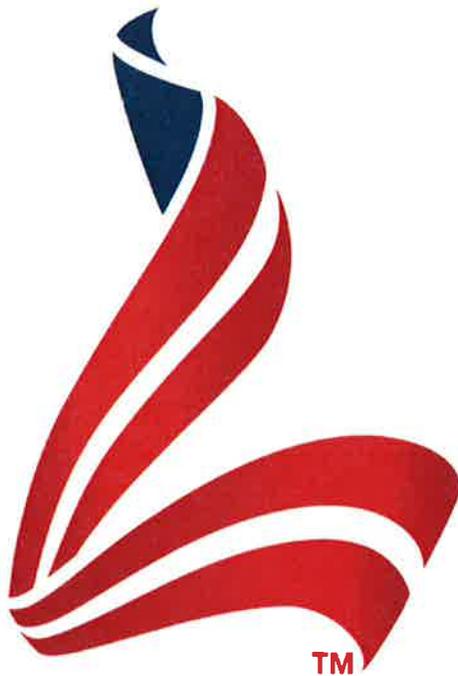

Comprehensive Annual Financial Report



Libertyville
spirit of independence

For The Year Ended
April 30, 2012

Village of Libertyville, IL

VILLAGE OF LIBERTYVILLE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED APRIL 30, 2012

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: Letter of Transmittal from the Director of Finance/Treasurer, List of Principal Officials, Organizational Chart and Certificate of Achievement for Excellence in Financial Reporting.



July 23, 2012

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, 2012 is hereby submitted.

This report consists of the Village of Libertyville management staff'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 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.

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, 2012, 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, 2012, 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. The population of Libertyville doubled in the 70's and has remained fairly stable since then with the 2010 census showing 20,315 residents. Socioeconomic indices highlight the affluent character of the community with home values double the State average and per capita income 70% higher than 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 building and zoning, code enforcement, maintenance of streets, bridges and sewers, police, fire protection and paramedic services, parks and recreation, water distribution and waste water transmission and 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 Village is a member of two intergovernmental insurance pools; the Intergovernmental Personnel Benefit Cooperative (IPBC) and the Intergovernmental Risk Management Agency (IRMA). These pools 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 30th of each year. Budget to actual comparisons are provided in this report for each individual

governmental fund for which a budget has been adopted. These comparisons are presented in the supplementary information section of this report which begins on page 67.

Economic Condition and Outlook

Beginning in the 1980's, the Village had many years of increasing sales tax revenue mainly due to growth in the sale of automobiles. This sales tax revenue along with property taxes and building permit fees generated sufficient revenue to fund all General Fund operations and enabled the Village to build up the Village's General Fund reserves to 50% of budgeted expenditures. The economy changed drastically in 1991 and the Village has seen decreases in sales tax revenue since that time. The auto category of sales tax accounted for approximately 70% of all sales tax received in 1990 and has been decreasing since then with the 2011-12 fiscal year accounting for 58% of all sales tax. It is unlikely that even as the economy rebounds sales taxes will increase to the prior levels.

Due to the current recession and economic uncertainty that has been ongoing since 2008, the Village has experienced a reduction in other categories of revenue such as State Income Tax, Building Permit Revenue and Park and Recreation User fees. These projected decreases have caused the Village to make additional expenditure reductions in order to balance the budget. At the end of the 2009 fiscal year, Village reserves which at one time exceeded 6 months of expenditures, were reduced to less than 1 month of expenditures.

In order to balance the budget and rebuild unreserved fund balance, the Village Board instituted a gas and electric utility tax, increased the tax on telecommunications, and instituted expenditure cuts which included employee furloughs. During this past fiscal year, sales tax and various other revenue sources have shown slight increases and due to this and the fact that unreserved fund balance has increased, the Village Board has elected to reduce the gas utility tax rate. The State of Illinois' economic condition continues to be a concern to the Village. Currently the State is several months behind in remitting State Income Tax revenue to the Village. The Village Board is expected to approve a revised General Fund reserve policy before the end of 2012, and is committed to rebuilding the reserve to an appropriate level for the future.

Major Initiatives

During the past fiscal year, the Village completed the reconstruction of Dymond Road using \$600,000 in Motor Fuel Tax and \$400,000 in Capital Improvement Funds. Also completed was the reconstruction of the ground parking improvements for the parking lot on the west side of the downtown area. This project was funded with Tax Increment Financing (TIF) funds.

Due to the number of roads that have fallen into disrepair, the Village Board placed a referendum on the March 2012 ballot to see if residents would approve the issuance of \$20 million in bonds over the next 5 years to fund road rehabilitation. The referendum passed with 60% voting in favor of the proposal. Village Staff will be working on the engineering

and preliminary construction plans along with the issuing the first \$5 million bond in order to begin the repaving of these roads beginning in the Spring of 2013.

Within the Water and Sewer Fund, a water main was replaced along Dymond Road in conjunction with the reconstruction of the roadway. Due to limited funding for capital projects, the Village's Water and Sewer Committee has also been meeting to discuss funding for over \$15 million in planned improvements to the water, sewer and wastewater infrastructure along with another \$7.5 million in repairs that may be necessary in conjunction with the road projects.

The Committee has tentatively approved a \$0.45 rate increase along with annual 3% rate increases that should fund the proposed projects. The Committee and Village Board has recently approved the first bond issue of approximately \$4.2 million that will be issued in fall of 2012 to fund a portion of these projects.

The Village's Economic Development Coordinator continues to work with various property owners in order to redevelop several vacant and shuttered properties within the Village. The Village Board has made this a priority for the past several years and there has been progress made on several parcels. One of the vacant parcels has recently been sold and the developer will be submitting plans to the Village to improve this parcel.

The Village also has been working with Libertyville Toyota which is one of the Village's top sales tax producers, on an business district agreement that will provide assistance in their purchase of a neighboring parcel of property for expansion.

Certificate of Achievement - 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, 2011. This was the nineteenth 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 must satisfy 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.

Distinguished Budget Presentation Award – The Village also received the Distinguished Budget Presentation Award for its 2011-12 annual budget from the GFOA. The award represents the Village's commitment to meeting the highest principles of governmental budgeting. The budget is rated in four major categories: as a policy document, an operations guide, a financial plan and a communications device. The budget must be rated proficient in all four categories to receive the award.

Acknowledgments - 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, 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,



