehicle	7,900	7,900	7,900
Maintenance - Other Equipment	2,200	2,200	2,018

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Community Development - Continued			
Building Services - Continued			
Insurance	\$ 70,300	70,300	58,945
Intergovernmental Risk Management Agency	10,100	10,100	10,682
Office Supplies	5,000	5,000	2,888
Travel, Training, Subscriptions and Dues	5,800	5,800	2,247
Technical Services	30,000	30,000	15,000
Reimbursable Expenses	4,000	4,000	586
Printing and Publication	5,000	5,000	1,785
Miscellaneous	1,500	1,500	829
	665,460	665,460	554,924
 Total Community Development	 1,071,360	 1,071,360	 945,485
Public Safety			
Police Department			
Administration/Communication/Records			
Salaries - Uniformed	351,970	351,970	329,549
Salaries - Civilian	159,320	159,320	159,508
Salaries - Dispatchers	261,370	261,370	297,995
Employer Contribution - IMRF	37,860	37,860	40,321
Employer Contribution - FICA & Medicare	33,830	33,830	35,409
Police Pension	657,000	671,000	670,984
Contractual Services	-	-	10,086
Materials and Supplies	6,000	6,000	5,956
Telephone	24,000	24,000	23,212
Maintenance - Motor Vehicles Fees	3,500	3,500	3,500
Maintenance - Other Equipment	6,000	6,000	1,069
Maintenance - Alarm System	-	-	1,079
Insurance	642,920	642,920	598,840
Intergovernmental Risk Management Agency	90,000	90,000	94,813
Postage	5,000	5,000	6,700
Office Supplies	11,000	11,000	11,430
Travel, Training, Subscriptions and Dues	12,000	12,000	5,784
Medical Services	1,000	1,000	136
Photocopying	7,500	7,500	6,576

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Administration/Communication/Records - Continued			
Printing and Publications	\$ 4,000	4,000	4,453
Uniforms	8,000	8,000	3,965
Miscellaneous	5,000	5,000	3,419
	<u>2,327,270</u>	<u>2,341,270</u>	<u>2,314,784</u>
Patrol Services			
Salaries - Uniformed	2,347,390	2,347,390	2,383,379
Employer Contribution - FICA & Medicare	27,060	27,060	26,331
Contractual Services	1,500	1,500	-
Materials and Supplies	23,000	23,000	17,345
Maintenance - Motor Vehicles Fees	65,000	65,000	65,237
Maintenance - Other Equipment	4,100	4,100	3,052
Squad Equipment Changeover	23,500	23,500	15,482
Travel, Training, Subscriptions and Dues	20,000	20,000	20,398
Equipment Rental and User Fees	3,680	3,680	8,050
Uniforms	35,300	35,300	24,700
Northern Illinois Crime Lab	21,000	21,000	18,000
Vehicle Replacement Fees	100,000	100,000	100,000
Miscellaneous	100	100	155
	<u>2,671,630</u>	<u>2,671,630</u>	<u>2,682,129</u>
Investigations			
Salaries - Uniformed	445,620	445,620	392,563
Employer Contribution - FICA & Medicare	3,500	3,500	5,156
Materials and Supplies	5,000	5,000	1,341
Maintenance - Motor Vehicles Fees	11,000	11,000	11,000
Maintenance - Other Equipment	1,000	1,000	705
Travel, Training, Subscriptions and Dues	1,000	1,000	1,185
Uniforms	6,000	6,000	5,979
Northern Illinois Crime Lab	10,830	10,830	10,824
Drug Forfeiture Expense	650	650	-
Miscellaneous	500	500	341
	<u>485,100</u>	<u>485,100</u>	<u>429,094</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Public Education			
Salaries - Uniformed	\$ 68,970	68,970	63,899
Employer Contribution - FICA & Medicare	780	780	937
Materials and Supplies	10,000	10,000	7,946
Maintenance - Motor Vehicles Fees	1,500	1,500	1,500
Travel, Training, Subscriptions and Dues	1,300	1,300	64
Uniforms	600	600	20
Miscellaneous	500	500	-
	<u>83,650</u>	<u>83,650</u>	<u>74,366</u>
Community Services			
Salaries - Civilian	123,270	123,270	121,049
Employer Contribution - IMRF	7,420	7,420	7,299
Employer Contribution - FICA & Medicare	9,070	9,070	8,936
Materials and Supplies	1,500	1,500	60
Maintenance - Motor Vehicles Fees	5,000	5,000	5,000
Travel, Training, Subscriptions and Dues	500	500	-
Animal Care	3,000	3,000	1,608
Uniforms	2,100	2,100	1,857
	<u>151,860</u>	<u>151,860</u>	<u>145,809</u>
Total Police Department	<u>5,719,510</u>	<u>5,733,510</u>	<u>5,646,182</u>
Fire Department			
Administration			
Salaries - Uniformed	96,170	96,170	88,822
Salaries - Civilian	47,210	47,210	47,236
Employer Contribution - IMRF	4,250	4,250	4,179
Employer Contribution - FICA & Medicare	3,160	3,160	3,231
Fire Pension	506,000	519,500	519,107
Telephone	24,000	24,000	25,220
Maintenance - Radio Equipment	360	360	-
Computer Equipment and Supplies	1,700	1,700	881
Postage	500	500	472

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Administration - Continued			
Office Supplies	\$ 2,500	2,500	2,244
Travel, Training, Subscriptions and Dues	500	500	332
Photocopying	500	500	477
Miscellaneous	1,300	1,300	1,280
	<u>688,150</u>	<u>701,650</u>	<u>693,481</u>
Fire Prevention			
Salaries - Uniformed	165,650	165,650	130,189
Salaries - Civilian	41,760	41,760	41,938
Employer Contribution - IMRF	3,660	3,660	3,711
Employer Contribution - FICA & Medicare	2,950	2,950	2,997
Maintenance - Motor Equipment Fees	2,000	2,000	2,000
Maintenance - Other Equipment	100	100	-
Postage	700	700	685
Office Supplies	350	350	614
Public Education	2,480	2,480	2,608
Travel, Training, Subscriptions and Dues	2,180	2,180	2,327
Photocopying	260	260	-
Uniforms	450	450	-
	<u>222,540</u>	<u>222,540</u>	<u>187,069</u>
Emergency Services			
Salaries - Uniformed	2,061,440	2,061,440	1,978,330
Salaries - Paid on Call	90,000	90,000	48,819
Salaries - Dispatchers	173,030	173,030	197,361
Employer Contribution - IMRF	15,570	15,570	17,345
Employer Contribution - FICA & Medicare	43,770	43,770	41,190
Contractual Services	596,990	596,990	544,256
Firefighter/EMS Supplies	15,600	15,600	23,561
Hazardous Materials Incidents	-	-	7,213
Maintenance - Other Equipment	2,500	2,500	-
Insurance	393,780	393,780	385,786
Intergovernmental Risk Management Agency	90,000	90,000	83,853

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Emergency Services - Continued			
Office Supplies	\$ 150	150	80
Travel, Training, Subscriptions and Dues	13,720	13,720	13,763
Technical Services	3,500	3,500	4,215
Photocopying	100	100	100
Paid on Call Pensions	3,150	3,150	1,750
Miscellaneous	1,000	1,000	933
	<u>3,504,300</u>	<u>3,504,300</u>	<u>3,348,555</u>
Support Services			
Salaries - Uniformed	24,670	24,670	24,819
Materials and Supplies	15,590	15,590	15,335
Firefighter/EMS Supplies	14,160	14,160	13,100
Utilities	19,000	19,000	23,675
Maintenance - Buildings	20,000	20,000	19,454
Maintenance - Motor Equipment	90,000	90,000	90,000
Maintenance - Other Equipment	8,700	8,700	8,446
Travel, Training, Subscriptions and Dues	-	-	400
Uniforms	15,000	15,000	13,104
Vehicle Replacement Fees	275,000	275,000	275,000
Miscellaneous	500	500	500
	<u>482,620</u>	<u>482,620</u>	<u>483,833</u>
Foreign Fire Insurance			
Firefighting/EMS Equipment	40,000	40,000	36,257
	<u>4,937,610</u>	<u>4,951,110</u>	<u>4,749,195</u>
Emergency Management Agency			
Materials and Supplies	100	100	-
Electricity	500	500	134
Telephone	2,000	2,000	1,977
Maintenance - Other Equipment	1,000	1,000	1,217
Computer Equipment and Supplies	1,000	1,000	850

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
<b>Public Safety - Continued</b>			
Emergency Management Agency - Continued			
Office Supplies	\$ 100	100	100
Public Education	-	-	18,729
Travel, Training, Subscriptions and Dues	200	200	500
Photocopying	50	50	-
Miscellaneous	-	20,000	871
	<u>4,950</u>	<u>24,950</u>	<u>24,378</u>
Emergency Telephone System (911)			
Salaries	86,760	86,760	92,245
Employer Contribution - IMRF	7,800	7,800	6,258
Employer Contribution - FICA & Medicare	6,500	6,500	5,489
Materials and Supplies	500	500	290
Telephone	85,000	85,000	55,121
Maintenance - Other Equipment	27,400	27,400	44,061
Maintenance - 911 Equipment	43,500	43,500	65,226
Computer Equipment and Supplies	11,000	11,000	11,817
Insurance	3,780	3,780	5,218
Intergovernmental Risk Management Agency	7,500	7,500	6,825
Office Supplies	2,000	2,000	491
Travel, Training, Subscriptions and Dues	7,000	7,000	1,220
Technical Services	5,000	5,000	-
Capital Outlay	28,000	28,000	23,308
Computer Aided Dispatch Equipment	-	-	3,009
	<u>321,740</u>	<u>321,740</u>	<u>320,578</u>
<b>Total Public Safety</b>	<b>10,983,810</b>	<b>11,031,310</b>	<b>10,740,333</b>
<b>Public Works</b>			
Engineering			
Salaries	254,760	254,760	251,872
Employer Contribution - IMRF	22,930	22,930	21,900
Employer Contribution - FICA & Medicare	18,210	18,210	18,592
Materials and Supplies	2,400	2,400	3,452
Telephone	4,900	4,900	4,775

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Public Works - Continued			
Engineering - Continued			
Maintenance - Vehicles	\$ 7,400	7,400	7,400
Maintenance - Other Equipment	700	700	423
Insurance	57,390	57,390	53,608
Intergovernmental Risk Management Agency	5,000	5,000	3,600
Office Supplies	6,200	6,200	5,823
Travel, Training, Subscriptions and Dues	1,100	1,100	1,211
Technical Services	950	950	145
Vehicle Replacement Fees	5,500	5,500	5,500
Miscellaneous		-	5
	387,440	387,440	378,306
Highways and Bridges			
Salaries - Administration	108,120	108,120	108,153
Salaries - Clerical	12,830	12,830	12,828
Salaries - Maintenance	337,860	337,860	380,726
Employer Contribution - IMRF	42,000	42,000	43,768
Employer Contribution - FICA & Medicare	39,670	39,670	36,747
Materials and Supplies	21,500	21,500	16,037
Streetlights - Energy	80,000	80,000	89,540
Streetlights - Maintenance	56,000	56,000	72,493
Maintenance - Buildings	15,200	15,200	15,062
Maintenance - Roadway Medians	5,000	5,000	4,291
Maintenance - Motor Equipment Fees	113,000	113,000	113,000
Maintenance - Other Equipment	2,000	2,000	1,665
Maintenance - Streets and Alleys	105,500	105,500	99,302
Maintenance - Sidewalks	40,000	40,000	39,354
Maintenance - Storm Sewers	35,000	35,000	2,594
Maintenance - Signs	16,000	16,000	14,349
Insurance	147,600	147,600	143,413
Intergovernmental Risk Management Agency	36,800	36,800	39,651
Maintenance Radios	1,000	1,000	450
Office Supplies	1,200	1,200	746
Refuse Disposal	5,000	5,000	3,100
Equipment Rental	8,000	8,000	7,352

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Public Works - Continued			
Highways and Bridges - Continued			
Travel, Training, Subscriptions and Dues	\$ 400	400	774
Technical Services	2,700	2,700	2,192
Traffic Signal Maintenance	36,640	36,640	35,269
Uniforms	9,720	9,720	9,214
Technology Equipment and Replacement	14,600	14,600	14,600
Vehicle Replacement Fees	123,500	123,500	123,500
Miscellaneous	1,000	1,000	585
	<u>1,417,840</u>	<u>1,417,840</u>	<u>1,430,755</u>
Snow Removal and Ice Control			
Salaries - Administration	15,950	15,950	15,958
Salaries - Maintenance	114,700	114,700	72,682
Employer Contribution - IMRF	11,760	11,760	7,948
Employer Contribution - FICA & Medicare	7,130	7,130	6,382
Materials and Supplies	71,000	71,000	71,668
Maintenance - Other Equipment	7,500	7,500	16,846
Intergovernmental Risk Management Agency	5,500	5,500	5,005
Contractual Service	15,000	15,000	180
Miscellaneous	1,500	1,500	1,396
	<u>250,040</u>	<u>250,040</u>	<u>198,065</u>
Concord/Interlaken Special Service Area			
Maintenance of Retention Pond	4,250	4,250	3,736
Landscaping	14,500	19,000	19,799
Miscellaneous	-	2,000	2,940
	<u>18,750</u>	<u>25,250</u>	<u>26,475</u>
Timber Creek Special Service Area			
Maintenance of Retention Pond	4,500	4,500	3,489
Landscaping	12,500	12,500	15,041
	<u>17,000</u>	<u>17,000</u>	<u>18,530</u>
Total Public Works	<u>2,091,070</u>	<u>2,097,570</u>	<u>2,052,131</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
<b>Parks and Recreation</b>			
<b>Parks</b>			
Salaries - Full Time	\$ 582,020	582,020	593,106
Salaries - Part Time	44,726	44,726	46,972
Employer Contribution - IMRF	52,290	52,290	52,371
Employer Contribution - FICA & Medicare	46,750	46,750	47,645
Contractual Services	16,830	16,830	15,859
Materials and Supplies	21,570	21,570	23,753
Electricity	19,800	19,800	6,055
North Shore Gas	1,500	1,500	2,247
Telephone	6,000	6,000	5,704
Gasoline and Oil	900	900	1,310
Maintenance - Building	14,400	14,400	12,705
Maintenance - Grounds	36,500	36,500	36,875
Maintenance - Motor Vehicles	33,000	33,000	33,082
Maintenance - Other Equipment	15,490	15,490	13,678
Maintenance - Roads and Parking Lots	1,000	1,000	695
Insurance	146,160	146,160	142,851
Intergovernmental Risk Management Agency	20,000	20,000	18,974
Office Supplies	500	500	169
Travel, Training, Subscriptions and Dues	580	580	1,209
Tree Surgery and Spraying	49,050	49,050	26,111
Nursery Stock and Trees	12,750	12,750	7,949
Equipment Rental	1,000	1,000	590
Maintenance Radios	500	500	-
Unemployment Benefits	-	-	4,253
Uniform	7,910	7,910	6,698
Capital Outlay	5,900	5,900	5,876
Vehicle Replacement Fees	30,000	30,000	30,000
Miscellaneous	1,500	1,500	304
	<u>1,168,626</u>	<u>1,168,626</u>	<u>1,137,041</u>
<b>Recreation</b>			
Salaries - Administrative Staff	222,140	222,140	208,402
Salaries - Tot Programs	77,465	77,465	72,184
Salaries - Youth/Teen Programs	116,743	116,743	107,032