Kevin J. Bowens
Village Administrator



Patricia A. Wesolowski
Director of Finance

VILLAGE OF LIBERTYVILLE, ILLINOIS

**List of Principal Officials
April 30, 2012**

LEGISLATIVE

Village President: Terry L. Wepler

Village Clerk: Sally Kowal

Village Attorney: David L. Pardys

BOARD OF TRUSTEES

Drew Cullum

Jay Justice

Todd Gaines

Richard Moras

Donna Johnson

James Moran, III

ADMINISTRATIVE

Village Administrator

Kevin J. Bowens

Director of Finance/Treasurer

Patricia A. Wesolowski

Director of Public Works

John Heinz

Community Development

John P. Spoden

Chief of Police

Clinton Herdegen

Fire Chief

Richard Carani

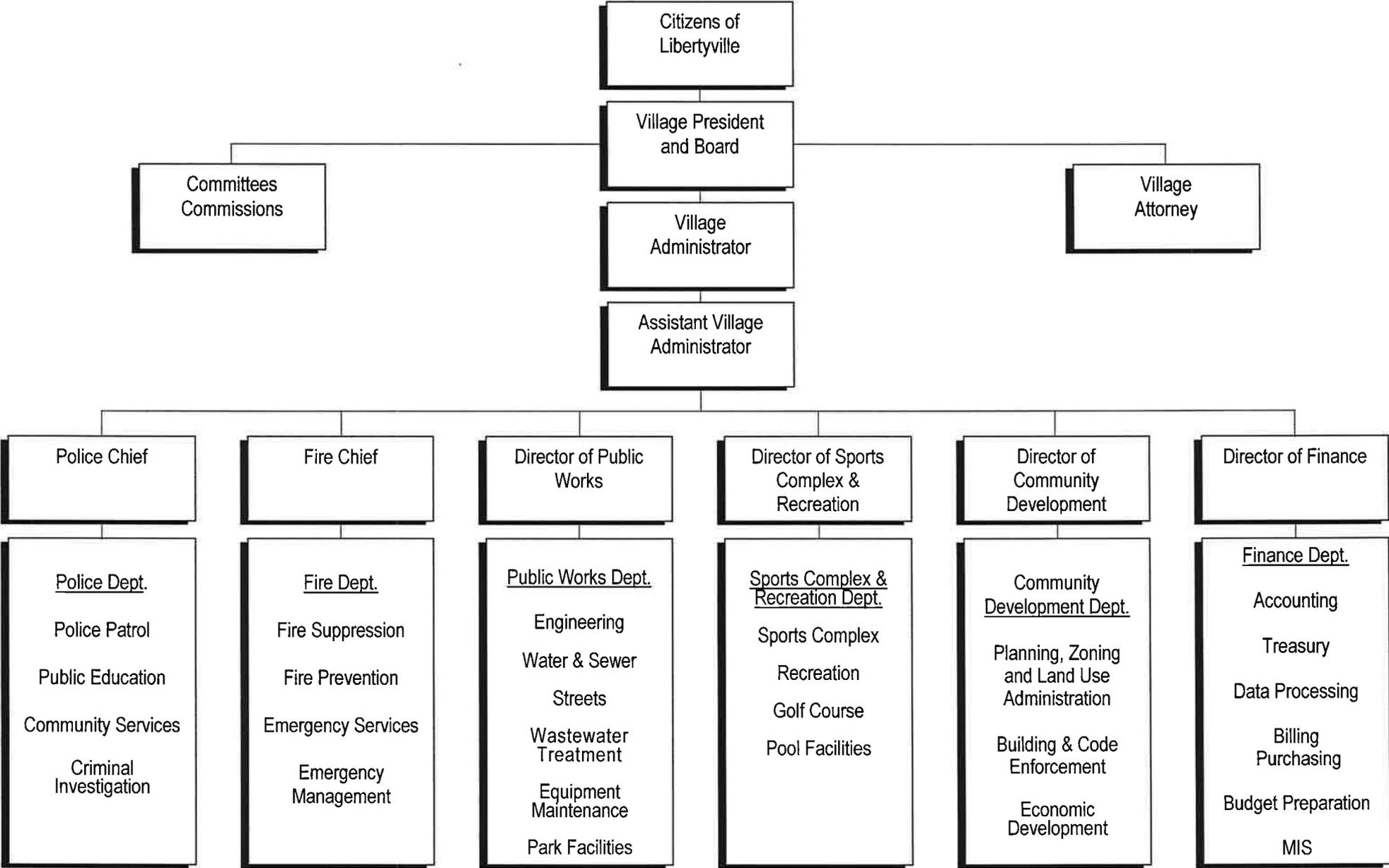
Director of Parks and Recreation

Conrad Kowal

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, 2011

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.



Linda C. Davison

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 Statements and Schedules

INDEPENDENT AUDITORS' REPORT

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

INDEPENDENT AUDITORS' REPORT

July 3, 2012

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Libertyville, Illinois as of and for the year ended April 30, 2012, which collectively comprise the Village's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the Village of Libertyville, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Libertyville, Illinois as of April 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise the Village of Libertyville, Illinois' financial statements as a whole. The individual nonmajor fund financial schedules and other information listed as schedules and other supplementary information in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The individual nonmajor fund financial schedules and other information listed as schedules and other supplementary information in the accompanying table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2012

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, 2012. 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 3.

FINANCIAL HIGHLIGHTS

- The Village of Libertyville's net assets exceeded its liabilities as of April 30, 2012, by \$182,185,171. Net assets of governmental activities amounts to \$163,239,151 and for business activities are \$18,946,020.
- The Village of Libertyville's total net assets increased by \$2,047,606 with the governmental activities net assets increasing by \$2,252,505 and the business-type activities net assets decreasing by \$204,899.
- Total revenues for governmental activities equal \$30,232,907, an increase of \$1,061,189 (3.6%) while expenses equal \$27,410,402, an increase of \$232,566 (.86%).
- Revenues for business-type activities increased by \$676,898 or 7.2% and expenses for these activities decreased \$569,159 or 5%.
- As of April 30, 2012, total fund balance for the governmental funds was \$12,758,126 or approximately 46% of total the governmental fund expenditures. Total unassigned fund balance for governmental funds increased \$2,775,050 to \$5,988,654.
- The Village of Libertyville did not issue any long term debt this fiscal year but did entered into two capital leases (installment contract) for the purchase of a large Public Works vehicle and Fire Department ambulance. Total debt decreased by \$1,056,473 to \$27,001,797 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 3 - 6) 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 7. 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 Libertyville's most significant funds. The report also contains other supplementary and statistical information in addition to the basic financial statements themselves.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis

April 30, 2012

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 3 - 6 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. The government-wide statements do not include the Police Pension and Firefighters' Pension Funds as they are reported as pension trust funds and are being held for the benefit of pension participants and cannot be used to address activities or obligations of the Village. 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, 2012

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, Capital Improvement 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 Non-major Fund.

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

The basic governmental fund financial statements can be found on pages 7 – 12 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 system, 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, 2012

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 consolidated into the governmental column when presented 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 13 - 16 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 17 - 18 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 19 - 62 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, as well as the budgetary comparison schedule for the General Fund. Required supplementary information can be found on pages 63 - 67 of this report. The combining statements referred to earlier in connection with the 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 68 - 116 of this report.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2012

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 \$182.2 million. Net assets increased 1.14%, from \$180,137,565 to \$182,185,171. For governmental activities, net assets increased by \$2,252,505 (1.4%) and for business-type activities, net assets decreased by \$204,899 (1.07%).

Exhibit 1

Government-wide Financial Analysis Worksheet

Account	Governmental Activities				Business-type Activities				Total Primary Government			
	Current Year	Prior Year	Change	% Chg	Current Year	Prior Year	Change	% Chg	Current Year	Prior Year	Change	% Chg
Statement of Net Assets												
Capital assets	\$ 154,273,479	155,694,764	-1,421,285	-0.91%	40,815,162	42,150,549	-1,335,387	-3.17%	195,088,641	197,845,313	-2,756,672	-1.39%
Current and other assets	25,219,811	21,245,385	3,974,426	18.71%	3,818,542	3,646,141	172,401	4.73%	29,038,353	24,891,526	4,146,827	16.66%
Total assets	179,493,290	176,940,149	2,553,141	1.44%	44,633,704	45,796,690	-1,162,986	-2.54%	224,126,994	222,736,839	1,390,155	0.62%
Long-term liabilities	4,226,954	4,474,808	-247,854	-5.54%	23,749,568	24,581,643	-832,075	-3.38%	27,976,522	29,056,451	-1,079,929	-3.72%
Other Liabilities	12,027,185	11,478,695	548,490	4.78%	1,938,116	2,064,128	-126,012	-6.10%	13,965,301	13,542,823	422,478	3.12%
Total Liabilities	16,254,139	15,953,503	300,636	1.88%	25,687,684	26,645,771	-958,087	-3.60%	41,941,823	42,599,274	-657,451	-1.54%
Net assets:												
Invested in capital assets, net of related debt	151,632,425	152,790,891	-1,158,466	-0.76%	16,457,414	17,002,713	-545,299	-3.21%	168,089,839	169,793,604	-1,703,765	-1.00%
Restricted	1,806,307	1,930,223	-123,916	-6.42%	-	-	-	-	1,806,307	1,930,223	-123,916	-
Unrestricted	9,800,419	6,265,532	3,534,887	56.42%	2,488,606	2,148,206	340,400	15.85%	12,289,025	8,413,738	3,875,287	46.06%
Total net assets	163,239,151	160,986,646	2,252,505	1.40%	18,946,020	19,150,919	-204,899	-1.07%	182,185,171	180,137,565	2,047,606	1.14%

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.

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By far the largest portion of the Village of Libertyville's net assets, which is 92.2 percent, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment, and infrastructure), 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.

An additional portion or 1 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 6.8 percent, or \$12.3 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 have increased 1.4% this fiscal year (\$163,239,151 compared to \$160,986,646). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints, total \$9,800,419. The increase in net assets is primarily due to charges for services such as Ambulance Fees, Fire District Fees, Telecom Fees and other miscellaneous charges. As of April 30, 2012, the unrestricted net assets amounts to 36% of operating expenses (\$27,410,402) of governmental activities.

During the 2011-2012 fiscal year, net assets of business-type activities decreased by 1.1% (\$18,946,020 compared to \$19,150,919). 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. The Waterworks and Sewage Fund generated an operating profit this fiscal year due to an increase in the water and sewer rates charges to users of the system. This increase was also sufficient to cover depreciation costs which resulted in an increase in net assets. There was a net decrease in net assets due to interest charges on debt. The Libertyville Sports Complex generated a \$26,317 operating profit this fiscal year; however, once interest payments and depreciation are reflected, a loss is generated. This is the tenth year of operation for the Sports Complex and the Village had anticipated the complex would begin to break even after the third year of operations, however there have been losses since the complex opened. The Village has made adjustments to the last several budgets for the Sports Complex in order to break even or generate a small surplus; however, the large amount of debt expense has continued to cause a net loss for the complex. The Village Board has authorized staff to sell a portion of the property that the Family Entertainment Center and Golf Learning Center are located on; however, due to the economy this is not expected to happen for several years. The Village did refund all existing Sports Complex debt in order to reduce annual debt expenses. The Village budgets an annual transfer from the General Fund to the Sports Complex Fund to cover the annual cash deficits in the Sports Complex Fund.

Village of Libertyville, ILLINOIS

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Total revenues (excluding special items) increased from \$38.6 million to \$40.3 million or 4.5%. The total cost of all programs and services decreased from \$38.6 million to \$38.2 million or .9%.

Exhibit #2 compares the revenue and expenses for the current and prior fiscal year.