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Recreation - Continued			
Salaries - Adult Programs	\$ -	-	2,092
Salaries - Special/Cultural Events	121,202	121,202	106,194
Employer Contribution - IMRF	19,720	19,720	21,433
Employer Contribution - FICA & Medicare	45,900	45,900	37,504
Supplies and Expenses - Tot Programs	21,250	21,250	18,782
Supplies and Expenses - Youth Programs	26,750	26,750	23,220
Electricity	13,200	13,200	30,814
North Shore Gas	5,000	5,000	3,655
Telephone	8,000	8,000	8,868
Maintenance - Motor Vehicles	2,500	2,500	2,500
Maintenance - Building	29,250	29,250	40,983
Independent Contractor	44,000	44,000	62,880
Cultural Arts Expenses	48,820	48,820	33,869
Insurance	32,700	32,700	32,703
Intergovernmental Risk Management Agency	20,000	20,000	21,269
Seasonal Brochures	38,000	38,000	36,017
Office Supplies	10,450	10,450	8,258
Family Trips	850	850	176
Travel, Training, Subscriptions and Dues	1,630	1,630	1,090
Supplies and Expenses - Special Event Family	5,720	5,720	4,295
Supplies and Expenses - Special Event Youth	4,800	4,800	3,080
Credit Card Bank Fee	35,000	35,000	38,590
Photoprocessing	3,760	3,760	3,358
Supplies and Expenses - Teen Program	15,760	15,760	11,302
Refunds	-	-	(1,913)
Participant and Staff Clothing	-	-	69
Vehicle Replacement Fees	5,000	5,000	5,000
Miscellaneous	2,400	2,400	1,391
	<u>978,010</u>	<u>978,010</u>	<u>945,097</u>
Libertyville Golf Course			
Salaries - Administration	17,353	17,353	13,302
Salaries - Pro Shop	26,000	26,000	18,126
Salaries - Maintenance	76,060	76,060	76,189

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Libertyville Golf Course - Continued			
Employer Contribution - IMRF	\$ 6,070	6,070	5,550
Employer Contribution - FICA & Medicare	9,630	9,630	8,141
Materials and Supplies	1,700	1,700	990
Electricity	2,300	2,300	2,141
North Shore Gas	200	200	-
Telephone	2,300	2,300	2,596
Maintenance - Building	2,500	2,500	985
Maintenance - Grounds	17,700	17,700	16,262
Maintenance - Motor Vehicles	8,620	8,620	8,269
Intergovernmental Risk Management Agency	10,000	10,000	9,100
Publicity	2,700	2,700	2,866
Travel, Training, Subscriptions and Dues	840	840	1,004
Golf Course Supplies	1,450	1,450	1,289
Special Events	8,050	8,050	3,192
ProShop Merchandise	1,150	1,150	202
Unemployment Insurance	-	-	4,711
Uniform	850	850	40
Capital Outlay	7,500	7,500	6,647
Vehicle Replacement Fees	20,000	20,000	20,000
Miscellaneous	500	500	295
	<u>223,473</u>	<u>223,473</u>	<u>201,897</u>
Swimming Pool			
Salaries - Administration	33,700	33,700	29,589
Salaries - Concessions	22,840	22,840	26,139
Salaries - Public Swim	129,880	129,880	116,677
Salaries - Swim Lessons	66,170	66,170	58,969
Employer Contribution - IMRF	3,000	3,000	2,342
Employer Contribution - FICA & Medicare	19,500	19,500	17,657
Supplies - Swim Lessons	2,200	2,200	2,867
Materials and Supplies	3,380	3,380	3,793
Supplies - Maintenance	1,000	1,000	1,075
Electricity	22,380	22,380	17,743
North Shore Gas	18,000	18,000	30,200

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
<b>Parks and Recreation - Continued</b>			
<b>Swimming Pool - Continued</b>			
Maintenance - Building	\$ 7,350	7,350	7,778
Maintenance - Office Equipment	400	400	170
Maintenance - Pools	16,800	16,800	15,698
Intergovernmental Risk Management Agency	10,000	10,000	9,831
Office Supplies	500	500	450
Travel, Training, Subscriptions and Dues	1,170	1,170	1,108
Equipment Rental	1,000	1,000	1,127
Concession Expense	19,450	19,450	16,508
Special Events	3,230	3,230	3,900
Birthday Parties	800	800	443
Printing and Photocopying	900	900	867
Uniforms	5,220	5,220	2,357
Capital Outlay	5,800	5,800	5,675
Miscellaneous	2,500	2,500	2,307
	<u>397,170</u>	<u>397,170</u>	<u>375,270</u>
Total Culture and Recreation	<u>2,767,279</u>	<u>2,767,279</u>	<u>2,659,305</u>
Total Expenditures	<u>19,170,719</u>	<u>19,412,819</u>	<u>18,693,282</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 224,000	224,000	232,307
Intergovernmental			
Sales Tax	890,000	890,000	792,365
Interest			
Investment Income	-	-	6,204
Total Revenues	<u>1,114,000</u>	<u>1,114,000</u>	<u>1,030,876</u>
Expenditures			
Debt Service			
Principal Retirement	1,230,000	1,230,000	1,140,000
Interest	331,260	331,260	315,835
Fiscal Charges	4,600	4,600	4,200
Total Expenditures	<u>1,565,860</u>	<u>1,565,860</u>	<u>1,460,035</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(451,860)	(451,860)	(429,159)
Other Financing Sources			
Transfers In	<u>425,620</u>	<u>425,620</u>	<u>425,620</u>
Net Change in Fund Balance	<u>(26,240)</u>	<u>(26,240)</u>	(3,539)
Fund Balance - Beginning			<u>926,948</u>
Fund Balance - Ending			<u><u>923,409</u></u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Capital Improvement - Capital Projects Fund

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Revenues			
Licenses and Permits			
Park Impact Fees	\$ 885,000	885,000	712,287
Vehicle Licenses	265,000	265,000	243,449
Intergovernmental			
Motor Fuel Tax Allotments	605,000	605,000	618,286
Wetland Mitigation	230,000	230,000	-
Interest	10,000	10,000	10,585
Miscellaneous	96,500	96,500	176,206
Total Revenues	2,091,500	2,091,500	1,760,813
Expenditures			
Capital Outlay	2,061,330	2,061,330	978,239
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,170	30,170	782,574
Other Financing Sources (Uses)			
Transfers In	35,000	35,000	35,000
Transfers Out	(78,410)	(78,410)	(78,410)
	(43,410)	(43,410)	(43,410)
Net Change in Fund Balance	(13,240)	(13,240)	739,164
Fund Balance - Beginning			553,721
Fund Balance - Ending			1,292,885

VILLAGE OF LIBERTYVILLE, ILLINOIS

Capital Improvement - Capital Projects Fund

Schedule of Expenditures - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Capital Outlay			
Asphalt Resurfacing	\$ 625,000	625,000	624,598
Village Hall	5,000	5,000	-
Civic Center	10,000	10,000	2,466
Fire Stations	10,000	10,000	4,490
Schertz Municipal Building	25,000	25,000	5,665
Park Improvement	837,000	837,000	18,287
Milwaukee Avenue Median	83,330	83,330	73,068
Annual Road Improvement Program	245,000	245,000	185,494
Storm Sewer Improvements	85,000	85,000	-
Engineering Fourth/Garfield	30,000	30,000	27,641
Lake Street Bridge Replacement	25,000	25,000	-
Sidewalks and Bike Paths	24,000	24,000	36,065
Miscellaneous	57,000	57,000	465
Total Expenditures	2,061,330	2,061,330	978,239

VILLAGE OF LIBERTYVILLE, ILLINOIS

Tax Increment Financing Construction - Capital Projects Fund

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 1,300,000	1,300,000	1,452,059
Intergovernmental			
Sales Tax	210,000	210,000	113,360
Interest	10,000	10,000	8,194
Miscellaneous			
Other	-	-	1,936
Total Revenues	<u>1,520,000</u>	<u>1,520,000</u>	<u>1,575,549</u>
Expenditures			
Economic Development			
Intergovernmental Risk Management Agency	45,000	45,000	40,950
Consulting Services	30,000	30,000	38,761
Storm Sewer Improvements	30,000	30,000	-
Landscape/Streetscape	510,000	510,000	597,180
Parking Improvements	35,000	35,000	360
Sidewalk Replacement	5,000	5,000	5,000
Land Acquisition	135,000	135,000	950
Loan Pools	1,580	1,580	620
Miscellaneous	10,000	10,000	19,812
Total Expenditures	<u>801,580</u>	<u>801,580</u>	<u>703,633</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	718,420	718,420	871,916
Other Financing Sources (Uses)			
Sale of Land	1,300,000	1,300,000	-
Transfers Out	(219,120)	(219,120)	(219,120)
	<u>1,080,880</u>	<u>1,080,880</u>	<u>(219,120)</u>
Net Change in Fund Balance	<u>1,799,300</u>	<u>1,799,300</u>	652,796
Fund Balance - Beginning as Restated			<u>(272,073)</u>
Fund Balance - Ending			<u>380,723</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Commuter Parking - Special Revenue Fund**

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2005**

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	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Permit Fees	\$ 128,000	128,000	140,795
Daily Fees	160,200	160,200	135,900
Interest	5,000	5,000	3,152
Miscellaneous	-	-	512
Total Revenues	<u>293,200</u>	<u>293,200</u>	<u>280,359</u>
Expenditures			
General Government	<u>178,990</u>	<u>178,990</u>	<u>157,347</u>
Net Change in Fund Balance	<u>114,210</u>	<u>114,210</u>	123,012
Fund Balance - Beginning			<u>429,909</u>
Fund Balance - Ending			<u>552,921</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Commuter Parking - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual  
Year Ended April 30, 2005**

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	Budget		Actual
	Original	Final	
General Government			
Salaries	\$ 46,610	46,610	48,335
Employer Contribution - IMRF	4,200	4,200	4,172
Employer Contribution - FICA & Medicare	3,640	3,640	3,513
Materials and Supplies	5,000	5,000	487
Electricity	10,000	10,000	5,329
Maintenance - Grounds	58,300	58,300	43,907
Insurance	5,040	5,040	13,973
Intergovernmental Risk Management Agency	10,000	10,000	9,100
Rental of Land	9,700	9,700	9,700
Refunds	1,500	1,500	1,860
Milwaukee Station Improvements	10,000	10,000	740
North Central Station Improvements	10,000	10,000	11,200
Miscellaneous	5,000	5,000	5,031
Total Expenditures	178,990	178,990	157,347

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**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Waterworks and Sewerage - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Sales	\$ 3,781,500	3,781,500	3,637,883
Sewer Service Charges	2,231,500	2,231,500	2,142,981
Damage to Village Property	1,000	1,000	3,829
Meters and Readouts	25,000	25,000	32,156
Miscellaneous	1,000	1,000	14,425
Total Charges for Services	<u>6,040,000</u>	<u>6,040,000</u>	<u>5,831,274</u>
Operating Expenses			
Operations			
Water Operations	3,340,860	3,340,860	3,219,716
Sewer Operations	636,900	636,900	667,936
Wastewater Treatment Plant	953,070	953,070	907,712
Water and Sewer Capital Improvements	10,100	10,100	81,745
Depreciation and Amortization	-	-	1,448,536
Total Operating Expenses	<u>4,940,930</u>	<u>4,940,930</u>	<u>6,325,645</u>
Operating Income (Loss)	<u>1,099,070</u>	<u>1,099,070</u>	<u>(494,371)</u>
Nonoperating Revenues (Expenses)			
Interest Income	160,000	160,000	51,609
Connection Fees	215,000	215,000	504,825
Property Tax	26,840	26,840	26,784
Other Income	-	-	8,000
Interest and Fiscal Charges	(193,550)	(193,550)	(181,943)
	<u>208,290</u>	<u>208,290</u>	<u>409,275</u>
Income (Loss) Before Transfers	1,307,360	1,307,360	(85,096)
Transfers Out	<u>(103,090)</u>	<u>(103,090)</u>	<u>(103,090)</u>
Change in Net Assets	<u>1,204,270</u>	<u>1,204,270</u>	(188,186)
Net Assets - Beginning			<u>24,815,686</u>
Net Assets - Ending			<u>24,627,500</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
<b>Operations</b>			
<b>Water Operations</b>			
Salaries - Administrative	\$ 117,300	117,300	132,221
Salaries - Clerical	149,420	149,420	139,530
Salaries - Engineering	69,800	69,800	70,949
Salaries - Maintenance	307,670	307,670	327,262
Employer Contribution - IMRF	58,460	58,460	55,346
Employer Contribution - FICA & Medicare	45,900	45,900	46,813
Materials and Supplies	8,500	8,500	10,133
Electricity	30,000	30,000	28,234
North Shore Gas	6,500	6,500	6,728
Telephone	11,500	11,500	9,294
Maintenance - Building and Grounds	6,000	6,000	7,803
Maintenance - Motor Vehicles	17,500	17,500	17,500
Maintenance - Other Equipment	6,000	6,000	12,589
Maintenance - Water Lines	20,000	20,000	18,317
Insurance	56,550	56,550	52,050
Intergovernmental Risk Management Agency	22,000	22,000	20,734
Postage	12,700	12,700	10,766
Office Supplies	2,000	2,000	782
Travel, Training, Subscriptions and Dues	250	250	1,255
Technical Services	46,300	46,300	40,521
Meters - New Construction	30,000	30,000	29,016
Credit Card Fees	-	-	548
Uniforms	5,110	5,110	3,964
Bad Debt Expense	6,000	6,000	235
Technology Equipment and Replacement	15,000	15,000	15,000
Vehicle Replacement Fees	36,650	36,650	36,650
Purchase of Water - CLCJAWA	2,253,000	2,253,000	2,125,095
Miscellaneous	750	750	381
	<u>3,340,860</u>	<u>3,340,860</u>	<u>3,219,716</u>
<b>Sewer Operations</b>			
Salaries - Administrative	93,070	93,070	106,317
Salaries - Engineering	69,800	69,800	70,948
Salaries - Maintenance	225,360	225,360	219,880

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
 Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Operations - Continued			
Sewer Operations - Continued			
Employer Contribution - IMRF	\$ 34,900	34,900	32,320
Employer Contribution - FICA & Medicare	26,450	26,450	27,091
Materials and Supplies	3,500	3,500	3,276
County Sewer Service	43,000	43,000	55,100
Telephone	-	-	566
Maintenance - Motor Equipment	13,150	13,150	13,150
Maintenance - Lift Stations	20,100	20,100	37,161
Maintenance - Sewer Lines	36,500	36,500	23,184
Insurance	15,650	15,650	28,321
Intergovernmental Risk Management Agency	22,000	22,000	20,050
Postage	4,000	4,000	4,455
Travel, Training, Subscriptions and Dues	200	200	302
Technical Services	9,000	9,000	6,020
Uniforms	2,170	2,170	2,095
Vehicle Replacement Fees	17,700	17,700	17,700
Miscellaneous	350	350	-
	<u>636,900</u>	<u>636,900</u>	<u>667,936</u>
Wastewater Treatment Plant			
Salaries - Administrative	30,140	30,140	30,287
Salaries - Operators	303,780	303,780	277,157
Employer Contribution - IMRF	33,060	33,060	28,077
Employer Contribution - FICA & Medicare	27,080	27,080	23,283
Materials and Supplies	23,000	23,000	21,787
Chemicals	13,900	13,900	11,774
Electricity	234,500	234,500	202,965
North Shore Gas	28,050	28,050	34,474
Telephone	5,100	5,100	5,867
Maintenance - Building and Grounds	17,800	17,800	15,168
Maintenance - Motor Equipment	4,480	4,480	4,480
Maintenance - Other Equipment	31,500	31,500	44,625
Sludge Removal	99,000	99,000	101,662
Refuse Disposal	5,010	5,010	5,001
Insurance	53,250	53,250	46,095

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Operations - Continued			
Wastewater Treatment Plant - Continued			
Intergovernmental Risk Management Agency	\$ 22,000	22,000	20,371
Travel, Training, Subscriptions and Dues	100	100	70
Technical Services	5,000	5,000	20,439
Uniforms	3,650	3,650	1,700
Vehicle Replacement Fees	12,170	12,170	12,170
Miscellaneous	500	500	260
	<u>953,070</u>	<u>953,070</u>	<u>907,712</u>
Water and Sewer Capital Improvements			
Watermain Replacements	420,000	420,000	263,326
WWTP Improvements	1,034,300	1,034,300	850,506
Butterfield Road Watermain Loop	110,000	110,000	-
Well #12 Inspection	40,000	40,000	12,700
Sanitary Sewer Repairs	250,000	250,000	96,996
Butterfield Corridor Replacement	75,000	75,000	93,009
SCADA Upgrades	5,100	5,100	2,349
Replacement Meters	36,250	36,250	20,513
Hydrants, Valves, Miscellaneous	30,000	30,000	11,636
4th Avenue Watermain	5,000	5,000	-
Water Storage Tank Rehabilitation	332,000	332,000	233,431
Miscellaneous	50,000	50,000	8,366
	<u>2,387,650</u>	<u>2,387,650</u>	<u>1,592,832</u>
Less Nonoperating Items			
Fixed Assets Capitalized	(2,377,550)	(2,377,550)	(1,511,087)
	<u>10,100</u>	<u>10,100</u>	<u>81,745</u>
Total Operations	<u>4,940,930</u>	<u>4,940,930</u>	<u>4,877,109</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Waterworks and Sewerage - Enterprise Fund**

**Schedule of Capital Assets and Depreciation  
Year Ended April 30, 2005**

	Capital Assets			
	Balances Beginning	Additions	Retirements/ Transfers	Balances Ending
Land and Improvements	\$ 68,920	-	-	68,920
Buildings and Improvements	8,068,322	222,128	-	8,290,450
Machinery and Equipment	3,224,782	-	-	3,224,782
Waterworks System	17,268,716	1,099,168	-	18,367,884
Sewerage System	19,220,180	189,791	-	19,409,971
Total Fixed Assets	<u>47,850,920</u>	<u>1,511,087</u>	-	<u>49,362,007</u>
	Accumulated Depreciation			
	Balances Beginning	Additions	Retirements/ Transfers	Balances Ending
Buildings and Improvements	6,728,982	241,774	-	6,970,756
Machinery and Equipment	2,960,398	54,795	-	3,015,193
Waterworks System	6,191,517	511,893	-	6,703,410
Sewerage System	7,152,527	626,621	-	7,779,148
Total Accumulated Depreciation	<u>23,033,424</u>	<u>1,435,083</u>	-	<u>24,468,507</u>
Total Fixed Assets (Net of Accumulated Depreciation)	<u>24,817,496</u>			<u>24,893,500</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Indoor Sports Center	\$ 3,332,170	3,332,170	2,816,046
Golf Learning Center	689,680	689,680	589,367
Family Entertainment Center	277,060	277,060	207,814
Total Operating Revenues	<u>4,298,910</u>	<u>4,298,910</u>	<u>3,613,227</u>
Operating Expenses			
Operations			
Indoor Sports Center	2,147,086	2,147,086	1,919,823
Golf Learning Center	431,592	431,592	450,020
Family Entertainment Center	65,419	65,419	41,490
Depreciation and Amortization	-	-	794,276
Total Operating Expenses	<u>2,644,097</u>	<u>2,644,097</u>	<u>3,205,609</u>
Operating Income	<u>1,654,813</u>	<u>1,654,813</u>	<u>407,618</u>
Nonoperating Revenues (Expenses)			
Interest Income	-	-	4,770
Interest and Fiscal Charges	(1,071,501)	(1,071,501)	(1,347,613)
	<u>(1,071,501)</u>	<u>(1,071,501)</u>	<u>(1,342,843)</u>
Change in Net Assets	<u>583,312</u>	<u>583,312</u>	(935,225)
Net Assets - Beginning			<u>(3,698,475)</u>
Net Assets - Ending			<u>(4,633,700)</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Libertyville Sports Complex - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Operations			
Indoor Sports Center			
Salaries - Administrative	\$ 186,470	186,470	164,950
Salaries - Maintenance	100,386	100,386	73,490
Salaries - Fitness	282,100	282,100	273,585
Salaries - Conference/Front Desk/Parties	192,650	192,650	142,872
Salaries - Programs	178,000	178,000	143,060
Employer Contribution - IMRF	34,780	34,780	32,442
Employer Contribution - FICA & Medicare	79,500	79,500	59,842
Unemployment Benefits	-	-	6,194
Materials and Supplies	37,170	37,170	26,440
Contracted Services	143,450	143,450	139,423
Electricity	180,000	180,000	164,691
North Shore Gas	25,000	25,000	25,518
Telephone	8,000	8,000	5,665
Maintenance - Building	166,920	166,920	204,858
Maintenance - Independent Contractors	133,610	133,610	108,540
Maintenance - Grounds	12,470	12,470	13,564
Materials and Supplies - Soccer	1,500	1,500	612
Corporate Contracted Services	104,000	104,000	134,819
Insurance	71,050	71,050	59,275
Intergovernmental Risk Management Agency	35,000	35,000	31,900
Office Supplies	2,500	2,500	3,259
Materials and Supplies - Adult Athletic Programs	15,000	15,000	14,967
Travel, Training, Subscriptions and Dues	500	500	432
Materials and Supplies - Conference Rooms	2,890	2,890	4,594
Materials and Supplies - Fitness	10,780	10,780	8,279
Credit Card Bank Fee	15,480	15,480	24,631
Club Volleyball	53,450	53,450	10,044
Photoprocessing	7,830	7,830	7,785
Refunds	-	-	1,435
Climbing Wall/Front Desk	8,350	8,350	2,357
Uniforms	-	-	219
Fitness Equipment Lease	56,850	56,850	-
Cash Short/Over	-	-	582
Capital Outlays	1,400	1,400	27,527
Miscellaneous	-	-	1,972
	<u>2,147,086</u>	<u>2,147,086</u>	<u>1,919,823</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Operations - Continued			
Golf Learning Center			
Salaries - Administrative	\$ 26,240	26,240	25,382
Salaries - Maintenance	70,272	70,272	83,259
Salaries - Pro Shop	40,000	40,000	47,933
Salaries - Instructors	37,600	37,600	25,942
Salaries - Range Attendants	20,840	20,840	27,425
Employer Contribution - IMRF	12,890	12,890	10,051
Employer Contribution - FICA & Medicare	19,950	19,950	15,997
Unemployment Benefits	-	-	7,498
Materials and Supplies	1,500	1,500	1,215
Electricity	17,000	17,000	10,683
North Shore Gas	2,500	2,500	10,642
Telephone	-	-	3,164
Maintenance - Building	12,450	12,450	7,746
Maintenance - Grounds	21,950	21,950	22,056
Maintenance - Motor Vehicle Fees	-	-	108
Maintenance - Other Equipment	6,100	6,100	8,007
Insurance	12,520	12,520	10,432
Intergovernmental Risk Management Agency	15,000	15,000	13,650
Postage	500	500	25
Office Supplies	1,000	1,000	617
Publicity	5,000	5,000	5,999
Travel, Training, Subscriptions and Dues	1,400	1,400	1,018
Materials and Supplies - Pro Shop	41,000	41,000	5,141
Materials and Supplies - Lessons	4,250	4,250	4,989
Pro Shop Merchandise	40,000	40,000	56,519
Credit Card Bank Fee	5,000	5,000	-
Photoprocessing	3,880	3,880	2,666
Uniforms	2,250	2,250	576
Capital Outlays	7,500	7,500	41,026
Miscellaneous	3,000	3,000	254
	<u>431,592</u>	<u>431,592</u>	<u>450,020</u>
Family Entertainment Center			
Salaries - Administrative	17,300	17,300	11,120
Salaries - Maintenance	25,212	25,212	26,586
Salaries - Attendants	32,970	32,970	27,504

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Libertyville Sports Complex - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Operations - Continued			
Family Entertainment Center - Continued			
Employer Contribution - IMRF	\$ 4,500	4,500	2,907
Employer Contribution - FICA & Medicare	6,350	6,350	4,924
Materials and Supplies	1,750	1,750	889
Electricity	4,500	4,500	6,104
North Shore Gas	1,200	1,200	3,181
Telephone	600	600	1,863
Maintenance - Building	9,900	9,900	5,235
Maintenance - Grounds	2,900	2,900	1,563
Catering/Rental Insurance	5,200	5,200	-
Intergovernmental Risk Management Agency	8,000	8,000	7,280
Office Supplies	1,000	1,000	68
Materials and Supplies - Mini Golf	1,310	1,310	141
Materials and Supplies - Birthday Parties	600	600	18
Materials and Supplies - Batting Cages	1,560	1,560	1,256
Photoprocessing	780	780	764
Uniforms	300	300	200
Miscellaneous	-	-	400
	<u>125,932</u>	<u>125,932</u>	<u>102,003</u>
Less Nonoperating Items			
Fixed Assets Capitalized	<u>(60,513)</u>	<u>(60,513)</u>	<u>(60,513)</u>
	<u>65,419</u>	<u>65,419</u>	<u>41,490</u>
 Total Operating Expenses	 <u>2,644,097</u>	 <u>2,644,097</u>	 <u>2,411,333</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

Schedule of Capital Assets and Depreciation

Year Ended April 30, 2005

	Capital Assets			Balances Ending
	Balances Beginning	Additions	Retirements/ Transfers	
Land and Improvements	\$ 4,832,085	-	-	4,832,085
Buildings and Improvements	18,108,288	-	-	18,108,288
Machinery and Equipment	1,426,474	60,513	-	1,486,987
<b>Total Fixed Assets</b>	<b>24,366,847</b>	<b>60,513</b>	<b>-</b>	<b>24,427,360</b>

	Accumulated Depreciation			Balances Ending
	Balances Beginning	Additions	Retirements/ Transfers	
Buildings and Improvements	927,427	650,548	-	1,135,563
Machinery and Equipment	208,136	143,728	-	351,864
<b>Total Accumulated Depreciation</b>	<b>1,135,563</b>	<b>794,276</b>	<b>-</b>	<b>1,929,839</b>
<b>Total Fixed Assets (Net of Accumulated Depreciation)</b>	<b>23,231,284</b>			<b>22,497,521</b>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Combining Schedule of Net Assets - Internal Service Funds  
April 30, 2005

ASSETS	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
<b>Current Assets</b>			
Cash and Investments	\$ 722,181	-	722,181
Receivables - Net of Allowances			
Accounts	619	526	1,145
Accrued Interest	41	-	41
Due from Other Funds	21,183	-	21,183
Inventory	15,846	-	15,846
	<u>759,870</u>	<u>526</u>	<u>760,396</u>
<b>Capital Assets</b>			
Machinery and Equipment	4,126,334	534,921	4,661,255
Accumulated Depreciation	(1,966,311)	(515,545)	(2,481,856)
	<u>2,160,023</u>	<u>19,376</u>	<u>2,179,399</u>
<b>Total Assets</b>	<u>2,919,893</u>	<u>19,902</u>	<u>2,939,795</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	18,691	5,432	24,123
Accrued Payroll	11,777	3,563	15,340
Deferred Revenues	-	494,000	494,000
Due to Other Funds	-	20,148	20,148
Compensated Absences Payable	4,584	-	4,584
Installment Contracts Payable	83,630	19,705	103,335
	<u>118,682</u>	<u>542,848</u>	<u>661,530</u>
<b>Noncurrent Liabilities</b>			
Compensated Absences Payable	18,334	-	18,334
Installment Contracts Payable	257,640	-	257,640
	<u>275,974</u>	<u>-</u>	<u>275,974</u>
<b>Total Liabilities</b>	<u>394,656</u>	<u>542,848</u>	<u>937,504</u>
<b>NET ASSETS</b>			
Invested in Capital Assets - Net of Related Debt	1,818,753	(329)	1,818,424
Unrestricted	706,484	(522,617)	183,867
	<u>2,525,237</u>	<u>(522,946)</u>	<u>2,002,291</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Combining Schedule of Revenues, Expenses, and Changes in Net Assets  
Internal Service Funds  
Year Ended April 30, 2005**

	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
Operating Revenues			
Interfund Services	\$ 1,023,253	29,600	1,052,853
Operating Expenses			
Operations	794,300	237,825	1,032,125
Depreciation	428,619	54,665	483,284
Total Operating Expenses	1,222,919	292,490	1,515,409
Operating Income (Loss)	(199,666)	(262,890)	(462,556)
Nonoperating Revenues (Expenses)			
Interest Income	10,012	2,656	12,668
Other Income	22,830	30,239	53,069
Interest and Fiscal Charges	(17,304)	-	(17,304)
	15,538	32,895	48,433
Change in Net Assets	(184,128)	(229,995)	(414,123)
Net Assets - Beginning	2,709,365	(292,951)	2,416,414
Net Assets - Ending	2,525,237	(522,946)	2,002,291

VILLAGE OF LIBERTYVILLE, ILLINOIS

Combining Schedule of Cash Flows - Internal Service Funds  
Year Ended April 30, 2005

	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
<b>Cash Flows from Operating Activities</b>			
Receipts from Interfund Services	\$ 1,001,408	30,477	1,031,885
Payments to Employees	(279,667)	(72,011)	(351,678)
Payments to Suppliers	(505,920)	(186,033)	(691,953)
	<u>215,821</u>	<u>(227,567)</u>	<u>(11,746)</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Other Income	22,830	30,239	53,069
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchase of Capital Assets	(321,542)	-	(321,542)
Issuance of Capital Debt	176,978	-	176,978
Interest on Capital Debt	(17,304)	-	(17,304)
Principal on Capital Debt	(217,445)	(32,678)	(250,123)
	<u>(379,313)</u>	<u>(32,678)</u>	<u>(411,991)</u>
<b>Cash Flows from Investing Activities</b>			
Interest Received	10,012	2,656	12,668
Net Change in Cash and Cash Equivalents	(130,650)	(227,350)	(358,000)
Cash and Cash Equivalents - Beginning	852,831	227,350	1,080,181
Cash and Cash Equivalents - Ending	<u>722,181</u>	<u>-</u>	<u>722,181</u>
<b>Reconciliation of Operating Income to Net Cash</b>			
Provided (Used) by Operating Activities			
Operating Income (Loss)	(199,666)	(262,890)	(462,556)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation and Amortization Expense	428,619	54,665	483,284
(Increase) Decrease in Current Assets	(21,845)	877	(20,968)
Increase (Decrease) in Current Liabilities	8,713	(20,219)	(11,506)
Net Cash Provided by Operating Activities	<u>215,821</u>	<u>(227,567)</u>	<u>(11,746)</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Vehicle Maintenance and Replacement Service - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Assets  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund services	\$ 1,040,200	1,040,200	1,023,253
Operating Expenses			
Operations	694,938	694,938	794,300
Depreciation	-	-	428,619
Total Operating Expenses	694,938	694,938	1,222,919
Operating Income (Loss)	345,262	345,262	(199,666)
Nonoperating Revenues (Expenses)			
Interest Income	20,000	20,000	10,012
Other Income	35,000	35,000	22,830
Interest and Fiscal Charges	(236,780)	(236,780)	(17,304)
	(181,780)	(181,780)	15,538
Change in Net Assets	163,482	163,482	(184,128)
Net Assets - Beginning			2,709,365
Net Assets - Ending			2,525,237