Exhibit 2

Government-wide Financial Analysis Worksheet

Account	Governmental Activities			Business-type Activities			Total Primary Government		
	Current Year	Prior Year	Change	Current Year	Prior Year	Change	Current Year	Prior Year	Change
Statement of Activities									
Program revenues	\$								
General Government	4,279,235	3,803,987	475,248	-	-	-	4,279,235	3,803,987	475,248
Community Development	412,641	258,792	153,849	-	-	-	412,641	258,792	153,849
Public Safety	3,706,711	3,380,120	326,591	-	-	-	3,706,711	3,380,120	326,591
Parks & Recreation	1,318,077	1,244,862	73,215	-	-	-	1,318,077	1,244,862	73,215
Waterworks and Sewerage	-	-	0	7,395,741	6,906,343	489,398	7,395,741	6,906,343	489,398
Libertyville Sports Complex	-	-	0	2,653,828	2,315,181	338,647	2,653,828	2,315,181	338,647
Capital Grants/Contributions	692,390	977,802	-285,412	0	0	0	692,390	977,802	-285,412
							0	0	0
General revenues									
Taxes	11,177,053	11,037,916	139,137	0	0	0	11,177,053	11,037,916	139,137
Intergovernmental	8,093,184	7,908,134	185,050	-	-	-	8,093,184	7,908,134	185,050
Interest Income	7,061	14,115	-7,054	1,921	8,213	-6,292	8,982	22,328	-13,346
Miscellaneous	548,555	545,990	565	8,749	153,604	(144,855)	555,304	699,594	-144,290
Total Revenues	<u>30,232,907</u>	<u>29,171,718</u>	<u>1,061,189</u>	<u>10,060,239</u>	<u>9,383,341</u>	<u>676,898</u>	<u>40,293,146</u>	<u>38,555,059</u>	<u>1,738,087</u>
Program Expenses									
General Government	2,630,190	2,471,416	158,774	-	-	-	2,630,190	2,471,416	158,774
Community Development	1,311,039	1,241,044	69,995	-	-	-	1,311,039	1,241,044	69,995
Public Safety	13,821,741	13,865,295	-43,554	-	-	-	13,821,741	13,865,295	-43,554
Public Works	3,868,391	3,928,442	-60,051	-	-	-	3,868,391	3,928,442	-60,051
Parks & Recreation	2,803,764	2,858,784	-55,020	-	-	-	2,803,764	2,858,784	-55,020
Economic Development	2,917,982	2,708,857	209,125	-	-	-	2,917,982	2,708,857	209,125
Interest on Long-term Debt	57,295	103,998	-46,703	-	-	-	57,295	103,998	-46,703
Waterworks & Sewerage	-	-	-	7,434,983	8,025,210	-590,227	7,434,983	8,025,210	(590,227)
Libertyville Sports Complex	-	-	-	3,400,155	3,379,087	21,068	3,400,155	3,379,087	21,068
Total Expenses	<u>27,410,402</u>	<u>27,177,836</u>	<u>232,566</u>	<u>10,835,138</u>	<u>11,404,297</u>	<u>-569,159</u>	<u>38,245,540</u>	<u>38,582,133</u>	<u>-336,593</u>
Increase (Decrease) in Net Assets Before Transfers	2,822,505	1,993,882	828,623	-774,899	-2,020,956	1,246,057	2,047,606	-27,074	2,074,680
Transfers	-570,000	-456,000	-114,000	570,000	456,000	114,000	-	-	-
Change in Net assets	2,252,505	1,537,882	714,623	-204,899	-1,564,956	1,360,057	2,047,606	-27,074	2,074,680
Net Assets - Beginning	<u>160,986,646</u>	<u>159,448,764</u>	<u>1,537,882</u>	<u>19,150,919</u>	<u>20,715,875</u>	<u>-1,564,956</u>	<u>180,137,565</u>	<u>180,164,639</u>	<u>-27,074</u>
Net Assets - Ending	\$ <u>163,239,151</u>	\$ <u>160,986,646</u>	\$ <u>2,252,505</u>	\$ <u>18,946,020</u>	\$ <u>19,150,919</u>	\$ <u>-204,899</u>	\$ <u>182,185,171</u>	\$ <u>180,137,565</u>	\$ <u>2,047,606</u>

Governmental Activities

For the fiscal year ended April 30, 2012, revenues from governmental activities increased from \$29,171,718 to \$30,232,907 (3.6%). Intergovernmental Revenues, which consist of sales tax and state income taxes, which comprise one of the largest segments of governmental revenue, increased 2.3% from \$7,908,134 to \$8,093,184 due to an increase in sales and income taxes. Taxes, which is comprised of property tax and utility tax, increased by \$139,137 (1.3%) to \$11,177,053, due to increases in property taxes. Taxes comprise 37% of the total governmental activities revenue. Program revenues, which include fire district payments, building fees, and parks and recreation fees, amounted to \$10,409,054 or 34% of governmental revenues.

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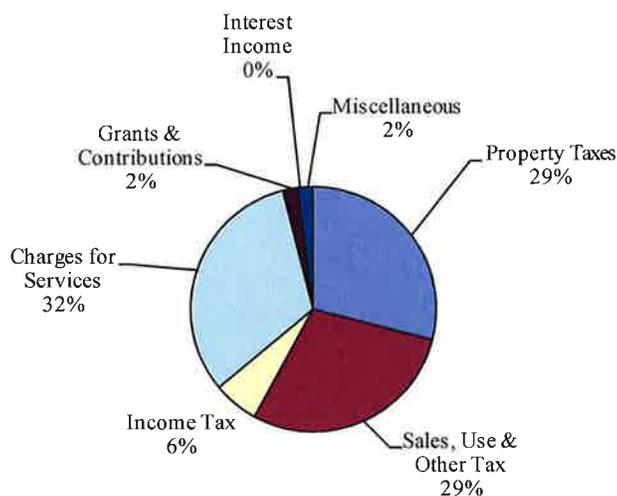
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This revenue source increased \$743,491 from the previous fiscal year due to increases in various charges for services such as ambulance fees, fire protection district contractual fees and telecom fees.

Sales tax revenues increased \$32,824 (.6%) compared to the previous year and was \$118,012 above budget. Total revenue for Governmental Activities was above budget by \$1,915,155.

Revenues by Source - Governmental Activities



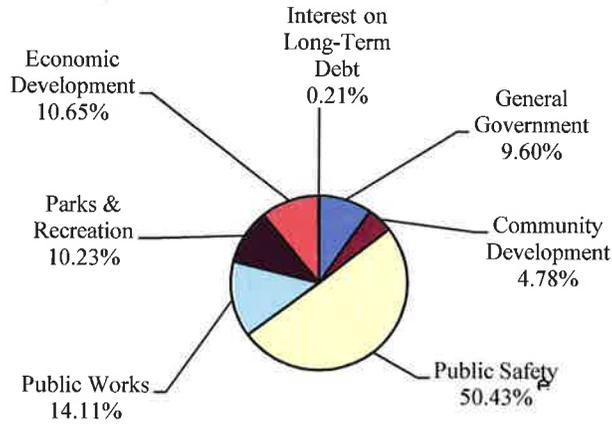
The above table graphically depicts the major revenue sources of the Village of Libertyville. It very clearly shows the reliance of sales and property taxes to fund governmental activities. Approximately 60% of sales tax revenue is generated from auto dealerships. This is down from 70% in previous years due to increased competition from new car dealerships in other surrounding towns and the economy which has caused a reduction in spending. The Village Board, along with the economic development coordinator, continue to work on attaining and attracting businesses to the Village of Libertyville in order to diversify the Village's sales tax base.

The cost of all governmental activities this year was \$27,410,402 compared to \$27,177,836 last fiscal year. The majority of this increase is due to surface parking improvements and a payment of 70% of property taxes collected, within the Tax Increment Financing (TIF) Fund, to the taxing bodies within the TIF area. Expenses for governmental funds were below budgeted amounts although a budget amendment was necessary due to an increased transfer to the Sports Complex, litigation costs and expenses incurred due to newly obtained grants.

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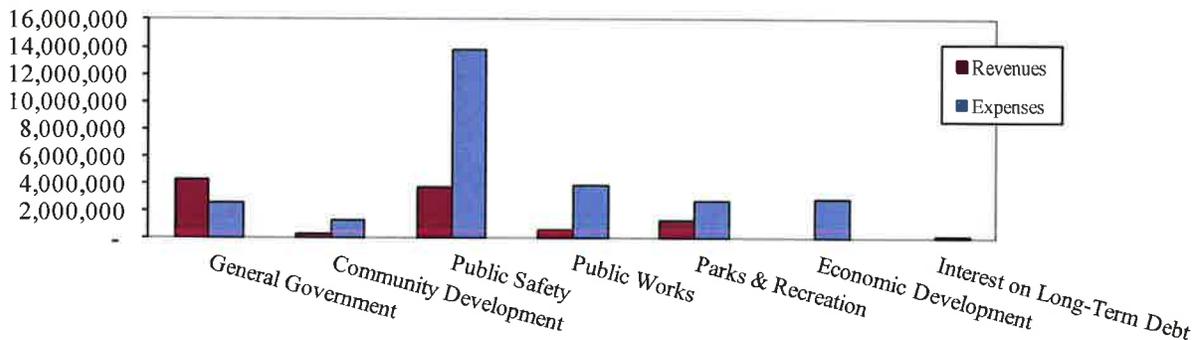
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Governmental Activities Expenses



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



Village of Libertyville, ILLINOIS

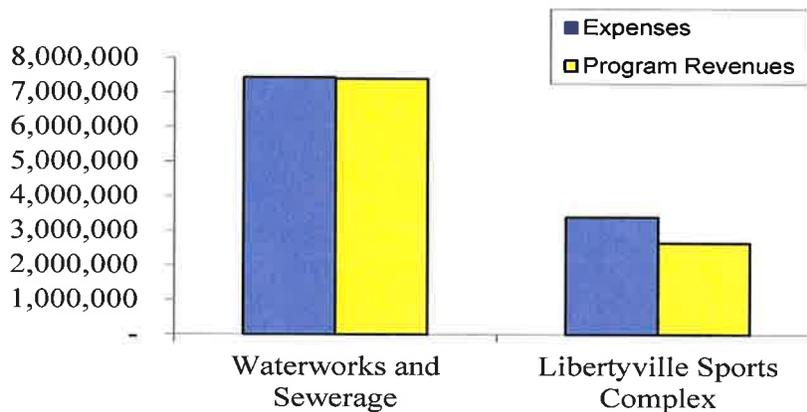
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Business-type activities

Revenues of the Village's business-type activities increased by 7.2% (\$9,383,341 in 2011 compared to \$10,060,239 in 2012) and expenses decreased by 5% (\$11,404,297 in 2011 compared to \$10,835,138 in 2012). Key factors behind these results include:

- Due to a water and sewer rate increase, water and sewer charges for service increased \$493,116 from last year. Excluding depreciation and interest expense, this fund had an increase in net assets of \$1,179,104. Once depreciation of \$1,044,917 and interest charges of \$162,759 are included, a decrease in net assets of \$28,572 results. Expenses before depreciation amounted to \$6,227,307 compared to \$6,771,110 in 2011. This decrease in expenses is due to a reduction in the amount of capital improvements that are classified as maintenance and are shown as expenses rather than additions to infrastructure assets.
- The Libertyville Sports Complex (LSC) had an operating income (before depreciation and interest expense) of \$616,512 compared to last year's income of \$449,536. With the addition of depreciation, debt expense and the transfer from the General Fund, the complex had a net loss or decrease in net assets of \$176,327. Operating expenses before depreciation and interest expense amounted to \$2,037,316 compared to \$1,996,211 in 2011.

Expenses and Program Revenues - Business-Type Activities



The above graph compares program expenses to revenues for waterworks and sewerage operations, and The LSC. The Village Board has authorized the sale of a portion of Sports Complex property where the Family Entertainment Center and Golf Learning Center's are located since the underlying property is more valuable than the cash flows generated by these facilities. The proceeds will be used to reduce the amount of debt by refunding the current bonds outstanding. As mentioned elsewhere in this document, the Village is transferring funds to the Sports Complex to cover a portion of the debt that is unable to be funded through operations. For the 2012 fiscal year, this transfer amounted to \$570,000.

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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.

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$12,758,126, which is 34% above last year's total of \$9,546,517. Approximately 47% of the governmental fund balance total is unassigned, which is available for spending at the Village's discretion. The remainder of fund balance is not available for new spending because it has already been 1) restricted for debt and other items (\$1,829,526), 2) committed to fund commuter parking (\$1,282,864), 3) assigned for Capital projects (\$2,625,343); or 4) non-spendable for prepaid items (\$1,031,739).

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,988,654, while total fund balance reached \$7,737,534. This is \$2,925,341 above last year's total fund balance of \$4,812,193. This increase is due to the addition of gas and utility taxes that were enacted in January 2010 and general increases in taxes and charges for services. 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 27% of total general fund expenditures, while total fund balance represents 35% of that same amount.

The Debt Service Fund has a total fund balance of \$552,202, all of which is restricted for the payment of debt service. The fund balance increased \$8,032 from the previous fiscal year due to the increase in future debt service payments.

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, 2012 is \$2,625,343, of which 100% is assigned. The Capital Improvement Fund balance increased by \$479,998 in order to provide funding for future year projects. Total capital expenditures amounted to \$1,154,768.

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The Tax Increment Financing Construction (TIF) Fund provides funding for the redevelopment of the Village's downtown area. The TIF was due to expire in December 2009, however; there was legislation approved that allows for a 12 year extension of the TIF in order to complete additional parking improvements for this area. The total fund balance decreased by \$228,538 to \$550,158 as of April 30, 2012 due to the planned improvements to the ground level parking areas on the west side of the downtown area. Funds are proposed to increase in future years in order to provide funding for a possible parking structure on the east side of the downtown business district.

The Commuter Parking Fund is included as a governmental fund but is considered a non-major fund. Fund balance increased by \$26,776 to \$1,292,889. The Village is working with the owners of the property adjacent to the downtown commuter station and parking lot in order to increase the size of these facilities and is planning on using this fund balance for the redevelopment of this area.

Proprietary Funds

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 Water Agency (CLCJAWA) at a rate of \$2.52 per thousand gallons. Water is sold to all municipal customers at a rate of \$6.50 per thousand gallons for the first 4,000 gallons and \$5.30 for each additional 1,000 gallons. For users connected to the Village's sewage system, the charge is \$4.60 per thousand gallons for the first 4,000 gallons. For each additional 1,000 gallons, the charge is \$3.45. 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 Board increased rates by 3% on May 1, 2011 along with a \$0.06 increase to cover CLCJAWA's increase that became effective May 1, 2010 and an additional .37 increase to cover the increase in sewer transmission charges from Lake County. The Village's Water and Sewer Committee has recommended an annual 3% increase along with any increase from CLCJAWA in order to generate sufficient funds for future capital improvements to the water and sewer system.

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 loss during the current fiscal year was \$28,572 which includes \$1,044,917 of depreciation costs. Net assets of the Waterworks and Sewerage Fund at the end of the year amounted to \$21,091,537 compared to \$21,120,109 in 2011.

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Net assets for the Libertyville Sports Complex Fund amounted to (\$2,145,517) compared to (\$1,969,190) at the end of 2011. The loss for 2012 amounts to \$176,327 which includes \$481,258 in depreciation expense. As mentioned elsewhere in this report, the Village transferred \$570,000 from the General Fund to the Sports Complex Fund to cover the debt payments that are unable to be funded through the operations of the complex. The Village has restructured the remaining debt of the Sports Complex which is expected to reduce annual debt service payments by approximately \$1.2 million annually for the next several years. It is expected that the Village will still be required to subsidize the Sports Complex and has budgeted \$361,410 in the 2012-13 budget for this.

GENERAL FUND BUDGETARY HIGHLIGHTS

The 2011-12 expenditure budget was revised once at the end of the fiscal year. The increases include:

- \$60,855 in General Government due to additional legal costs, sick leave payout upon retirement, additional transfer to the Sports Complex, and to cover costs for items purchased with unanticipated grant proceeds.
- \$7,000 in the Sports Complex Fund to cover the expenses incurred for lighting replacement to be reimbursed by a grant.
- \$216,050 in the Pension Funds for pension payments due to retirements unknown at the time the budget was prepared.

Revenues in the General Fund were \$25,368,593, which was \$1,553,893 above the revenue budget of \$23,814,700. The final expenditure budget amounted to \$22,158,480, a \$244,755 variance from the original budget of \$21,913,725. Actual expenditures were below the final budget by \$340,228. The largest revenue variances were for intergovernmental revenues which was \$355,684 above budget and charges for services which was \$660,047 above budget.

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, 2012 was \$ 195 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 \$2.8 million in its capital assets for the current fiscal year. Funds were also expended to maintain the Village's infrastructure assets, however, maintenance costs are not included as an increase to a capital asset.

This year's major additions included \$301,070 in machinery and equipment, \$1,116,451 in roadway and infrastructure additions, \$108,937 for building improvements and \$81,851 water and sanitary sewer additions.

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The governmental activities net capital assets decreased from last year by \$1,421,285 net of depreciation. This is attributable to the fact that the capital projects constructed were less than the amount of depreciation added this year. Accumulated depreciation increased by \$2,838,806 to a total of \$56,877,765.

For Business-type activities, the net capital assets decreased by \$1,335,387. A total of \$190,788 was added in water and sewer improvements and \$1,526,175 was expensed as depreciation. Additional information on the Village of Libertyville's capital assets can be found in note 3 on pages 37 – 38 of this report.

Debt Outstanding

At year-end, the Village of Libertyville had total outstanding bonded debt of \$27 million as compared to \$28 million the previous year, decrease of 4%. The following is a comparative statement of outstanding debt:

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
General Obligation Bonds	\$ 1,865,000	2,085,000	23,890,000	24,505,000	25,755,000	26,590,000
IEPA Loans Payable	-	-	470,743	649,397	470,743	649,397
Installment Contracts	776,054	818,873	-	-	776,054	818,873
Total	2,641,054	2,903,873	24,360,743	25,154,397	27,001,797	28,058,270

The Village issued a General Obligation Refunding Bonds to refund and restructure two older bond issues and also entered into an installment purchase contract for the purchase of equipment.

As of April 30, 2012, the Village of Libertyville maintained an Aa2 rating from Moody's Investors Service for general obligation debt. 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 \$102 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 39 - 46 of this report.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis

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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 2012-2013 budget, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. The unemployment rate for 2011 for the Village of Libertyville decreased from 5.6% to 5.1%. For this same period, the national unemployment rate was 8.9% and the Lake County rate was 9.4%. The most current rate for the Village of Libertyville is not available; however the national rate is 8.2% for June 2012.