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Vehicle Maintenance and Replacement Service - Internal Service Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Operations			
Salaries - Administration	\$ 80,440	80,440	83,625
Salaries - Clerical	4,280	4,280	6,389
Salaries - Maintenance	170,640	170,640	189,653
Employer Contribution - IMRF	-	-	22,716
Employer Contribution - FICA & Medicare	-	-	18,834
Shop Supplies	5,500	5,500	2,819
Tools	4,000	4,000	2,427
Telephone	500	500	566
Gasoline and Oil	134,100	134,100	149,245
Maintenance Shop Facilities	1,000	1,000	359
Vehicle Washing	5,400	5,400	3,314
Non-Stocked Vehicle Parts	106,800	106,800	62,318
Maintenance Other Equipment	9,000	9,000	10,234
Insurance	46,200	46,200	53,949
Intergovernmental Risk Management Agency	12,500	12,500	12,875
Communication Equipment Maintenance	-	-	463
Travel, Training and Dues	170	170	204
Contractual Repair Services	10,000	10,000	20,500
Uniforms	3,250	3,250	2,706
License, Title and Inspection Fees	2,600	2,600	2,953
Vehicle Replacement Costs	316,500	316,500	337,089
Fire Contractual Repairs	81,600	81,600	111,061
Police Contractual Repairs	4,000	4,000	11,470
Accident Damage Expense	15,000	15,000	7,519
Capital Outlay	2,000	2,000	1,800
Miscellaneous	1,000	1,000	754
	<u>1,016,480</u>	<u>1,016,480</u>	<u>1,115,842</u>
Less Nonoperating Items			
Fixed Assets Capitalized	(321,542)	(321,542)	(321,542)
	<u>694,938</u>	<u>694,938</u>	<u>794,300</u>
Total Operations	<u>694,938</u>	<u>694,938</u>	<u>794,300</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Vehicle Maintenance and Replacement Service - Internal Service Fund

Schedule of Capital Assets and Depreciation  
Year Ended April 30, 2005

	Capital Assets			
	Balances Beginning	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	\$ 3,804,792	321,542	-	4,126,334

	Accumulated Depreciation			
	Balances Beginning	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	1,537,692	428,619	-	1,966,311
Total Fixed Assets (Net of Accumulated Depreciation)	2,267,100			2,160,023

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Technology Equipment and Replacement Service - Internal Service Fund**

**Schedule of Revenues, Expenses and Changes in Net Assets  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund services	\$ 29,600	29,600	29,600
Operating Expenses			
Operations	275,540	275,540	237,825
Depreciation	-	-	54,665
Total Operating Expenses	275,540	275,540	292,490
Operating Income (Loss)	(245,940)	(245,940)	(262,890)
Nonoperating Revenues			
Interest Income	-	-	2,656
Other Income	103,950	103,950	30,239
	103,950	103,950	32,895
Change in Net Assets	(141,990)	(141,990)	(229,995)
Net Assets - Beginning			(292,951)
Net Assets - Ending			(522,946)

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Technology Equipment Replacement - Internal Service Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
Operations			
Salaries Administration	\$ 71,000	71,000	72,011
Employer Contribution - IMRF	-	-	6,372
Employer Contribution - FICA & Medicare	-	-	5,498
Computer Supplies	12,000	12,000	8,846
Telephone	-	-	3,100
Wireless Service	36,000	36,000	24,979
Hardware Maintenance	4,000	4,000	2,973
Internet Access	14,900	14,900	15,126
Insurance	100	100	98
Travel, Training, Subscriptions and Dues	500	500	-
Consulting Services	10,000	10,000	10,485
Software, Licensing and Updates	44,490	44,490	42,775
Web Page Services	20,000	20,000	18,775
Computer Leases	40,450	40,450	6,659
Capital Outlay	21,600	21,600	18,925
Miscellaneous	500	500	1,203
<b>Total Operations</b>	<b>275,540</b>	<b>275,540</b>	<b>237,825</b>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Technology Equipment Replacement - Internal Service Fund

Schedule of Capital Assets and Depreciation

Year Ended April 30, 2005

	Capital Assets			
	Balances Beginning	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	\$ 534,921	-	-	534,921

	Accumulated Depreciation			
	Balances Beginning	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	460,880	54,665	-	515,545
Total Fixed Assets (Net of Accumulated Depreciation)	74,041			19,376

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Pension Trust Funds**

**Combining Schedule of Net Plan Assets  
April 30, 2005**

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	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 656,427	1,263,289	1,919,716
<b>Investments</b>			
State and Local Obligations	568,238	-	568,238
U.S. Government and Agency Obligations	6,983,970	5,543,881	12,527,851
Mutual Funds	6,893,950	5,575,030	12,468,980
Receivables - Accrued Interest	165,504	73,011	238,515
<b>Total Assets</b>	<u>15,268,089</u>	<u>12,455,211</u>	<u>27,723,300</u>
<b>Liabilities</b>			
Accounts Payable	-	6,778	6,778
<b>Net Plan Assets Held in Trust for Pension Benefits</b> (A schedule of funding progress is presented following the notes to the financial statements)			
	<u>15,268,089</u>	<u>12,448,433</u>	<u>27,716,522</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Pension Trust Funds**

**Combining Schedule of Changes in Net Plan Assets  
Year Ended April 30, 2005**

	Police Pension	Firefighters' Pension	Totals
<b>Additions</b>			
Contributions - Employer	\$ 670,984	519,107	1,190,091
Contributions - Plan Members	277,966	188,009	465,975
<b>Total Contributions</b>	<b>948,950</b>	<b>707,116</b>	<b>1,656,066</b>
<b>Investment Income</b>			
Interest Earned	674,956	439,473	1,114,429
Net Change in Fair Value	223,379	98,603	321,982
	898,335	538,076	1,436,411
Less Investment Expenses	(30,492)	(26,025)	(56,517)
	867,843	512,051	1,379,894
<b>Total Additions</b>	<b>1,816,793</b>	<b>1,219,167</b>	<b>3,035,960</b>
<b>Deductions</b>			
Administration	21,866	9,295	31,161
Benefits and Refunds			
Benefits	944,399	450,800	1,395,199
Refunds	-	2,756	2,756
<b>Total Deductions</b>	<b>966,265</b>	<b>462,851</b>	<b>1,429,116</b>
<b>Change in Net Assets</b>	<b>850,528</b>	<b>756,316</b>	<b>1,606,844</b>
<b>Net Plan Assets Held in Trust for Pension Benefits</b>			
Beginning	14,417,561	11,692,117	26,109,678
Ending	15,268,089	12,448,433	27,716,522

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Police Pension - Pension Trust Fund**

**Schedule of Changes in Net Plan Assets - Budget and Actual  
Year Ended April 30, 2005**

	Budget		Actual
	Original	Final	
<b>Additions</b>			
Contributions - Employer	\$ 667,000	667,000	670,984
Contributions - Plan Members	275,000	275,000	277,966
Total Contributions	<u>942,000</u>	<u>942,000</u>	<u>948,950</u>
Investment Income			
Interest Earned	350,000	350,000	674,956
Net Change in Fair Value	-	-	223,379
	<u>350,000</u>	<u>350,000</u>	<u>898,335</u>
Less Investment Expenses	(30,000)	(30,000)	(30,492)
	<u>320,000</u>	<u>320,000</u>	<u>867,843</u>
Net Investment Income			
Total Additions	<u>1,262,000</u>	<u>1,262,000</u>	<u>1,816,793</u>
<b>Deductions</b>			
Administration	24,500	24,500	21,866
Benefits and Refunds			
Benefits	855,000	855,000	944,399
Refunds	20,000	20,000	-
Total Deductions	<u>899,500</u>	<u>899,500</u>	<u>966,265</u>
<b>Change in Net Assets</b>	<u>362,500</u>	<u>362,500</u>	850,528
<b>Net Plan Assets Held in Trust for Pension Benefits</b>			
Beginning			<u>14,417,561</u>
Ending			<u>15,268,089</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual  
Year Ended April 30, 2005

	Budget		Actual
	Original	Final	
<b>Additions</b>			
Contributions - Employer	\$ 516,000	516,000	519,107
Contributions - Plan Members	195,000	195,000	188,009
Total Contributions	<u>711,000</u>	<u>711,000</u>	<u>707,116</u>
Investment Income			
Interest Earned	275,000	275,000	439,473
Net Change in Fair Value	-	-	98,603
	<u>275,000</u>	<u>275,000</u>	<u>538,076</u>
Less Investment Expenses	(25,000)	(25,000)	(26,025)
Net Investment Income	<u>250,000</u>	<u>250,000</u>	<u>512,051</u>
Total Additions	<u>961,000</u>	<u>961,000</u>	<u>1,219,167</u>
<b>Deductions</b>			
Administration	14,000	14,000	9,295
Benefits and Refunds			
Benefits	421,500	421,500	450,800
Refunds	20,000	20,000	2,756
Total Deductions	<u>455,500</u>	<u>455,500</u>	<u>462,851</u>
Change in Net Assets	<u>505,500</u>	<u>505,500</u>	756,316
<b>Net Plan Assets Held in Trust for Pension Benefits</b>			
Beginning			<u>11,692,117</u>
Ending			<u>12,448,433</u>

## **CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**

Capital Assets used in the operation of governmental funds include only the capital asset balances related to governmental funds.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Schedule of Governmental Capital Assets - By Source**  
**April 30, 2005**

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**GOVERNMENTAL CAPITAL ASSETS**

Land and Improvements	\$ 24,449,821
Buildings and Improvements	15,922,818
Machinery and Equipment	<u>8,053,703</u>
	<u><u>48,426,342</u></u>

**INVESTMENT IN**  
**GOVERNMENTAL CAPITAL ASSETS BY SOURCE**

General Revenues	29,418,342
Bond Issue Proceeds	<u>19,008,000</u>
	<u><u>48,426,342</u></u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Schedule of Governmental Capital Assets - By Function and Activity  
April 30, 2005

	Land and Improvements	Buildings and Improvements	Machinery and Equipment	Totals
General Government	\$ 2,902,201	2,978,743	842,881	6,723,825
Public Safety				
Police Protection	236,213	1,870,184	1,630,536	3,736,933
Fire Protection	749,016	1,701,722	2,239,334	4,690,072
Public Works	1,478,881	3,129,929	1,706,205	6,315,015
Culture and Recreation				
Parks and Recreation	16,234,762	2,796,516	1,444,245	20,475,523
Golf Course	490,194	1,111,346	60,563	1,662,103
Swimming Pool	2,358,554	2,334,378	129,939	4,822,871
	24,449,821	15,922,818	8,053,703	48,426,342

VILLAGE OF LIBERTYVILLE, ILLINOIS

Schedule of Changes in Governmental Capital Assets - By Function and Activity  
 Year Ended April 30, 2005

	Beginning Balances	Additions / Transfers	Deletions	Ending Balances
General Government	\$ 6,723,825	-	-	6,723,825
Public Safety				
Police Protection	3,736,933	-	-	3,736,933
Fire Protection	4,690,072	-	-	4,690,072
Public Works	4,994,614	1,320,401	-	6,315,015
Culture and Recreation				
Parks and Recreation	20,475,523	-	-	20,475,523
Golf Course	1,662,103	-	-	1,662,103
Swimming Pool	4,822,871	-	-	4,822,871
	<u>47,105,941</u>	<u>1,320,401</u>	<u>-</u>	<u>48,426,342</u>

## **SUPPLEMENTAL SECTION**

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Sales Tax Alternative Revenue Bond Series of 1997**

**April 30, 2005**

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Date of Issue	December 15, 1997
Date of Maturity	December 15, 2017
Authorized Issue	\$1,000,000
Denomination of Bonds	\$5,000
Interest Rates	4.375% to 5.150%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ 45,000	36,607	81,607	2004	18,304	2004	18,303
2005	45,000	34,583	79,583	2005	17,291	2005	17,292
2006	45,000	32,535	77,535	2006	16,267	2006	16,268
2007	50,000	30,465	80,465	2007	15,233	2007	15,232
2008	50,000	28,115	78,115	2008	14,057	2008	14,058
2009	55,000	25,715	80,715	2009	12,858	2009	12,857
2010	55,000	23,047	78,047	2010	11,523	2010	11,524
2011	60,000	20,353	80,353	2011	10,177	2011	10,176
2012	60,000	17,352	77,352	2012	8,676	2012	8,676
2013	65,000	14,353	79,353	2013	7,177	2013	7,176
2014	70,000	11,037	81,037	2014	5,519	2014	5,518
2015	70,000	7,468	77,468	2015	3,734	2015	3,734
2016	75,000	3,862	78,862	2016	1,931	2016	1,931
	<u>745,000</u>	<u>285,492</u>	<u>1,030,492</u>		<u>142,747</u>		<u>142,745</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Sales Tax Alternative Revenue Bond Series of 1998  
April 30, 2005**

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Date of Issue	November 15, 1998
Date of Maturity	December 15, 2008
Authorized Issue	\$3,695,000
Denomination of Bonds	\$5,000
Interest Rates	3.60% to 3.75%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ 390,000	61,083	451,083	2005	30,541	2005	30,542
2005	405,000	46,652	451,652	2006	23,326	2006	23,326
2006	415,000	31,668	446,668	2007	15,834	2007	15,834
2007	435,000	16,313	451,313	2008	8,157	2008	8,156
	<u>1,645,000</u>	<u>155,716</u>	<u>1,800,716</u>		<u>77,858</u>		<u>77,858</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Limited Tax Bond Series of 2000  
April 30, 2005**

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Date of Issue	July 15, 2000
Date of Maturity	December 15, 2019
Authorized Issue	\$1,800,000
Denomination of Bonds	\$5,000
Interest Rates	5.20% to 5.70%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ 30,000	94,808	124,808	2004	47,404	2004	47,404
2005	10,000	93,232	103,232	2005	46,616	2005	46,616
2006	15,000	92,708	107,708	2006	46,354	2006	46,354
2007	25,000	91,920	116,920	2007	45,960	2007	45,960
2008	30,000	90,606	120,606	2008	45,303	2008	45,303
2009	35,000	89,032	124,032	2009	44,516	2009	44,516
2010	140,000	87,194	227,194	2010	43,597	2010	43,597
2011	150,000	79,844	229,844	2011	39,922	2011	39,922
2012	155,000	71,970	226,970	2012	35,985	2012	35,985
2013	165,000	63,754	228,754	2013	31,877	2013	31,877
2014	175,000	54,844	229,844	2014	27,422	2014	27,422
2015	185,000	45,308	230,308	2015	22,654	2015	22,654
2016	195,000	35,040	230,040	2016	17,520	2016	17,520
2017	210,000	24,122	234,122	2017	12,061	2017	12,061
2018	215,000	12,256	227,256	2018	6,128	2018	6,128
	<u>1,735,000</u>	<u>1,026,638</u>	<u>2,761,638</u>		<u>513,319</u>		<u>513,319</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bond Series of 2001  
April 30, 2005**