Inflation increases in the Midwest area are usually somewhat lower than the national Consumer Price Index (CPI) increases. For 2011 the National CPI was 3.2% and the Chicagoland area CPI was 2.7%.

These indicators were taken into account when adopting the General Fund budget for 2012-2013. Amounts available for appropriation in the General Fund budget are \$23,662,210, an increase of \$44,884 from the final 2011-12 budget of \$23,213,370. Property taxes are estimated to increase due to the levy passed in December 2011 and Gas Utility Taxes will decrease due to a decrease in the rate charged from 5% to 2%. Most other revenue sources are expected to remain flat. Budgeted expenditures are expected to increase \$778,370, from \$21,899,020 to \$22,677,390. The Village Board approved a 1% pay increase on May 1st and November 1st for all non-union employees which is the same as what is in the current union contracts. Also included is an increase in commodities of \$312,350 which includes funding to remove trees affected by the Emerald Ash Borer. The 2012-13 General Fund budget is balanced with a budgeted surplus of \$984,820 which will be used to begin rebuilding the unreserved fund balance.

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, 2012

See Following Page

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Net Assets
April 30, 2012

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 12,245,551	1,433,274	13,678,825
Receivables - Net	11,765,835	1,223,412	12,989,247
Prepaid Items/Inventories	1,072,593	115,542	1,188,135
Total Current Assets	25,083,979	2,772,228	27,856,207
Noncurrent Assets			
Capital Assets			
Land	98,301,694	7,043,248	105,344,942
Buildings and Improvements	17,110,295	31,685,930	48,796,225
Machinery and Equipment	7,810,213	2,169,017	9,979,230
Infrastructure	87,929,042	-	87,929,042
Waterworks and Sewerage System	-	30,230,634	30,230,634
	211,151,244	71,128,829	282,280,073
Accumulated Depreciation	(56,877,765)	(30,313,667)	(87,191,432)
Total Capital Assets	154,273,479	40,815,162	195,088,641
Other Assets			
Unamortized Bond Issue Costs	-	1,046,314	1,046,314
Net Pension Asset	135,832	-	135,832
Total Other Assets	135,832	1,046,314	1,182,146
Total Noncurrent Assets	154,409,311	41,861,476	196,270,787
Total Assets	179,493,290	44,633,704	224,126,994

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

	Governmental Activities	Business- Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	638,580	322,250	960,830
Accrued Payroll	556,945	113,707	670,652
Deposits Payable	813,288	75,870	889,158
Interest Payable	23,219	376,235	399,454
Unearned Revenues	8,982,916	140,746	9,123,662
Current Portion of Long-Term Debt	1,012,237	909,308	1,921,545
Total Current Liabilities	12,027,185	1,938,116	13,965,301
Noncurrent Liabilities			
Net Other Post-Employment Benefit Obligation	558,686	-	558,686
Compensated Absences Payable	1,631,561	240,902	1,872,463
Installment Contracts Payable	396,707	-	396,707
IEPA Loans Payable	-	286,661	286,661
General Obligation Bonds Payable - Net	1,640,000	23,222,005	24,862,005
Total Noncurrent Liabilities	4,226,954	23,749,568	27,976,522
Total Liabilities	16,254,139	25,687,684	41,941,823
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	151,632,425	16,457,414	168,089,839
Restricted			
General Government			
Hotel/Motel Tax	241,165	-	241,165
Public Safety			
Emergency Telephone System 911	327,104	-	327,104
Foreign Fire Insurance	55,715	-	55,715
Fire Fund	30,424	-	30,424
Economic Development			
Tim/Creek Special Service Area	48,805	-	48,805
Lucerne/Interlaken Special Service Area	23,953	-	23,953
Tax Increment Financing District	550,158	-	550,158
Debt Service	528,983	-	528,983
Unrestricted	9,800,419	2,488,606	12,289,025
Total Net Assets	163,239,151	18,946,020	182,185,171

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Activities
Year Ended April 30, 2012

	Expenses	Program Revenues	
		Charges for Services	Capital Grants/Contributions
Governmental Activities			
General Government	\$ 2,630,190	4,279,235	-
Community Development	1,311,039	412,641	-
Public Safety	13,821,741	3,706,711	-
Public Works	3,868,391	-	692,390
Parks and Recreation	2,803,764	1,318,077	-
Economic Development	2,917,982	-	-
Interest on Long-Term Debt	57,295	-	-
Total Governmental Activities	27,410,402	9,716,664	692,390
Business-Type Activities			
Waterworks and Sewerage	7,434,983	7,395,741	-
Libertyville Sports Complex	3,400,155	2,544,891	108,937
Total Business-Type Activities	10,835,138	9,940,632	108,937
	38,245,540	19,657,296	801,327

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

Change in Net Assets

Net Assets - Beginning

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
1,649,045	-	1,649,045
(898,398)	-	(898,398)
(10,115,030)	-	(10,115,030)
(3,176,001)	-	(3,176,001)
(1,485,687)	-	(1,485,687)
(2,917,982)	-	(2,917,982)
(57,295)	-	(57,295)
(17,001,348)	-	(17,001,348)
-	(39,242)	(39,242)
-	(746,327)	(746,327)
-	(785,569)	(785,569)
(17,001,348)	(785,569)	(17,786,917)
8,675,085	-	8,675,085
2,501,968	-	2,501,968
6,143,233	-	6,143,233
1,736,561	-	1,736,561
213,390	-	213,390
7,061	1,921	8,982
546,555	8,749	555,304
(570,000)	570,000	-
19,253,853	580,670	19,834,523
2,252,505	(204,899)	2,047,606
160,986,646	19,150,919	180,137,565
163,239,151	18,946,020	182,185,171

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Balance Sheet - Governmental Funds
April 30, 2012

	<u>General</u>
ASSETS	
Cash and Investments	\$ 5,409,470
Receivables - Net of Allowances	
Property Taxes	5,697,872
Other Taxes	1,419,274
Accounts	1,504,176
Prepays	<u>1,021,714</u>
 Total Assets	 <u><u>15,052,506</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	336,286
Accrued Payroll	534,980
Deposits Payable	745,834
Unearned/Deferred Revenues	5,697,872
Total Liabilities	<u>7,314,972</u>
Fund Balances	
Nonspendable	1,021,714
Restricted	727,166
Committed	-
Assigned	-
Unassigned	5,988,654
Total Fund Balances	<u>7,737,534</u>
 Total Liabilities and Fund Balances	 <u><u>15,052,506</u></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
552,202	2,667,842	686,715	1,293,173	10,609,402
224,737	-	2,748,307	-	8,670,916
-	-	-	-	1,419,274
-	104,906	-	-	1,609,082
-	-	-	10,025	1,031,739
<u>776,939</u>	<u>2,772,748</u>	<u>3,435,022</u>	<u>1,303,198</u>	<u>23,340,413</u>
-	118,703	97,805	5,464	558,258
-	-	-	4,845	539,825
-	28,702	38,752	-	813,288
224,737	-	2,748,307	-	8,670,916
<u>224,737</u>	<u>147,405</u>	<u>2,884,864</u>	<u>10,309</u>	<u>10,582,287</u>
-	-	-	10,025	1,031,739
552,202	-	550,158	-	1,829,526
-	-	-	1,282,864	1,282,864
-	2,625,343	-	-	2,625,343
-	-	-	-	5,988,654
<u>552,202</u>	<u>2,625,343</u>	<u>550,158</u>	<u>1,292,889</u>	<u>12,758,126</u>
<u>776,939</u>	<u>2,772,748</u>	<u>3,435,022</u>	<u>1,303,198</u>	<u>23,340,413</u>

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, 2012

Total Governmental Fund Balances \$ 12,758,126

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. 151,461,520

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. 3,301,536

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Net Pension Asset	135,832
Other Post-Employment Benefit Obligation Payable	(558,686)
Compensated Absences Payable	(1,970,958)
General Obligation Bonds Payable	(1,865,000)
Accrued Interest Payable	<u>(23,219)</u>

Net Assets of Governmental Activities 163,239,151

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, 2012**

See Following Page

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
 Year Ended April 30, 2012

	<u>General</u>
Revenues	
Taxes	\$ 8,308,730
Licenses and Permits	868,427
Intergovernmental	8,093,184
Charges for Services	6,987,375
Fines and Forfeits	600,493
Interest	3,179
Miscellaneous	507,205
Total Revenues	<u>25,368,593</u>
Expenditures	
Current	
General Government	2,237,568
Community Development	1,311,039
Public Safety	13,741,615
Public Works	1,987,732
Parks and Recreation	2,540,298
Economic Development	-
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>21,818,252</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,550,341</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	<u>(625,000)</u>
	<u>(625,000)</u>
Net Change in Fund Balances	2,925,341
Fund Balances - Beginning	<u>4,812,193</u>
Fund Balances - Ending	<u><u>7,737,534</u></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
219,811	-	2,648,512	-	11,177,053
-	639,946	-	-	1,508,373
-	692,390	-	-	8,785,574
-	286,498	-	333,925	7,607,798
-	-	-	-	600,493
250	636	481	1,668	6,214
-	37,216	2,134	-	546,555
220,061	1,656,686	2,651,127	335,593	30,232,060
-	-	-	308,817	2,546,385
-	-	-	-	1,311,039
-	-	-	-	13,741,615
-	-	-	-	1,987,732
-	-	-	-	2,540,298
-	-	2,879,665	-	2,879,665
-	1,154,768	-	-	1,154,768
220,000	-	-	-	220,000
68,949	-	-	-	68,949
288,949	1,154,768	2,879,665	308,817	26,450,451
(68,888)	501,918	(228,538)	26,776	3,781,609
76,920	55,000	-	-	131,920
-	(76,920)	-	-	(701,920)
76,920	(21,920)	-	-	(570,000)
8,032	479,998	(228,538)	26,776	3,211,609
544,170	2,145,345	778,696	1,266,113	9,546,517
552,202	2,625,343	550,158	1,292,889	12,758,126

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, 2012

Net Change in Fund Balances - Total Governmental Funds	\$ 3,211,609
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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	1,116,451
Depreciation Expense	(2,372,501)

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.

Change in Net Pension Obligation (Asset)	175,626
Increase in Net Other Post-Employment Benefit Obligation	(135,669)
Additions to Compensated Absences Payable	(60,211)
Retirement of Debt	220,000

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.

11,654

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.

<u>85,546</u>

Changes in Net Assets of Governmental Activities	<u><u>2,252,505</u></u>
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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, 2012**

See Following Page

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Net Assets - Proprietary Funds
April 30, 2012

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
ASSETS				
Current Assets				
Cash and Investments	\$ 1,433,274	-	1,433,274	1,636,149
Receivables - Net of Allowances Accounts	1,087,967	135,445	1,223,412	66,563
Due from Other Funds	1,085,459	-	1,085,459	-
Inventories	-	1,643	1,643	27,177
Prepays	66,243	47,656	113,899	13,677
Total Current Assets	<u>3,672,943</u>	<u>184,744</u>	<u>3,857,687</u>	<u>1,743,566</u>
Noncurrent Assets				
Capital Assets				
Land	2,272,080	4,771,168	7,043,248	-
Buildings and Improvements	14,179,893	17,506,037	31,685,930	-
Machinery and Equipment	1,720,581	448,436	2,169,017	7,104,545
Waterworks System	14,677,598	-	14,677,598	-
Sewerage System	15,553,036	-	15,553,036	-
	<u>48,403,188</u>	<u>22,725,641</u>	<u>71,128,829</u>	<u>7,104,545</u>
Accumulated Depreciation	<u>(26,300,196)</u>	<u>(4,013,471)</u>	<u>(30,313,667)</u>	<u>(4,292,586)</u>
	<u>22,102,992</u>	<u>18,712,170</u>	<u>40,815,162</u>	<u>2,811,959</u>
Other Assets				
Unamortized Bond Issue Costs	-	1,046,314	1,046,314	-
Total Noncurrent Assets	<u>22,102,992</u>	<u>19,758,484</u>	<u>41,861,476</u>	<u>2,811,959</u>
Total Assets	<u>25,775,935</u>	<u>19,943,228</u>	<u>45,719,163</u>	<u>4,555,525</u>

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

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
LIABILITIES				
Current Liabilities				
Accounts Payable	254,813	67,437	322,250	80,322
Accrued Payroll	74,437	39,270	113,707	17,120
Deposits Payable	70,420	5,450	75,870	-
Accrued Interest Payable	72,725	303,510	376,235	-
Due to Other Funds	-	1,085,459	1,085,459	-
Unearned/Deferred Revenues	88,000	52,746	140,746	312,000
Compensated Absences Payable	51,251	8,975	60,226	13,698
Installment Contract Payable	-	-	-	379,347
IEPA Loans Payable	184,082	-	184,082	-
General Obligation Bonds Payable	440,000	225,000	665,000	-
Total Current Liabilities	1,235,728	1,787,847	3,023,575	802,487
Noncurrent Liabilities				
Compensated Absences Payable	205,004	35,898	240,902	54,795
Installment Contract Payable	-	-	-	396,707
IEPA Loans Payable	286,661	-	286,661	-
General Obligation Bonds Payable - Net	2,957,005	20,265,000	23,222,005	-
Total Noncurrent Liabilities	3,448,670	20,300,898	23,749,568	451,502
Total Liabilities	4,684,398	22,088,745	26,773,143	1,253,989
NET ASSETS				
Invested in Capital Assets - Net				
of Related Debt	18,235,244	(1,777,830)	16,457,414	2,035,905
Unrestricted	2,856,293	(367,687)	2,488,606	1,265,631
Total Net Assets	21,091,537	(2,145,517)	18,946,020	3,301,536

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds
Year Ended April 30, 2012**

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
Operating Revenues				
Charges for Services	\$ 7,275,241	2,544,891	9,820,132	-
Interfund Services	-	-	-	1,719,218
Total Operating Revenues	<u>7,275,241</u>	<u>2,544,891</u>	<u>9,820,132</u>	<u>1,719,218</u>
Operating Expenses				
Operations	6,227,307	2,037,316	8,264,623	1,299,848
Depreciation	1,044,917	481,258	1,526,175	466,305
Total Operating Expenses	<u>7,272,224</u>	<u>2,518,574</u>	<u>9,790,798</u>	<u>1,766,153</u>
Operating Income (Loss)	<u>3,017</u>	<u>26,317</u>	<u>29,334</u>	<u>(46,935)</u>
Nonoperating Revenues (Expenses)				
Interest Income	1,921	-	1,921	847
Connection Fees	120,500	-	120,500	-
Grants	-	108,937	108,937	-
Other Income	8,749	-	8,749	159,414
Interest Expense and Fiscal Charges	(162,759)	(881,581)	(1,044,340)	(27,780)
	<u>(31,589)</u>	<u>(772,644)</u>	<u>(804,233)</u>	<u>132,481</u>
Income (Loss) Before Transfers	<u>(28,572)</u>	<u>(746,327)</u>	<u>(774,899)</u>	<u>85,546</u>
Transfers In	<u>-</u>	<u>570,000</u>	<u>570,000</u>	<u>-</u>
Change in Net Assets	<u>(28,572)</u>	<u>(176,327)</u>	<u>(204,899)</u>	<u>85,546</u>
Net Assets - Beginning	<u>21,120,109</u>	<u>(1,969,190)</u>	<u>19,150,919</u>	<u>3,215,990</u>
Net Assets - Ending	<u>21,091,537</u>	<u>(2,145,517)</u>	<u>18,946,020</u>	<u>3,301,536</u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Cash Flows - Proprietary Funds
Year Ended April 30, 2012

	Business-Type Activities - Enterprise Funds			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 7,230,092	2,620,360	9,850,452	-
Receipts from Interfund Services	-	-	-	1,872,990
Payments to Employees	(1,522,326)	(861,239)	(2,383,565)	(351,624)
Payments to Suppliers	(4,860,338)	(1,143,603)	(6,003,941)	(954,128)
	<u>847,428</u>	<u>615,518</u>	<u>1,462,946</u>	<u>567,238</u>
Cash Flows from Noncapital Financing Activities				
Transfers In	-	570,000	570,000	-
Connection Fees	120,500	-	120,500	-
	<u>120,500</u>	<u>570,000</u>	<u>690,500</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(81,851)	(108,937)	(190,788)	-
Interest on Capital Debt	(162,759)	(881,581)	(1,044,340)	(27,780)
Principal on Capital Debt	(598,654)	(195,000)	(793,654)	(343,889)
	<u>(843,264)</u>	<u>(1,185,518)</u>	<u>(2,028,782)</u>	<u>(371,669)</u>
Cash Flows from Investing Activities				
Interest Received	1,921	-	1,921	847
	<u>126,585</u>	<u>-</u>	<u>126,585</u>	<u>196,416</u>
Net Change in Cash and Cash Equivalents				
	<u>1,306,689</u>	<u>-</u>	<u>1,306,689</u>	<u>1,439,733</u>
Cash and Cash Equivalents - Beginning				
	<u>1,433,274</u>	<u>-</u>	<u>1,433,274</u>	<u>1,636,149</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	3,017	26,317	29,334	(46,935)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	1,044,917	481,258	1,526,175	466,305
Other Income	8,749	108,937	117,686	159,414
(Increase) Decrease in Current Assets	(53,898)	(33,468)	(87,366)	(5,642)
Increase (Decrease) in Current Liabilities	(155,357)	32,474	(122,883)	(5,904)
Net Cash Provided by Operating Activities	<u>847,428</u>	<u>615,518</u>	<u>1,462,946</u>	<u>567,238</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, 2012

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,797,204
Investments	
State and Local Obligations	1,004,136
Corporate Bonds	4,261,796
U.S. Government and Agency Obligations	15,163,096
Insurance Contracts	610,706
Mutual Funds	18,284,101
Receivables	
Accrued Interest	165,750
Prepays	<u>500</u>
Total Assets	41,287,289
LIABILITIES	
Accounts Payable	<u>34,512</u>
NET ASSETS	
Net Plan Assets Held in Trust for Pension Benefits	<u><u>41,252,777</u></u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Statement of Changes in Net Assets - Fiduciary Funds
Year Ended April 30, 2012**

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 2,219,813
Contributions - Plan Members	<u>645,369</u>
Total Contributions	<u>2,865,182</u>
Investment Income	
Interest Earned	984,679
Net Change in Fair Value	<u>319,793</u>
	1,304,472
Less Investment Expenses	<u>(91,438)</u>
Net Investment Income	<u>1,213,034</u>
Total Additions	<u>4,078,216</u>
Deductions	
Administration	66,785
Benefits	<u>2,693,306</u>
Total Deductions	<u>2,760,091</u>
Change in Net Assets	1,318,125
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>39,934,652</u>
Ending	<u><u>41,252,777</u></u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2012

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
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statement No. 14," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 39, there are no component units included in the reporting entity.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

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 fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

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 five-member pension board, with two members appointed by the Village President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. 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 fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

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, 2012

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, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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, 2012

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, 2012

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. 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, 2012

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, 2012

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, 2012

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.