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Date of Issue	October 23, 2001
Date of Maturity	December 15, 2008
Authorized Issue	\$2,600,000
Denomination of Bonds	\$5,000
Interest Rates	3.25% to 3.75%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ 375,000	53,376	428,376	2004	26,688	2004	26,688
2005	380,000	41,188	421,188	2005	20,594	2005	20,594
2006	390,000	28,838	418,838	2006	14,419	2006	14,419
2007	400,000	15,188	415,188	2007	7,594	2007	7,594
	<u>1,545,000</u>	<u>138,590</u>	<u>1,683,590</u>		<u>69,295</u>		<u>69,295</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bond Series of 2003A  
April 30, 2005**

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Date of Issue	November 15, 2003
Date of Maturity	December 15, 2010
Authorized Issue	\$665,000
Denomination of Bonds	\$5,000
Interest Rates	1.50% to 2.90%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ 80,000	12,442	92,442	2005	6,221	2005	6,221
2005	105,000	11,042	116,042	2006	5,521	2006	5,521
2006	100,000	9,206	109,206	2007	4,603	2007	4,603
2007	115,000	7,206	122,206	2008	3,603	2008	3,603
2008	100,000	4,674	104,674	2009	2,337	2009	2,337
2009	75,000	2,174	77,174	2010	1,087	2010	1,087
	<u>575,000</u>	<u>46,744</u>	<u>621,744</u>		<u>23,372</u>		<u>23,372</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bond Series of 2003B**

**April 30, 2005**

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Date of Issue	November 15, 2003
Date of Maturity	December 15, 2008
Authorized Issue	\$1,360,000
Denomination of Bonds	\$5,000
Interest Rates	1.50% to 2.90%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ 270,000	21,220	291,220	2005	10,610	2005	10,610
2005	270,000	16,494	286,494	2006	8,247	2006	8,247
2006	275,000	11,770	286,770	2007	5,885	2007	5,885
2007	285,000	6,270	291,270	2008	3,135	2008	3,135
	<u>1,100,000</u>	<u>55,754</u>	<u>1,155,754</u>		<u>27,877</u>		<u>27,877</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Alternate Revenue Bond Series of 2000  
April 30, 2005**

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Date of Issue	December 15, 2000
Date of Maturity	December 15, 2020
Authorized Issue	\$5,000,000
Denomination of Bonds	\$5,000
Interest Rates	5.125% to 5.150%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ 195,000	237,582	432,582	2004	118,791	2004	118,791
2005	205,000	227,588	432,588	2005	113,794	2005	113,794
2006	215,000	217,082	432,082	2006	108,541	2006	108,541
2007	225,000	206,062	431,062	2007	103,031	2007	103,031
2008	235,000	194,532	429,532	2008	97,266	2008	97,266
2009	250,000	182,488	432,488	2009	91,244	2009	91,244
2010	260,000	169,674	429,674	2010	84,837	2010	84,837
2011	275,000	156,350	431,350	2011	78,175	2011	78,175
2012	285,000	142,256	427,256	2012	71,128	2012	71,128
2013	300,000	127,650	427,650	2013	63,825	2013	63,825
2014	320,000	112,276	432,276	2014	56,138	2014	56,138
2015	335,000	95,876	430,876	2015	47,938	2015	47,938
2016	355,000	78,706	433,706	2016	39,353	2016	39,353
2017	370,000	60,512	430,512	2017	30,256	2017	30,256
2018	390,000	41,458	431,458	2018	20,729	2018	20,729
2019	415,000	21,370	436,370	2019	10,685	2019	10,685
	<u>4,630,000</u>	<u>2,271,462</u>	<u>6,901,462</u>		<u>1,135,731</u>		<u>1,135,731</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Waterworks and Sewerage Bond Series of 2001A  
April 30, 2005**

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Date of Issue	October 23, 2001
Date of Maturity	May 1, 2013
Authorized Issue	\$5,290,000
Denomination of Bonds	\$5,000
Interest Rates	3.20% to 4.25%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2004	\$ 635,000	119,538	754,538	2004	64,849	2004	54,689
2005	615,000	99,538	714,538	2005	54,689	2005	44,849
2006	290,000	84,622	374,622	2006	44,848	2006	39,774
2007	310,000	73,813	383,813	2007	39,774	2007	34,039
2008	305,000	62,283	367,283	2008	34,039	2008	28,244
2009	320,000	50,079	370,079	2009	28,235	2009	21,844
2010	335,000	36,988	371,988	2010	21,844	2010	15,144
2011	350,000	23,113	373,113	2011	15,144	2011	7,969
2012	375,000	7,969	382,969	2012	7,969	2012	-
	<u>3,535,000</u>	<u>557,943</u>	<u>4,092,943</u>		<u>311,391</u>		<u>246,552</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Sports Complex Bond Series of 2001  
April 30, 2005**

Date of Issue	May 15, 2001
Date of Maturity	December 15, 2020
Authorized Issue	\$17,800,000
Denomination of Bonds	\$5,000
Interest Rates	4.250% to 5.125%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ 310,000	842,944	1,152,944	2004	421,472	2004	421,472
2005	355,000	829,768	1,184,768	2005	414,884	2005	414,884
2006	700,000	814,238	1,514,238	2006	407,119	2006	407,119
2007	935,000	783,612	1,718,612	2007	391,806	2007	391,806
2008	970,000	742,706	1,712,706	2008	371,353	2008	371,353
2009	1,015,000	699,056	1,714,056	2009	349,528	2009	349,528
2010	1,050,000	653,382	1,703,382	2010	326,691	2010	326,691
2011	1,095,000	600,882	1,695,882	2011	300,441	2011	300,441
2012	1,145,000	546,132	1,691,132	2012	273,066	2012	273,066
2013	1,195,000	488,882	1,683,882	2013	244,441	2013	244,441
2014	1,255,000	429,132	1,684,132	2014	214,566	2014	214,566
2015	1,315,000	366,382	1,681,382	2015	183,191	2015	183,191
2016	1,380,000	300,632	1,680,632	2016	150,316	2016	150,316
2017	1,450,000	231,632	1,681,632	2017	115,816	2017	115,816
2018	1,515,000	159,132	1,674,132	2018	79,566	2018	79,566
2019	1,590,000	81,488	1,671,488	2019	40,744	2019	40,744
	<u>17,275,000</u>	<u>8,570,000</u>	<u>25,845,000</u>		<u>4,285,000</u>		<u>4,285,000</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bond Series of 2004  
April 30, 2005**

Date of Issue	May 11, 2004
Date of Maturity	December 15, 2020
Authorized Issue	\$2,435,000
Denomination of Bonds	\$5,000
Interest Rates	4.10% to 4.45%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Wells Fargo Bank, NA Chicago, Illinois

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2004	\$ -	55,709	55,709			2004	55,709
2005	-	103,378	103,378	2005	51,689	2005	51,689
2006	-	103,378	103,378	2006	51,689	2006	51,689
2007	-	103,378	103,378	2007	51,689	2007	51,689
2008	125,000	103,378	228,378	2008	51,689	2008	51,689
2009	140,000	98,252	238,252	2009	49,126	2009	49,126
2010	140,000	92,512	232,512	2010	46,256	2010	46,256
2011	155,000	86,772	241,772	2011	43,386	2011	43,386
2012	165,000	80,418	245,418	2012	40,209	2012	40,209
2013	180,000	73,652	253,652	2013	36,826	2013	36,826
2014	195,000	66,272	261,272	2014	33,136	2014	33,136
2015	195,000	58,278	253,278	2015	29,139	2015	29,139
2016	210,000	50,088	260,088	2016	25,044	2016	25,044
2017	215,000	41,058	256,058	2017	20,529	2017	20,529
2018	225,000	31,704	256,704	2018	15,852	2018	15,852
2019	240,000	21,806	261,806	2019	10,903	2019	10,903
2020	250,000	11,124	261,124	2020	5,562	2020	5,562
	<u>2,435,000</u>	<u>1,181,157</u>	<u>3,616,157</u>		<u>562,724</u>		<u>618,433</u>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Long-Term Debt Requirements**

**IEPA Sewer Revenue Bond Series of 1999**

**April 30, 2005**

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Date of Issue	March 1, 1995
Date of Maturity	September 1, 2014
Authorized Issue	\$2,854,333.36
Interest Rates	3.015%
Interest Dates	March 1 and September 1
Principal Maturity Date	March 1 and September 1
Payable at	Illinois Environmental Protection Agency

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements		
	Principal	Interest	Totals
2006	\$ 149,292	47,605	196,897
2007	153,827	43,070	196,897
2008	158,500	38,397	196,897
2009	163,315	33,583	196,898
2010	168,276	28,622	196,898
2011	173,388	23,510	196,898
2012	178,654	18,243	196,897
2013	184,082	12,816	196,898
2014	189,673	7,224	196,897
2015	96,988	1,462	98,450
	<u>1,615,995</u>	<u>254,532</u>	<u>1,870,527</u>

## **STATISTICAL SECTION**

**(Unaudited)**

This section includes selected financial and demographic information, generally presented on a multi-year basis.

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Governmental Revenues by Source**

**(In Thousands)**

**Last Ten Fiscal Years**

**April 30, 2005**

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**See Following Page**

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Governmental Revenues by Source**

**(In Thousands)**

**Last Ten Fiscal Years**

**April 30, 2005**

Fiscal Year	1996	1997	1998	1999
Taxes	\$ 3,613	3,704	4,379	4,523
Licenses and permits	749	679	1,115	1,314
Intergovernmental	7,919	8,242	9,098	9,762
Charges for services	2,168	2,326	2,537	3,653
Fines and forfeits	221	185	183	188
Interest	766	815	861	914
Grants	-	434	26	23
Miscellaneous	512	1,039	528	988
<b>Total</b>	<b>15,948</b>	<b>17,424</b>	<b>18,727</b>	<b>21,365</b>

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2000	2001	2002	2003	2004	2005
4,663	4,890	5,284	5,750	5,895	6,301
1,299	935	1,390	1,168	1,324	1,888
9,947	10,171	10,474	10,049	9,802	9,531
3,425	3,530	3,858	3,881	4,679	4,795
188	169	183	199	200	226
1,076	1,313	814	447	252	171
425	220	296	236	-	-
1,018	1,203	1,010	998	397	386
<b>22,041</b>	<b>22,431</b>	<b>23,309</b>	<b>22,728</b>	<b>22,549</b>	<b>23,298</b>

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**General Government Expenditures by Function  
(In Thousands)  
Last Ten Fiscal Years  
April 30, 2005**

Fiscal Year	1996	1997	1998	1999
General Government	\$ 2,299	3,149	2,073	1,773
Community Development	-	-	-	715
Public Safety	5,197	5,630	5,876	6,912
Public Works	2,506	2,599	2,523	2,072
Parks and Recreation	1,849	1,963	2,140	2,256
Economic Development	-	-	-	-
Capital Outlay	3,302	4,071	4,576	3,080
Debt Service	845	1,142	1,148	1,218
	<u>15,998</u>	<u>18,554</u>	<u>18,336</u>	<u>18,026</u>

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2000	2001	2002	2003	2004	2005
2,123	2,373	2,766	3,117	2,369	2,454
725	823	868	860	1,004	945
7,793	8,258	9,554	10,358	10,730	10,740
2,541	2,280	2,306	2,948	2,618	2,052
2,502	2,765	3,262	2,796	2,855	2,659
-	-	-	-	604	704
3,794	4,934	6,724	5,483	439	978
1,594	1,631	662	1,593	1,614	1,460
21,072	23,064	26,142	27,155	22,233	21,992

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Property Tax Levies and Collections**

**(In Thousands)**

**Last Ten Fiscal Years**

**April 30, 2005**

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<b>Tax Levy Year</b>	<b>Tax Levy Extended</b>	<b>Collections</b>	<b>Percent of Levy Collected</b>
1995	\$ 3,267	\$ 3,256	99.66%
1996	3,345	3,382	101.11%
1997	3,433	3,442	100.26%
1998	3,550	3,515	99.01%
1999	3,667	3,650	99.54%
2000	3,894	3,864	99.23%
2001	4,075	4,072	99.93%
2002	4,184	4,146	99.09%
2003	4,365	4,279	98.03%
2004	4,589	N/A	N/A

N/A - Not applicable

Data Source: Village Records

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Actual and Estimated Actual Value of Taxable Property  
(In Thousands)  
Last Ten Levy Years  
April 30, 2005**

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<b>Tax Levy Year</b>	<b>Equalized Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Ratio of Equalized Assessed Value to Estimated Actual Value</b>
1995	\$ 550,962	\$ 1,652,886	0.333
1996	572,883	1,718,649	0.333
1997	603,542	1,810,626	0.333
1998	621,155	1,863,465	0.333
1999	659,459	1,978,377	0.333
2000	699,751	2,099,253	0.333
2001	758,653	2,275,959	0.333
2002	801,816	2,405,448	0.333
2003	899,255	2,697,765	0.333
2004	954,658	2,863,974	0.333

Data Source: Lake County Tax Extension Division

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Property Tax Rates\* - Direct and Overlapping Governments  
Last Ten Levy Years  
April 30, 2005**

Tax Levy Year	1995	1996	1997	1998
<b>Tax Rates*</b>				
Village	0.591	0.582	0.565	0.567
Grade School District #70	3.052	3.059	3.043	3.034
High School District #128	1.789	1.722	1.937	1.929
Lake County	0.523	0.525	0.531	0.531
Libertyville Township	0.348	0.329	0.310	0.297
Library	0.261	0.258	0.259	0.260
Other	0.469	0.465	0.462	0.460
<b>Total Tax Rate</b>	<b>7.033</b>	<b>6.940</b>	<b>7.107</b>	<b>7.078</b>
<b>Village's Share of Total Tax Rate</b>	<b>8.40%</b>	<b>8.39%</b>	<b>7.95%</b>	<b>8.01%</b>

\* Property tax rates are per \$100 of assessed valuation and represent a typical household within the Village.