Prepays/Inventories

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Prepays/Inventories – Continued

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

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, 2012

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.

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, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Unearned/Deferred 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”.

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, 2012**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

The Finance Director/Budget Officer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body.

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

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	\$ 2,145,517

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.

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. The deposits and investments of the Pension Funds are held separately from those of other Village funds.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least 5 million that have appointed an investment advisor may, through that investment advisor, invest up to thirty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$6,725,846 and the bank balances totaled \$6,294,921.

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 5	6 to 10
Illinois Metropolitan Investment Trust	\$ 1,393,252	1,393,252	-	-
Illinois Funds	5,559,727	5,559,727	-	-
	6,952,979	6,952,979	-	-

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that the investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements which may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Village's investment policy further states investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. At year-end, the Village's investments in the Illinois Funds is rated AAAM by Standard & Poor's and the Village's investment in the Illinois Metropolitan Investment Convenience Fund and 1-3 Year Fund are rated AAf and AAf by Standard & Poor's, respectively.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy states that deposits in excess of FDIC or SAIF insurable limits be secured by some form of collateral or insurance. Every pledge of collateral will be documented by an approved written security and pledge agreement.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Eligible collateral or insurance instruments and collateral ratios (market value divided by deposit) are as follows:

a) U.S. Government Securities	110%
b) Obligations of Federal Agencies	110%
c) Obligations of Federal Instrumentalities	110%
d) Obligations of the State of Illinois	110%
e) General Obligation Bonds of the Village	110%
f) Surety Bond issued by the Municipal Bond Investment Assurance (MBIA) or other Village approved issuer	110%

Third party safekeeping is required for all collateral. To accomplish this, the securities can be held at the following locations: a Federal Reserve Bank or its branch office, at another custodial facility – generally in a trust department through book-entry at the Federal Reserve, unless physical securities are involved, or by an escrow agent of the pledging institution. Safekeeping will be documented by an approved written agreement. At year-end, the entire amount of the bank balance of deposits was covered by federal depository collateral or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy states that third party safekeeping is preferred for all securities. To accomplish this, the securities can be held at the following locations: a Federal Reserve Bank or its branch office, at another custodial facility – generally in a trust department through book-entry at the Federal Reserve, unless physical securities are involved, by an escrow agent of the pledging institution, or at a financial institution on the Illinois State Treasurer's approved list of safekeeping banks. Safekeeping will be documented by an approved written agreement. At year-end, the Village's investments in U.S. Government Agencies are all insured or registered with the Village or its agent in the Village's name and the Village's investment in the Illinois Fund and the Illinois Metropolitan Investment Trust are noncategorizable.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that investments shall be diversified to eliminate the risk of loss resulting in over concentration in a specific maturity, issuer, or class of securities. In order to reduce the risk of default, the investment portfolio of the Village shall not exceed the following diversification limits unless specifically authorized by the Board of Trustees:

- No financial institution shall hold more than 40% of the Village's investment portfolio, exclusive of U.S. Treasury securities in safekeeping.
- Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution.
- Commercial paper shall not exceed 10% of the Village's investment portfolio.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

- Deposits in the Illinois Public Treasurer’s Investment Pool shall not exceed 50% of the Village’s investment portfolio.
- Brokered certificates of deposit shall not exceed 25% of the Village’s investment portfolio.

At year-end, the Village has over 5 percent of the total cash and investment portfolio (other than U.S. Government guaranteed obligations) invested in the Illinois Funds and the Illinois Metropolitan Investment Fund.

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$1,028,147 and the bank balances totaled \$1,028,147.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 to 5	6 to 10	More than 10
U. S. Treasury Notes	\$ 633,169	-	633,169	-	-
Federal Home Loan Bank	5,384,442	257,065	781,629	3,039,219	1,306,529
Federal Home Loan Mortgage Corp	1,755,841	154,512	237,580	1,363,749	-
Federal Farm Credit Bank	1,172,842	360,911	178,431	633,500	-
Federal National Mortgage Association	733,816	-	733,816	-	-
Government National Mortgage Association	974	-	974	-	-
Municipal and Corporate Bonds	1,445,378	250,588	756,698	211,644	226,448
	<u>11,126,462</u>	<u>1,023,076</u>	<u>3,322,297</u>	<u>5,248,112</u>	<u>1,532,977</u>

Interest Rate Risk. The Fund’s investment policy states that the investment portfolio shall remain sufficiently liquid to pay all benefit payments as well as any operating requirements, which may be reasonably anticipated. Specifically, in no case will the Fund purchase securities with maturities of more than 20 years from the date of purchase.

Credit Risk. The Fund’s investment policy helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. At year-end, the Fund’s investments in U.S. Government and Agency securities and as municipal bonds were all rated AAA rated by Standard & Poor’s.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Custodial Credit Risk. The Fund’s investment policy does not address custodial credit risk. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund’s investment in U.S. Treasury and Agency securities as well as municipal bonds are categorized as insured, registered, or held by the Fund or its agent in the Fund’s name.

Concentration Risk. The Fund’s investment policy states that not more than 10% of the Pension Fund monies shall be invested in any one financial institution. At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$9,723,620 invested in mutual funds and \$610,706 invested in insurance contracts. At year-end, the Fund has over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in the American Beacon (\$1,691,746), Fidelity Contrafund (\$1,754,050) and Vanguard Institutional Index (\$2,846,245).

Firefighters’ Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$764,413 and the bank balances totaled \$565,163.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 to 5	6 to 10	More than 10
Federal Home Loan Bank	\$ 1,542,711	608,111	934,600	-	-
Federal Home Loan Mortgage Corp	972,483	-	255,421	-	717,062
Federal Farm Credit Bank	194,360	-	194,360	-	-
Federal National Mortgage Association	2,060,040	119,159	832,416	-	1,108,465
Federal Agricultural Mortgage Corporation	109,018	-	-	-	109,018
U. S. Treasury Notes	452,955	-	150,750	302,205	-
U. S. Treasury Bonds	150,445	-	-	-	150,445
Corporate Bonds	3,820,554	201,570	1,102,947	2,516,037	-
IMET	4,644	4,644	-	-	-
	9,307,210	933,484	3,470,494	2,818,242	2,084,990

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. The Fund's investment policy states that the investment portfolio shall remain sufficiently liquid to pay all benefit payments as well as any operating requirements, which may be reasonably anticipated. Specifically, in no case will the Fund purchase securities with maturities of more than 20 years from the date of purchase.

Credit Risk. The Fund's investment policy helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. At year-end, the Fund's investments in U.S. Agency securities and as municipal bonds were all rated AAA rated by Standard & Poor's.

Custodial Credit Risk. The Fund's investment policy does not address custodial credit risk. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investment in U.S. Treasury and Agency securities as well as municipal bonds are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

Concentration Risk. The Fund's investment policy states that not more than 10% of the Pension Fund monies shall be invested in any one financial institution. At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$8,560,481 in mutual funds. At year-end, the Fund has over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in the Dodge and Cox Stock Fund (\$1,279,810), T Rowe Price Growth (\$1,358,564), Vanguard Index Funds Total (\$976,505) and Vanguard 500 Index (\$1,000,256).