1999	2000	2001	2002	2003	2004
0.552	0.549	0.530	0.515	0.479	0.474
2.965	2.932	2.870	2.792	2.581	2.990
1.886	2.203	2.344	2.391	2.359	2.291
0.521	0.521	0.516	0.502	0.490	0.465
0.288	0.272	0.256	0.232	0.060	0.058
0.257	0.256	0.254	0.247	0.236	0.231
0.477	0.538	0.498	0.514	0.526	0.516
6.946	7.271	7.268	7.193	6.731	7.025
7.95%	7.55%	7.29%	7.16%	7.12%	6.75%

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Ratio of Net General Obligation Bonded Debt to Assessed Value  
and Net General Obligation Bonded Debt Per Capita  
Last Ten Fiscal Years  
April 30, 2005**

Fiscal Year	1996	1997	1998	1999
Population	19,174	19,174	19,174	19,174
Assessed Value (In Thousands)	\$ 550,962	572,883	603,542	621,155
Gross General Obligation Bonded Debt (In Thousands)	9,675	8,965	9,230	12,130
Less Debt Service Funds (In Thousands)	934	944	825	842
Net General Obligation Bonded Debt (In Thousands)	8,741	8,021	8,405	11,288
Ratio of Net General Obligation Bonded Debt to Assessed Value	1.59%	1.40%	1.39%	1.82%
Net General Obligation Bonded Debt Per Capita	455.88	418.33	438.35	588.71

Data Source: U.S. Census Bureau, Lake County Tax Extension Division, Village Records

2000	2001	2002	2003	2004	2005
19,174	20,742	20,742	20,742	20,742	20,742
659,459	699,751	758,653	801,816	899,255	954,658
11,070	11,760	10,740	9,615	8,490	7,345
860	844	925	1,007	927	923
10,210	10,916	9,815	8,608	7,563	6,422
1.55%	1.56%	1.29%	1.07%	0.84%	0.67%
532.49	526.28	473.19	415.00	364.62	309.61

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Ratio of Annual Debt Service Expenditures for General Obligation Debt  
To Total General Governmental Expenditures  
Last Ten Fiscal Years  
April 30, 2005**

Fiscal Year	1996	1997	1998	1999
Principal	\$ 540,000	710,000	735,000	795,000
Interest	304,555	431,719	413,548	423,242
Total Debt Service	844,555	1,141,719	1,148,548	1,218,242
Total General Governmental Expenditures (In Thousands)	15,998	18,554	18,336	18,026
Ratio of Debt Service Expenditures to General Governmental Expenditures	5.28%	6.15%	6.26%	6.76%

2000	2001	2002	2003	2004	2005
1,060,000	1,110,000	140,000	1,125,000	1,170,000	1,140,000
534,552	520,819	522,044	467,723	408,488	320,035
1,594,552	1,630,819	662,044	1,592,723	1,578,488	1,460,035
21,072	23,064	26,142	27,155	22,233	21,985
7.57%	7.07%	2.53%	5.87%	7.10%	6.64%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Schedule of Legal Debt Margin  
April 30, 2005

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Assessed Valuation - 2004	<u>\$ 980,297,159</u>
Legal Debt Limit - 8.625% of Assessed Valuation	84,550,630
Amount of Debt Applicable to Debt Limit	
General Obligation Bonds of 2000	1,735,000
General Obligation Bonds of 2001	1,545,000
General Obligation Bonds of 2003A	575,000
General Obligation Bonds of 2003B	<u>1,100,000</u>
Legal Debt Margin	<u>79,595,630</u>

Chapter 50, Section 405/1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 300,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Schedule of Direct and Overlapping Bonded Debt  
April 30, 2005**

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to Government	Village's Share of Debt
Village of Libertyville	\$ 8,485,000	100.00%	\$ 8,485,000
<b>Overlapping Debt:</b>			
Libertyville School District #70	4,399,172	90.92%	3,999,771
Hawthorn School District #73	44,875,074	14.53%	6,518,151
Fremont Center School District #79	13,235,000	5.32%	703,697
Community High School District #128	44,815,000	35.99%	16,129,642
Mundelein High School District #120	19,817,419	6.48%	1,284,963
Grayslake High School District #127	56,639,516	0.02%	8,667
Lake County Community College #532	12,503,843	4.38%	547,430
Lake County Forest Preserve District	171,701,852	4.43%	7,606,705
Central Lake County JAWA	30,570,000	16.02%	4,896,168
Fremont Public Library District	8,825,000	3.38%	298,433
Subtotal	<u>407,381,876</u>		<u>41,993,627</u>
Total	<u><u>415,866,876</u></u>		<u><u>50,478,627</u></u>

Data Source: Lake County Clerk's Office, Illinois Tax Extension Division.

# VILLAGE OF LIBERTYVILLE, ILLINOIS

## Demographic Statistics

### Last Ten Fiscal Years

April 30, 2005

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Fiscal Year	(1) Population	(2) Per Capita Income	(3) School Enrollment
1996	19,174	N/A	2,524
1997	19,174	N/A	2,521
1998	19,174	N/A	2,469
1999	19,174	N/A	2,536
2000	19,174	40,426	2,647
2001	20,742	40,426	2,671
2002	20,742	40,426	2,649
2003	20,742	40,426	2,665
2004	20,742	40,426	2,714
2005	20,742	40,426	2,656

#### Data Sources:

(1) U.S. Bureau of the Census

(2) Local Chamber of Commerce

(3) School District Administrative Offices - District 70

N/A - Not Available

**VILLAGE OF LIBERTYVILLE, ILLINOIS**

**Property Value and Construction  
(In Thousands)  
Last Ten Fiscal Years  
April 30, 2005**

Calendar Year	Commercial Construction		Residential Construction		Property Value
	Number Of Units	Value	Number of Units	Value	
1996	304	\$ 17,037	634	\$ 13,823	1,718,820
1997	258	23,837	704	15,968	1,810,626
1998	326	30,027	767	20,506	1,863,464
1999	427	43,125	829	21,728	1,978,378
2000	316	44,827	859	22,538	2,099,253
2001	282	30,201	958	15,048	2,298,948
2002	249	92,646	1,138	21,283	2,405,449
2003	248	37,883	1,063	25,736	2,697,765
2004	232	31,876	1,345	44,284	N/A
2005	198	20,026	959	39,250	N/A

Data Sources: Based on building permits issued by the Village's Department of Community Development. Includes all construction activities: new buildings, additions, and remodeling.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Principal Taxpayers  
April 30, 2005

Taxpayers	Type of Business	2003 Assessed Valuation	Percentage of Total Assessed Valuation
Motorola	Cellular Product Design/Engineering	\$ 18,103,539	1.80 %
Hollister Incorporated	Health Care Products	8,987,721	0.90
Medical Center Properties Inc.	Condell Medical Center/Hospital	8,258,254	0.80
Brea Property Management	Commercial Property	7,996,966	0.80
Manufacturers Life Ins. Co.	Industrial Property	6,279,782	0.60
Temperature Equipment Corp.	Heating/Air Conditioning Equipment	6,082,717	0.60
SHP II/CSL Libertyville LLC	Assisted Living Facility	5,096,601	0.50
Massachusetts Mutual Life Ins.	Commercial Property	4,084,119	0.40
Bradley Operating Ltd	Shopping Center	3,854,287	0.40
California Tristate Teachers Retirement System	Industrial Property	3,395,309	0.40
		<u>72,139,295</u>	<u>7.20</u>

## VILLAGE OF LIBERTYVILLE, ILLINOIS

### Miscellaneous Statistics

April 30, 2005

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Date of Incorporation:	April 15, 1882
Form of Government:	Council/Manager
Number of Employees	
Full-time	175
Part-time	285
Land Area:	9 square miles
Miles of Streets:	80
Number of Street Lights	2,181
Culture and Recreation	
Parks	20
Park acreage	604
Golf courses	1
Swimming pools	2
Tennis courts	7
Fire Protection	
Number of Stations	3
Number of Firefighters	30
Number of Calls Answered	3,563
Number of Inspections Conducted	1,621
Police Protection	
Number of Stations	1
Number of Sworn Officers	42
Number of Civilian Employees	17
Number of Patrol Units	25
Number of Law Violations	
Physical Arrests	697
Traffic Violations	2,779
Parking Violations	3,786

## VILLAGE OF LIBERTYVILLE, ILLINOIS

### Miscellaneous Statistics

April 30, 2005

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#### Sewerage System

Miles of Sanitary Sewers	95
Miles of Storm Sewers	83
Number of Treatment Plants	1
Number of Service Connections	7,550
Average Daily Treatment (in Gallons)	3,650,000
Maximum Daily Capacity of Treatment Plant (in Gallons)	28,000,000

#### Water System

Miles of Water Mains	125
Number of Service Connections	7,550
Number of Fire Hydrants	1,300
Average Daily Consumption (in Gallons)	2,800,000

#### Education

Number of Elementary Schools	5
Number of Elementary School Instructors	165
Number of Secondary Schools	1
Number of Secondary School Instructors	176

#### Hospitals

Number of Hospitals	1
Number of Patient Beds	279

Data Source: Village Records

**VILLAGE OF LIBERTYVILLE**  
Lake County, Illinois

**ANNUAL FINANCIAL INFORMATION**

**STATEMENT OF INDEBTEDNESS**

	Amount Applicable as of April 30, 2005	As Per Cent of		Per Capita (2000 Census Pop. 20,742)
		Assessed Value	Estimated True Value	
<b>Assessed Valuation of Taxable Real Property, 2004</b> .....	\$ 980,297,159	100.00%	33.33%	\$ 47,261.46
<b>Estimated True Value of Taxable Real Property, 2004</b> .....	2,940,891,477	300.00%	100.00%	141,784.37
<b>Direct General Obligation Bonded Debt (1):</b>				
Payable From Property Taxes .....	\$ 2,310,000	0.236%	0.08%	\$ 111.37
Self-Supporting Debt .....	32,910,000	3.357%	1.12%	1,586.64
<b>Total Direct Bonded Direct</b> .....	\$ 35,220,000	3.593%	1.20%	\$ 1,698.00
<b>Overlapping Bonded Debt Payable from Property Taxes (2):</b>				
Schools .....	\$ 29,192,320	2.978%	0.99%	\$ 1,407.40
Other than Schools .....	12,801,306	1.306%	0.44%	617.17
<b>Total Overlapping Bonded Debt</b> .....	\$ 41,993,627	4.284%	1.43%	\$ 2,024.57
<b>Total Direct and Overlapping Bonded Debt</b> .....	\$ 77,213,627	7.877%	2.63%	\$ 3,722.57
<b>Total Direct and Overlapping Exclud. Self-Supporting</b> .....	\$ 44,303,627	4.519%	1.51%	\$ 2,135.94

Notes: 1. The Village is not a home-rule unit under the Illinois Constitution and, therefore, has a statutory debt limit for general obligation debt equal to 8.625% of its taxable property valuation (the encumbrance of the statutory debt limit excludes "alternate" bonds, as long as they are paid from the pledged alternate revenues). The Village has chosen to fund certain projects with general obligation bonds and abate the taxes thereon from sales tax revenues and water and sewer service charges (see "Village's Retirement Schedule of Outstanding General Obligation Bonds" below). The Village's present debt limit is \$84,550,629 of which \$82,240,629 is unencumbered.  
2. See "Detailed Overlapping Bonded Indebtedness Payable From Property Taxes at April 30, 2005".

**VILLAGE'S RETIREMENT SCHEDULE OF OUTSTANDING GENERAL OBLIGATION BONDS (Note 1)**  
(As of April 30, 2005)

Due alendar Year	Payable from Property Taxes		Self-Supporting (2)					Total Maturities		Debt Service Tax Levies Payable From Prop. Taxes	
	Series 2000	Ref. Series 2003A	Series 1998 and Prior(4)	Series 2000	Series 2001 & 2001A	Series 2004	Series 2001B & 2003B	Annual Amount	Cumul. Percent	Year	Amount
2005 ..	\$ 30,000	\$ 80,000	\$ 435,000	\$ 195,000	\$ 945,000	\$ - 0 -	\$ 645,000	\$ 2,330,000	6.6%	2004	\$217,25
2006 ..	10,000	105,000	450,000	205,000	970,000	- 0 -	650,000	2,390,000	13.4%	2005	219,27
2007 ..	15,000	100,000	460,000	215,000	990,000	- 0 -	665,000	2,445,000	20.3%	2006	216,91
2008 ..	25,000	115,000	485,000	225,000	1,245,000	125,000	685,000	2,905,000	28.6%	2007	239,12
2009 ..	30,000	100,000	50,000	235,000	1,275,000	140,000	-0-	1,830,000	33.8%	2008	225,28
2010	35,000	75,000	55,000	250,000	1,335,000	140,000		1,890,000	39.2%	2009	201,20
2011	140,000	-0-	55,000	260,000	1,385,000	155,000		1,995,000	44.8%	2010	227,19
2012	150,000		60,000	275,000	1,445,000	165,000		2,095,000	50.8%	2011	229,84
2013	155,000		60,000	285,000	1,520,000	180,000		2,200,000	57.0%	2012	226,97
2014	165,000		65,000	300,000	1,195,000	195,000		1,920,000	62.5%	2013	228,75
2015	175,000		70,000	320,000	1,255,000	195,000		2,015,000	68.2%	2014	229,84
2016	185,000		70,000	335,000	1,315,000	210,000		2,115,000	74.2%	2015	230,30
2017	195,000		75,000	355,000	1,380,000	215,000		2,220,000	80.5%	2016	230,04
2018	210,000		-0-	370,000	1,450,000	225,000		2,255,000	86.9%	2017	234,12
2019	215,000			390,000	1,515,000	240,000		2,360,000	93.6%	2018	227,25
2020	-0-			415,000	1,590,000	250,000		2,255,000	100.0%	2019	
	\$1,735,000	\$575,000	\$2,390,000	\$4,630,000	\$20,810,000	\$2,435,000	\$2,645,000	\$35,220,000			

Notes: 1. Excludes (as of April 30, 2005): \$468,639 principal amount of capital lease obligations; a loan in the amount of \$1,615,995 under the Illinois Environmental Protection Agency's low-interest loan program payable from water and sewer revenues; and the Village's obligation to pay its share of the costs of the Central Lake County Joint Action Water Agency (the Agency), which provides the Village with its Lake Michigan water source. Under the terms of a contract between the Village and the Central Lake County Joint Action Water Agency, the Village pays its proportionate share of the Agency's costs from its own water revenues based on water consumed.  
2. Pursuant to Public Act 85-1419, the Village has pledged its sales tax revenues as an alternate source for the payment of the Series 1997, Series 1998, Series 2000, Series 2001B, Taxable Series 2001 and Series 2003B Refunding Bonds, and the revenues of its water and sewer system as an alternate revenue source for the repayment of the Series 2001A Refunding Bonds. The Village has pledged sales taxes and recreational facility revenues as the alternate revenue source for the Series 2001 Bonds which sold on May 8, 2001. The Village covenants to collect and apply such revenues to the payment of the Bonds and the provision of not less than an additional .25 times the annual debt service on the Bonds.  
3. Represents the debt service on the Series 2000 and Series 2003A general obligation limited tax bonds.  
4. Includes the Series 1997 and Series 1998 alternate bonds.

**DEBT RATIOS AND PER CAPITA DEBT--LAST TEN SALES (Note 1)**

Village Issue Sale Date	Amount	Ratio to Estimated Actual Value				Per Capita(3)		
		Direct Debt		Direct & Overlapping Debt		Direct & Overlapping Debt		
		Including Self- Supporting	Excluding Self- Supporting(2)	Including Self- Supporting	Excluding Self- Supporting(2)	Including Self- Supporting	Excluding Self- Supporting(2)	Estimated True Value
December 12, 1995	\$ 1,130,000	.60%	.11%	2.28%	1.79%	\$1,870.64	\$1,468.53	\$ 81,975.39
January 9, 1996	2,960,000	.77%	.10%	2.45%	1.78%	2,003.86	1,459.11	81,975.39
December 9, 1997	1,000,000	.67%	.08%	2.42%	1.83%	2,206.95	1,669.50	91,230.78
October 27, 1998	3,650,000(4)	.81%	.08%	3.49%	2.76%	3,355.41	2,651.85	96,160.44

June 27, 2000 . . . .	1,800,000	.72%	.14%	3.09%	2.51%	3,254.81	2,646.44	105,306.57
November 28, 2000	5,000,000	.92%	.14%	3.23%	2.45%	3,407.31	2,583.28	105,306.57
May 8, 2001 . . . . .	20,000,000	1.78%	.12%	4.08%	2.42%	4,217.66	2,506.16	103,336.05
October 23, 2001 . .	7,895,000(5)	1.95%	.12%	4.16%	2.33%	4,302.05	2,413.85	103,336.05
October 28, 2003 . .	2,025,000(6)	1.57%	.10%	3.44%	1.97%	4,074.38	2,328.89	118,360.09
May 11, 2004 . . . . .	2,435,000	1.53%	.10%	3.34%	1.91%	3,949.22	2,260.38	118,360.09

- Notes: 1. Taken from information in applicable Official Statements.  
2. Excludes the Village's alternate bonds, which are payable from sales tax revenues and the water and sewer revenues.  
3. The following population estimates were used: Series 1995 to 2000 - 19,174; 2001 to 2004 - 20,742.  
4. Final issue amount was \$3,695,000.  
5. Final issue amount was \$7,890,000.  
6. Proceeds are to be used to current refund callable Series 1995 and 1996 Bonds.

**DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES  
AT APRIL 30, 2005**

SCHOOL DISTRICTS:	Percent of Village's 2004 Real Property In Taxing Body	Gross Bonded Debt	Village's Applicable Share (Note 1) of Gross Debt to be Paid From Real Property Taxes	
			Percent	Amount
<b>Elementary Districts:</b>				
Libertyville School District No. 70 . . . . .	79.9%	\$ 4,399,172	90.921%	\$ 3,999,771
Hawthorn School District No. 73 . . . . .	16.9%	44,875,074	14.525%	6,518,151
Fremont Center School District No. 79 . . . . .	3.2%	13,235,000	5.317%	703,697
<b>High School Districts:</b>				
Community H.S.D. No. 128 . . . . .	92.5%	44,815,000	35.992%	16,129,642
Mundelein Comm. Cons. H.S.D. No. 120 . . . . .	7.5%	19,817,419	6.484%	1,284,963
Grayslake Comm. H.S. No. 127 . . . . .	0.0%	56,639,516	0.015%	8,667
<b>Community College District:</b>				
Lake County Community College No. 532 . . . . .	100.0%	12,503,843	4.378%	547,430
Total School Districts . . . . .				\$29,192,320
<b>OTHER THAN SCHOOL DISTRICTS:</b>				
Lake County, Inc. Forest Preserve District . . . . .	100.0%	\$171,701,852	4.430%	\$ 7,606,705
Central Lake County Joint Action Water Agency . . . . .	100.0%	30,570,000	16.016%	4,896,168
Fremont Public Library District . . . . .	3.2%	8,825,000	3.382%	298,433
Total Other Than School Districts . . . . .				\$12,801,306

- Notes: 1. Village's share based upon 2004 Real Property Valuations (latest information by tax code available from Lake County). Excludes the Grayslake Community Park District, which overlaps .005% of the Village's tax base -- the overlapping debt is not material.  
2. Excludes the following "Alternate Bonds" which are considered to be self-supporting since they are payable from pledged non-property tax sources: Libertyville School District 70 - \$5,370,000 and Lake County Community College No. 532 - \$1,390,000.  
3. Includes \$171,701,852 outstanding in the name of the Forest Preserve District. Excludes \$6,295,000 alternate bonds issued by the County that are self-supporting from non-property tax sources.

**1999 AND 2004 TAX BASE DISTRIBUTION BY PROPERTY CLASSIFICATION**

Property Classification:	Village of Libertyville			Percent of Total	
	1999	2004	Percentage Increase	1999	2004
Residential . . . . .	\$493,981,211	\$736,057,028	49.0%	74.9%	77.1%
Commercial . . . . .	100,544,189	133,554,438	32.8%	15.2%	14.0%
Industrial . . . . .	64,709,731	84,806,924	31.1%	9.8%	8.9%
Farm . . . . .	155,918	118,812	-23.8%	0.0%	0.0%
Railroad . . . . .	68,128	121,038	77.7%	0.0%	0.0%
Total . . . . .	\$659,459,177	\$954,658,240	44.8%	100.0%	100.0%

**EQUALIZED ASSESSED VALUATION**

Tax Levy Year	For General Taxing Purposes				For All Taxing Purposes		
	Gross Real Property	Less Exemptions	Net For General Taxing Purposes	Increase Over Prior Year	Net For General Taxing Purposes	Plus Incremental Valuation	Total For All Taxing Purposes
2000 . . . .	\$726,369,405	\$26,618,146	\$699,751,259	6.1%	\$699,751,259	\$14,714,181	\$714,465,440
2001 . . . .	786,202,167	27,549,482	758,652,685	8.4%	758,652,685	16,254,591	774,907,276
2002 . . . .	830,518,840	28,702,474	801,816,366	5.7%	801,816,366	16,525,301	818,341,667
2003 . . . .	930,894,674	31,639,907	899,254,767	12.2%	899,254,767	21,649,775	920,904,542
2004 . . . .	998,473,867	43,815,627	954,658,240(2)	6.2%	954,658,240	25,638,919	980,297,159

\* Quadrennial Reassessment Year in Fremont and Libertyville Townships.

- Notes: 1. The total exemption figure for levy year 2004 (latest available from Lake County) includes exemptions for: Senior Citizens' Homestead (\$10,317,761), General Homestead (\$30,038,215), Homestead Improvement (\$3,401,342), Disabled Veterans (\$58,000), and Small Parcels (\$309). The Senior Citizens' Homestead Exemption is a reduction of \$3,000 in the equalized assessed valuation of real property owned and occupied by a person 65 years of age or older. The General Homestead Exemption is available to owner-occupied residential property; the amount of the exemption is the increase in the current year's equalized assessed valuation above the 1977 tax year equalized assessed valuation, with a maximum of \$5,000. The Homestead Improvement Exemption allows homeowners to make up to \$75,000 in improvements without increasing the assessed valuation of their property for at least four years. Under the Small Parcels Exemption, properties with assessed values of \$150 or less are exempt from property taxes. The Disabled Veterans Exemption of up to \$58,000 is available to

veterans who own and occupy homes that have been classified as special adapted housing under federal law. The Senior Citizen Tax Freeze Homestead Exemption, first effective in levy year 1994, provides that persons 65 or older with a household income of less than \$45,000 may receive an exemption in the amount of the difference between the current equalized assessed value of their principal residence and the lowest previous assessment in a qualifying year, even if the senior was not eligible for some intervening year. This exemption is calculated by Lake County and added to the Senior Citizens Homestead exemption amount. The County does not separately track the amount of the Senior Citizens Tax Freeze Homestead Exemption by taxing district.

- By valuation, 96.8% of the Village's 2004 Real Property was in Libertyville Township and 3.2% was in Fremont Township. Under the Property Tax Extension Limitation Act (see Note 2 to the table "Tax Rates Per \$100 Equalized Assessed Valuation" below), beginning in levy year 1991 the county clerks in Lake County and the other Cook County "collar counties" must record the amount of "new property" that comes on the tax rolls in each levy year. "New property" includes new improvements or additions to existing improvements which increase the assessed value of real property during that year. For levy year 2004, the value of new property/annexations in the Village of Libertyville was \$10,948,187.

**TAX RATES PER \$100 EQUALIZED ASSESSED VALUATION (Note 1)**  
(Levy Years)

Village Purposes:	2000	2001	2002	2003	2004		
					Extended Rate	Maximum Allowed	Unused Margin
Corporate .....	\$ .108	\$ .102	\$ .095	\$ .087	\$ .084	\$.250	66.4%
Pensions, Including IMRF .....	.162	.166	.173	.169	.167	None	--
Fire Protection .....	.098	.092	.087	.078	.075	.150	50.0%
Street and Bridge .....	.072	.068	.065	.057	.053	.100	47.0%
Playgrounds and Recreation ...	.037	.035	.033	.031	.041	.090	54.4%
Parks .....	.037	.035	.033	.031	.030	.075	60.0%
Bonds .....	.035	.032	.029	.026	.024	None	--
<b>Total Village Purposes(2) ...</b>	<b>\$ .549</b>	<b>\$ .530</b>	<b>\$ .515</b>	<b>\$ .479</b>	<b>\$ .474</b>		
Lake County, Incl. Forest Preserve District .....	.752	.737	.734	.715	.684		
Cook Memorial Public Library .....	.256	.254	.247	.236	.231		
Libertyville Elem. School Dist. No. 70	2.932	2.870	2.792	2.581	2.499		
Community H.S.D. No. 128 .....	2.203	2.344	2.391	2.359	2.291		
College of Lake County No. 532 ....	.235	.211	.208	.201	.200		
All Other .....	.344	.322	.306	.160	.155		
<b>Total(3) .....</b>	<b>\$7.271</b>	<b>\$7.268</b>	<b>\$7.193</b>	<b>\$6.731</b>	<b>\$6.534</b>		
Village as a Percent of Total .....	7.6%	7.3%	7.2%	7.1%	7.3%		

- Notes: 1. Due to differences in the street and bridge tax in Libertyville's townships, these are the rates which applied to Libertyville Township which represented 96.8% of Libertyville's 2004 equalized assessed value.
2. The Village is subject to the provisions of the Property Tax Extension Limitation Act (the "Tax Limitation Act"), which was enacted in July, 1991 and became effective on October 1, 1991. In general, the Tax Limitation Act limits the annual growth in the amount of taxes to be extended in several Illinois counties including Cook, DuPage, Kane, Lake, McHenry and Will by individual taxing bodies, including the Village of Libertyville, to the "Extension Limitation". The Extension Limitation under the Act is (i) the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year or (ii) the rate of increase approved by the voters at a referendum election held pursuant to the Tax Limitation Act. The maximum allowable extension (and the amount extended) for levy year 2004 as calculated by the County Clerk's Office, was \$4,200,496, an increase of 3.3% over the levy year 2003 extension for "capped" funds (the addition of equalized assessed valuation from "new construction" in the Village caused the extension limitation to be in excess of the 1.9% allowed under the law in levy year 2004. Property taxes extended for bonded indebtedness issued prior to the 1991 effective date of the Tax Limitation Act (including bonds issued to refund those bonds) together with alternate bonds and limited tax bonds issued subsequent to the effective date of the Act are not included in the extension limitation.
3. Tax rate applicable to the largest tax code in the Village which represented 71.4% of the Village's 2004 equalized assessed valuation. Only those parcels of property with common taxing bodies (townships, school district, etc.) are in the same tax code and therefore have identical tax rates.

**TAX EXTENSIONS AND COLLECTIONS (Note 1)  
(Village Purposes Only)**

Levy Year	Collection Year	Total Taxes Extended	Current Collections	Total Collections	Percent Collected	
					Current	Total
2000	2001	\$3,835,963	\$3,835,926	\$3,836,059	99.99%	100.00%
2001	2002	4,017,302	4,017,017	4,023,230	99.99%	100.15%
2002	2003	4,129,354	4,090,036	4,090,036	99.05%	99.05%
2003	2004	4,304,037	4,303,380	4,305,683	99.98%	100.04%
2004	2005					
-----In Process-----						

- Notes: 1. Extensions adjusted for Errors in Assessments (deductions) and Omitted Tax Extended (additions). Tax payments made under protest are included as current collections, and are not counted again as collections when final disposition is made. Total collections include back taxes in the year collected--the County does not post back taxes to the year of extension.

**TEN LARGEST TAXPAYERS**

Rank	Taxpayer	Business/Properties	Equalized Assessed Valuation(1)	Percent of Village(2)
1	Motorola	Cellular Product Design and Engineering	\$18,103,539	1.8%
2	Hollister Incorporated	Healthcare Products (Corp. Headquarters)	8,987,721	0.9%
3	Medical Center Properties, Inc./Condell	Condell Medical Center/Hospital	8,258,254	0.8%
4	Brea Property Management	Commercial Property	7,996,966	0.8%
5	Manufacturers Life Ins. Co.	Industrial Property	6,279,782	0.6%
6	Temperature Equipment Corp.	Heating/Air Conditioning Equipment	6,082,717	0.6%
7	SHP II/CSL Libertyville, LLC	Assisted Living Facility	5,096,601	0.5%
8	Massachusetts Mutual Life Insurance Co.	Commercial Property	4,084,119	0.4%
9	Bradley Operating, Ltd	Shopping Center	3,854,287	0.4%
10	California State Teachers Retirement System	Industrial Property	3,395,309	0.3%
	Total Ten Largest Taxpayers		\$72,139,295	7.4%

- Notes: 1. Valuations as of January 1, 2004 for 2005 taxing purposes.  
2. Total 2004 Village valuation of \$980,297,159 (includes incremental valuation in the Village's tax increment financing district).

**GENERAL FUND**  
**Summary Statement of Revenues, Expenditures and Changes in Fund Balance**  
**(Fiscal Years Ended April 30)**

	Actual (Note 1)				2005	
	2001	2002	2003	2004	Budget (2)	Actual
<b>Revenues(3):</b>						
Property Taxes . . . . .	\$ 3,391,542	\$ 3,590,871	\$ 3,773,393	\$ 3,859,767	\$ 4,053,000	\$ 4,045,905
Sales Taxes(4) . . . . .	6,564,193	7,003,590	6,701,079	6,559,631	6,770,000	6,300,856
State Income Tax . . . . .	1,517,656	1,424,266	1,355,283	1,253,563	1,338,000	1,404,226
Road and Bridge Tax . . . . .	123,028	134,237	156,310	167,337	150,000	175,656
Licenses and Permits . . . . .	572,916	1,086,433	861,165	1,023,211	984,500	931,936
Fines and Forfeits . . . . .	168,909	182,947	198,811	199,761	210,000	226,257
Charges for Services . . . . .	3,188,369	3,352,621	3,401,938	3,707,749	3,594,140	4,061,581
Investment Earnings . . . . .	716,419	506,821	362,279	197,251	300,000	143,328
Franchise Fees(5) . . . . .	472,433	382,915	417,424	461,090	443,300	456,377
Transfers-In . . . . .	39,000	39,000	39,000	394,517	- 0 -	- 0 -
All Other Revenues . . . . .	1,123,382	852,633	688,522	786,227	722,200	904,252
Total Revenues . . . . .	\$17,877,847	\$18,556,334	\$17,955,204	\$18,610,104	\$18,565,140	\$18,650,374
<b>Expenditures:</b>						
<b>General Government:</b>						
Administration(6) . . . . .	\$ 2,129,136	\$ 1,727,994	\$ 1,764,530	\$ 1,746,629	\$ 1,723,170	\$ 1,829,524
Public Buildings . . . . .	163,624	163,639	185,770	182,769	180,290	178,108
CBD Parking . . . . .	- 0 -	- 0 -	- 0 -	- 0 -	28,570	30,653
Senior Programs . . . . .	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	61,889
Hotel/Motel Tax . . . . .	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	195,854
Total General Gov't. . . . .	\$ 2,319,377	\$ 1,921,474	\$ 1,980,143	\$ 1,955,283	\$ 1,932,030	\$ 2,296,028
<b>Public Safety:</b>						
Police Protection . . . . .	\$ 4,269,360	\$ 4,599,662	\$ 4,802,824	\$ 5,473,794	\$ 5,719,510	\$ 5,646,182
Fire Protection . . . . .	3,942,960	3,998,592	4,222,502	4,733,535	4,897,610	4,749,195
Emergency Mgmt. Agency . . . . .	33,337	8,574	6,635	42,169	4,950	24,378
Emergency Tel. System (911) . . . . .	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	320,578
Total Public Safety . . . . .	\$ 8,245,657	\$ 8,606,828	\$ 9,031,961	\$ 10,249,498	\$ 10,622,070	\$ 10,740,333
<b>Public Works:</b>						
Engineering . . . . .	\$ 321,514	\$ 369,321	\$ 365,601	\$ 375,795	\$ 387,440	\$ 378,306
Highways and Bridges(7) . . . . .	1,549,213	1,603,926	1,492,017	1,566,588	1,667,880	1,628,820
Concord SSA . . . . .	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	26,475
Timber Creek SSA . . . . .	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	18,530
Total Public Works . . . . .	\$ 1,870,727	\$ 1,973,247	\$ 1,857,618	\$ 1,942,383	\$ 2,055,320	\$ 2,052,131
Community Development . . . . .	842,361	868,205	859,782	1,003,924	1,071,360	945,485
<b>Culture &amp; Recreation:</b>						
Parks . . . . .	\$ 989,577	\$ 1,299,046	\$ 1,033,046	\$ 1,151,788	\$ 1,168,626	\$ 1,137,041
Recreation . . . . .	1,273,202	1,319,553	1,104,835	1,074,817	978,010	945,097
Libertyville Golf Course . . . . .	275,656	303,013	264,090	233,843	223,473	201,897
Swimming Pool . . . . .	293,176	340,081	393,791	394,587	397,170	375,270
Senior Programs . . . . .	- 0 -	- 0 -	- 0 -	34,105	78,910	- 0 -
Total Culture & Recreation . . . . .	\$ 2,831,611	\$ 3,261,693	\$ 2,795,762	\$ 2,889,140	\$ 2,846,189	\$ 2,659,305
Pension Contributions . . . . .	1,391,192	1,481,935	1,741,078	- 0 - (10)	- 0 -	- 0 -
IRMA Adjustment . . . . .	(279,683)	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Contingency . . . . .	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Sub-total Expenditures . . . . .	\$17,221,242	\$18,113,382	\$18,266,345	\$18,040,228	\$18,526,969	\$18,693,282
<b>Transfers-Out:</b>						
Capital Improvements(8) . . . . .	\$ 360,000	\$ 780,000	\$ 95,000	\$ 45,000	\$ 35,000	\$ 60,000
Total Expenditures . . . . .	\$17,581,242	\$18,893,382	\$18,361,345	\$18,085,228	\$18,561,969	\$18,753,282
<b>Revenues Over (Under) Expenditure</b>						
Before Capital/Transfers . . . . .	\$ 656,605	\$ 442,952	\$ (311,141)	\$ 569,876	\$ 38,171	\$ (42,908)
After Capital/Transfers . . . . .	\$ 296,605	\$ (337,048)	\$ (406,141)	\$ 524,876	\$ 3,171	\$ (102,908)
Adjustments to Fund Balance(9) . . . . .	- 0 -	599,251	(171,312)	470,330	- 0 -	0
Ending Fund Balance . . . . .	\$ 9,765,033	\$10,027,236	\$ 9,449,783	\$10,444,989		\$10,342,081

**Balance Sheet – April 30**

<b>Assets:</b>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Cash and Investments . . . . .	\$ 9,904,566	\$ 9,219,834	\$ 8,615,557	\$ 7,814,409	\$ 8,087,728
Receivables:					
Property Taxes . . . . .	3,595,392	3,777,111	3,895,786	4,104,689	4,332,667
Accounts . . . . .	38,815	25,681	15,576	273,615	305,592
Accrued Interest . . . . .	75,828	90,376	26,854	30,458	29,571
Due From Other Gov'ts . . . . .	1,249,344	2,010,220	1,863,148	- 0 -	0
All Other . . . . .	(277)	- 0 -	143,198	3,683,319	3,302,266
<b>Total Assets . . . . .</b>	<u>\$14,863,668</u>	<u>\$15,123,222</u>	<u>\$14,560,119</u>	<u>\$15,906,490</u>	<u>\$16,057,824</u>
<b>Liabilities and Fund Balance:</b>					
Accounts Payable . . . . .	\$ 519,179	\$ 422,747	\$ 380,027	\$ 444,320	\$ 264,770
Accrued Liabilities . . . . .	482,451	461,519	451,881	499,773	576,342
Deferred Revenue . . . . .	3,595,392	3,777,111	3,895,786	4,104,875	4,332,667
Ref Deposits/Deposits Payable . . . . .	501,890	434,609	382,228	400,795	529,191
All Other Liabilities . . . . .	(277)	- 0 -	414	11,738	12,773
Fund Balance:					
Reserved . . . . .	\$ 653,212	\$ 228,459	\$ - 0 -	\$ 916,115	\$ 774,395
Unreserved . . . . .	9,111,821	9,798,777	9,449,783	9,528,874	9,567,686
<b>Total Fund Balance . . . . .</b>	<u>\$ 9,765,033</u>	<u>\$10,027,236</u>	<u>\$ 9,449,783</u>	<u>\$10,444,989</u>	<u>\$10,342,081</u>
<b>Total Liabilities and Fund Balance . . . . .</b>	<u>\$14,863,668</u>	<u>\$15,123,222</u>	<u>\$14,560,119</u>	<u>\$15,906,490</u>	<u>\$16,057,824</u>

- Notes: 1. See Note 1 to the "Combined Statement–All Funds" table for basis of accounting, auditors, etc.
2. The Village Administrator submits a proposed operating budget to the Village Board for the fiscal year beginning on May 1. The operating budget includes proposed expenditures and the means of financing them. After public hearings, the budget is legally enacted through passage of an ordinance prior to May 1. Budgets are legally adopted on a basis consistent with generally accepted accounting principles, except that property taxes are budgeted as revenue in the year they are received and interest earnings and intergovernmental revenues are not accrued. Beginning with the 1993 Budget the Village is operating under the "Budget Officer System" which establishes the budget document as the legal document for Village expenditures.
3. The Village has not availed itself of the statutorily authorized 5% utility tax (piggy-back on the bills rendered by the electric and gas companies), but can do so at any time by the adoption of an ordinance.
4. A portion of the Village's sales tax revenue is accounted for in the General Fund. In fiscal year 2005, \$6,300,856 was shown as revenue of the General Fund, \$792,365 was shown as revenue of the Debt Service Funds, and \$113,360 was shown as revenue of the Capital Projects Funds.
5. Cable franchise fee and Telecom infrastructure maintenance fee.
6. Includes Administration, Legislative Boards and Commissions, Legal, Community Organizations, Public Buildings, Senior Programs, Central Business District Parking, and Hotel/Motel Tax.
7. Includes snow removal and ice control.
8. For fiscal years 2000-2002, includes transfers to fund building improvements, park improvements, technology replacements, and vehicle replacements. The Village has funded these expenditures through transfers from various Village departments to the Capital Improvements Fund. Excludes "routine" capital outlay expenditures for office equipment, etc. which are included in the various departmental expenditures. Beginning in fiscal year 2001, the Village began classifying transfers to the Vehicle Maintenance and Replacement Service Fund and the Technology Equipment and Replacement Service Fund as operating expenditures, rather than operating transfers.
9. The prior period adjustment in 2002 was a GASB statement No. 33 requirement that increased the fund balance by \$599,251.
10. Beginning in 2004, pension contributions were expensed to the departments incurring the liability.

**COMBINED STATEMENT—ALL FUNDS (Note 1)**

**Fund Balances 2001-2004 and Summary 2005 Revenues, Excess Revenues and Fund Balances  
(Fiscal Years Ended April 30)**

	Actual				Fiscal Year Ended April 30, 2004		Revenues Over (Under) Expenditure	Fund Balance
	2001	2002	2003	2004	Revenues Incl. Transfers	Property Tax		
					Total			
<b>Governmental Fund Types:</b>								
General Fund*	\$ 9,765,033	\$10,027,236	\$ 9,449,783	\$10,444,989	\$ 4,045,905	\$18,650,374	\$ (102,908)	\$10,342,081
Special Revenue Funds:								
Foreign Fire Ins. Tax	\$ 45,936	\$ 45,743	\$ 29,822	\$ - 0 -	\$ - 0 -			
Motor Fuel Tax	615,138	921,399	488,932	- 0 -	- 0 -			
Commuter Parking	219,182	328,308	374,867	429,909	- 0 -	280,359	123,012	552,921
911 Emergency Telephone	348,982	569,948	507,544	- 0 -	- 0 -			
Timber Creek SSA	7,944	8,431	6,030	- 0 -	- 0 -			
Hotel/Motel Tax	- 0 -	(58,768)	(11,664)	- 0 -	- 0 -			
Lucerne at Interlaken SSA	22,806	18,087	7,309	- 0 -	- 0 -			
Total Special Revenue	\$ 1,259,988	\$ 1,833,148	\$ 1,402,840	\$ 429,909	\$ 15,120	\$ 280,359	\$ 123,012	\$ 552,921
Debt Service Funds*	843,702	925,474	1,007,257	926,948	232,307	1,456,496	(3,539)	923,409
Capital Projects Funds*	7,036,871	3,146,125	(506,082)	481,648	1,452,059	3,371,362	1,391,960	1,673,608
Total Gov. Funds	\$18,905,594	\$15,931,983	\$11,353,798	\$12,283,494	\$ 5,745,391	\$23,758,591	\$1,408,525	\$ 2,597,017
<b>Proprietary &amp; Fiduciary Fund Types:</b>								
Enterprise Funds(2):								
Waterworks & Sewerage	\$25,304,330	\$25,369,866	\$25,226,354	\$24,815,686	\$ 26,784	\$ 6,422,492	\$ (188,186)	\$24,627,500
Sports Complex	(150,301)	(318,073)	(3,327,150)	(3,698,475)	- 0 -	3,617,997	(935,225)	(4,633,700)
Internal Service Funds (4):								
Vehicle Maint. & Repl.	1,053,304	1,413,583	1,782,493	2,709,365	\$ - 0 -	\$ 1,056,095	(184,128)	2,525,237
Technology Equip. & Repl	140,631	60,088	(196,630)	(292,951)	- 0 -	62,495	(229,995)	(522,946)
Wireless Equip. & Repl.	21,537	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Pension Trust Funds:								
Police Pension	13,401,680	12,974,374	12,761,516	14,417,561	\$ - 0 -	\$ 948,950	\$ 850,528	\$15,268,089
Firefighters' Pension	10,194,236	10,186,824	10,186,046	11,692,117	\$ - 0 -	\$ 707,116	\$ 756,316	\$12,448,433
Total Proprietary & Fiduciary	\$49,965,417	\$49,686,662	\$46,432,629	\$49,643,303	\$ 26,784	\$12,815,145	\$ 69,310	\$49,712,613
Total All Funds (Memo Only)	\$68,871,011	\$65,618,645	\$57,786,427	\$61,926,797	\$ 5,772,175	\$36,573,736	\$ 1,477,835	\$52,309,630

\*Designated as major funds.

	2001	2002	2003	2004	2005
Cash & Investments at 4/30:					
General Fund	\$ 9,904,566	\$ 9,219,834	\$ 8,615,557	\$ 7,814,409	\$ 8,087,728
Special Revenue Funds	1,220,020	1,734,638	1,256,934	207,572	546,496
Debt Service Funds	706,726	788,020	800,107	704,717	715,871
Capital Projects Fund	8,013,117	3,527,968	158,044	788,144	1,963,508
Subtotal (Governmental)	\$19,844,429	\$15,270,460	\$10,830,642	\$ 9,514,842	\$11,313,603
Enterprise Funds	7,415,082	14,743,618	5,089,822	4,598,421	3,372,195
Internal Service Funds	2,204,251	2,033,447	1,559,652	1,080,181	772,181
Pension Funds	23,358,999	22,971,298	22,813,543	25,925,281	27,484,785
Total All Funds	\$52,822,761	\$55,018,823	\$40,293,659	\$41,118,725	\$42,942,764

Notes: 1. This condensed financial information for the years ending April 30, 2001-2005 have been excerpted from the full Comprehensive Annual Financial Reports of the Village of Libertyville and do not purport to be a complete financial statement. As of May 1, 2003, the Village adopted provisions of GASB No. 34 into the financial statements. This results in a change in the Village's method of accounting for certain non-exchange revenues and a change in the format and content of the basic financial statements and notes to financial statements. The full financial statements, together with the report of the Village's independent accountants, are available upon request. The financial statements are presented in accordance with generally accepted accounting principles (GAAP) applicable to local government units. The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). The Village considers property taxes as available if they are collected within 60 days after year-end. All proprietary and pension trust funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when incurred. The Village's Comprehensive Annual Financial Report for the year ended April 30, 2005 included an unqualified "Independent Auditor's Report", which stated, in part:

"In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Village of Libertyville, Illinois, as of April 30, 2004, and the results of its operations and cash flows of its operations and cash flows of its business type activities for the year ended in conformity with accounting principles generally accepted in the United States of America."

Similar "unqualified" opinions were included in the Village's 2001-2004 audits. This table excludes the Village's Agency Funds.

2. Fund balances for the Enterprise Funds are total fund equity, including contributed capital and retained earnings, and the column "Revenues Over Expenditures" represents the change in that amount. "Total Revenues" represents operating revenues.
3. Represents incremental taxes from the Village's tax increment financing district.
4. The Vehicle Maintenance and Replacement Service Fund was created in 2000 to account for costs associated with maintaining and replacing motor vehicles in all Village departments. The Technology Equipment and Replacement Service Fund was created to account for acquiring, maintaining, and updating management information systems including computers, communications, software, etc. in all Village departments. The Wireless Equipment and Replacement Service Fund (now part of the Technology Equipment and Replacement Service Fund) was established to account for the lease revenue of cellular towers located on Village property and the cost of providing cellular services to Village personnel.

### CAPITAL ASSETS AT APRIL 30, 2005 (Note)

	<u>Governmental Activities</u>			<u>Business Type Activities</u>
Capital Assets not Being Depreciated:		Capital Assets not Being Depreciated:		
Land .....	\$ 2,976,162	Land .....		\$ 4,901,005
Total Capital Assets not Being Depreciated .....	<u>\$ 2,976,162</u>	Capital Assets Being Depreciated:		
Capital Assets Being Depreciated:		Buildings and Improvements .....		\$ 26,398,738
Land Improvements .....	\$ 21,473,659	Machinery and Equipment .....		4,711,769
Buildings and Improvements .....	15,922,818	Waterworks System .....		18,367,884
Machinery and Equipment .....	<u>12,714,958</u>	Sewerage System .....		<u>19,409,971</u>
Total Capital Assets Being Depreciated .....	<u>\$ 50,111,435</u>	Total Capital Assets Being Depreciated .....		<u>\$ 68,888,362</u>
Less Accumulated Depreciation .....	<u>(20,861,374)</u>	Less Accumulated Depreciation .....		<u>(26,398,346)</u>
Total Capital Assets Being Depreciated, Net ...	<u>\$ 29,250,061</u>	Total Capital Assets Being Depreciated, Net ...		<u>\$ 42,490,016</u>
		Net Assets .....		<u>\$ 47,391,021</u>
Governmental Activities Capital Assets, Net .....	<u>\$ 32,226,223</u>			

Note: Capital assets purchased or acquired with an original cost of \$25,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.