PROPERTY TAXES

Property taxes for 2011 attach as an enforceable lien on January 1, 2011, 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 Lake County and are payable in two installments, on or about May 1, 2012 and September 1, 2012. 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, 2012

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	\$ 98,301,694	-	-	98,301,694
Other Capital Assets				
Buildings and Improvements	17,110,295	-	-	17,110,295
Machinery and Equipment	7,604,143	301,070	95,000	7,810,213
Infrastructure	86,812,591	1,116,451	-	87,929,042
	111,527,029	1,417,521	95,000	112,849,550
Less Accumulated Depreciation				
Buildings and Improvements	9,936,155	424,531	-	10,360,686
Machinery and Equipment	4,371,713	529,004	95,000	4,805,717
Infrastructure	39,826,091	1,885,271	-	41,711,362
	54,133,959	2,838,806	95,000	56,877,765
Total Other Capital Assets	57,393,070	(1,421,285)	-	55,971,785
Total Capital Assets	155,694,764	(1,421,285)	-	154,273,479

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 54,655
Public Safety	173,721
Public Works	1,880,659
Parks and Recreation	263,466
Internal Service	466,305
	<u>2,838,806</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

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	\$ 7,043,248	-	-	7,043,248
Other Capital Assets				
Buildings and Improvements	31,626,993	108,937	50,000	31,685,930
Machinery and Equipment	2,169,017	-	-	2,169,017
Waterworks System	14,634,678	42,920	-	14,677,598
Sewerage System	15,514,105	38,931	-	15,553,036
	<u>63,944,793</u>	<u>190,788</u>	<u>50,000</u>	<u>64,085,581</u>
Less Accumulated Depreciation				
Buildings and Improvements	11,308,393	736,763	50,000	11,995,156
Machinery and Equipment	1,784,262	75,707	-	1,859,969
Waterworks System	7,569,799	354,604	-	7,924,403
Sewerage System	8,175,038	359,101	-	8,534,139
	<u>28,837,492</u>	<u>1,526,175</u>	<u>50,000</u>	<u>30,313,667</u>
Total Other Capital Assets	<u>35,107,301</u>	<u>(1,335,387)</u>	<u>-</u>	<u>33,771,914</u>
Total Capital Assets	<u>42,150,549</u>	<u>(1,335,387)</u>	<u>-</u>	<u>40,815,162</u>

Depreciation expense was charged to business-type as follows:

Waterworks and Sewerage	\$ 1,044,917
Libertyville Sports Complex	<u>481,258</u>
	<u>1,526,175</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

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:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Waterworks and Sewerage	Libertyville Sports Complex	<u>\$ 1,085,459</u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Debt Service	Capital Improvement	\$ 76,920
Capital Improvement	General	55,000
Libertyville Sports Complex	General	<u>570,000</u>
		<u>701,920</u>

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.

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:

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds/Certificates – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds 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	\$ 1,060,000	-	335,000	725,000
General Obligation Refunding Bonds 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	2,030,000	-	155,000	1,875,000
General Obligation Alternate Revenue Bonds of 2006 (\$3,000,000), due in annual installments of \$75,000 to \$330,000, including interest at 3.90% to 4.20% through May 1, 2022.	Waterworks and Sewerage	2,760,000	-	85,000	2,675,000
General Obligation Limited Tax Refunding Bonds of 2008 (\$1,710,000), due in annual installments of \$45,000 to \$205,000, including interest at 2.50% to 4.20% through December 15, 2019.	Debt Service	1,615,000	-	155,000	1,460,000

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds/Certificates – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Alternate Refunding Bonds of 2010A (\$11,570,000), due in annual installments of \$75,000 to \$1,550,000, including interest at 3.00% to 4.30% through December 15, 2030.	Sports Complex	\$ 11,570,000	-	-	11,570,000
General Obligation Alternate Refunding Bonds of 2010B (\$3,245,000), due in annual installments of \$170,000 to \$320,000, including interest at 3.00% to 5.875% through December 15, 2027.	Sports Complex	3,245,000	-	-	3,245,000
General Obligation Alternate Refunding Bonds of 2010C (\$3,840,000), due in annual installments of \$40,000 to \$570,000, including interest at 2.00% to 2.75% through December 15, 2020.	Sports Complex	3,840,000	-	40,000	3,800,000
General Obligation Alternate Refunding Bonds of 2010D (\$470,000), due in annual installments of \$65,000 to \$70,000, including interest at 2.00% to 2.60% through December 15, 2017.	Debt Service	470,000	-	65,000	405,000
		<u>26,590,000</u>	<u>-</u>	<u>835,000</u>	<u>25,755,000</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

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	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Environmental Protection Agency (IEPA) Sewer Revenue Bonds of 1999, due in annual installments of \$196,897, including interest at 3.015% through September 1, 2014.	Waterworks and Sewerage	\$ 649,397	-	178,654	470,743

Installment Contracts Payable

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

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Vehicle Maintenance installment contracts due in annual installments of \$14,020 to \$296,762 plus interest through maturity at fiscal year 2012 to fiscal year 2019.	Vehicle Maintenance	\$ 711,656	301,070	314,966	697,760

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts Payable – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Technology Equipment installment contract dated December 1, 2007 due in quarterly installments of \$8,327, including interest at 4.54% through maturity at August 19, 2014.	Technology Equipment	\$ 107,217	-	28,923	78,294
		818,873	301,070	343,889	776,054

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
Governmental Activities					
Net Pension Obligation	\$ 82,031	-	82,031	-	-
Compensated Absences	1,975,869	127,164	63,582	2,039,451	407,890
General Obligation Bonds	2,085,000	-	220,000	1,865,000	225,000
Installment Contracts	818,873	301,070	343,889	776,054	379,347
Net Other Post-Employment Benefit Obligation	423,017	135,669	-	558,686	-
	5,384,790	563,903	709,502	5,239,191	1,012,237
Business-Type Activities					
Compensated Absences	284,328	33,599	16,799	301,128	60,226
General Obligation Bonds	24,505,000	-	615,000	23,890,000	665,000
Unamortized Discount	(6,561)	-	(3,566)	(2,995)	-
IEPA Loans Payable	649,397	-	178,654	470,743	184,082
	25,432,164	33,599	806,887	24,658,876	909,308

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

The Debt Service, Waterworks and Sewerage and Sports Complex Funds make payments on the general obligation bonds. Payments on the IEPA bonds payable are made by the Waterworks and Sewerage Fund. The Vehicle Maintenance and Technology Equipment Funds (internal service funds) make payments on the installments contracts. Governmental compensated absences are retired by the General and Vehicle Maintenance Funds. The governmental net pension obligation and net other post-employment benefit obligation are generally liquidated by the General Fund. For business-type activities, compensated absences are retired by the Waterworks and Sewerage and Sports Complex Funds. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included are part of the above totals for governmental activities. At year end, \$68,493 of internal service funds' compensated absences are included in the above amounts.

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
2013	\$ 225,000	61,918	379,347	52,615
2014	230,000	56,218	186,790	42,150
2015	240,000	49,968	102,974	37,358
2016	250,000	43,042	67,030	35,887
2017	255,000	34,992	39,913	26,500
2018	255,000	26,305	-	-
2019	205,000	17,015	-	-
2020	205,000	8,610	-	-
Total	1,865,000	298,068	776,054	194,510

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2012

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 Bonds		IEPA Loans Payable	
	Principal	Interest	Principal	Interest
2013	\$ 665,000	941,105	184,082	12,816
2014	700,000	914,295	189,673	7,224
2015	1,160,000	891,446	96,988	1,462
2016	1,190,000	856,842	-	-
2017	1,225,000	818,672	-	-
2018	1,265,000	774,951	-	-
2019	1,315,000	732,078	-	-
2020	1,365,000	685,206	-	-
2021	1,415,000	635,194	-	-
2022	1,375,000	581,480	-	-
2023	1,430,000	523,235	-	-
2024	1,150,000	469,005	-	-
2025	1,205,000	419,499	-	-
2026	1,255,000	366,911	-	-
2027	1,315,000	312,079	-	-
2028	1,375,000	253,855	-	-
2029	1,435,000	192,855	-	-
2030	1,500,000	131,150	-	-
2031	1,550,000	66,650	-	-
Total	23,890,000	10,566,508	470,743	21,502

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, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin – Continued

Assessed Valuation - 2011	<u>\$ 1,182,827,397</u>
Legal Debt Limit - 8.625% of Assessed Valuation	102,018,863
Amount of Debt Applicable to Debt Limit	
General Obligation Limited Tax Refunding Bonds of 2008	<u>1,460,000</u>
Legal Debt Margin	<u>100,558,863</u>

Bond Defeasances

In prior years the Village defeased general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payment 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 basic financial statements. Defeased bonds of \$4,165,000 remain outstanding as of the date of this report.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET ASSETS CLASSIFICATIONS

Investment in capital assets – net of related debt, was comprised of the following as of April 30, 2012:

Governmental Activities

Capital Assets - Net of Accumulated Depreciation		\$ 154,273,479
Less Capital Related Debt:		
General Obligation Bonds	(1,865,000)	
Installment Contracts	(776,054)	<u>(2,641,054)</u>
Investment in Capital Assets - Net of Related Debt		<u>151,632,425</u>

Business-Type Activities

Capital Assets - Net of Accumulated Depreciation		\$ 40,815,162
Less Capital Related Debt:		
General Obligation Bonds	(23,890,000)	
IEPA Loans	(470,743)	
Plus Unamortized Items		
Unamortized Bond Discount	2,995	<u>(24,357,748)</u>
Investment in Capital Assets - Net of Related Debt		<u>16,457,414</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Debt Service	Capital Improvement	Tax Increment Financing Construction	Nonmajor Commuter Parking	Total
Fund Balances						
Nonspendable - Prepaids	\$ 1,021,714	-	-	-	10,025	1,031,739
Restricted						
Special Revenues						
Emergency Telephone System 911	327,104	-	-	-	-	327,104
Foreign Fire Insurance	55,715	-	-	-	-	55,715
Tim/Creek Special Service Area	48,805	-	-	-	-	48,805
Hotel/Motel Tax	241,165	-	-	-	-	241,165
Lucerne/Interlaken Special Service Area	23,953	-	-	-	-	23,953
Tax Increment Financing District	-	-	-	550,158	-	550,158
Fire Fund	30,424	-	-	-	-	30,424
Debt Service	-	552,202	-	-	-	552,202
	<u>727,166</u>	<u>552,202</u>	<u>-</u>	<u>550,158</u>	<u>-</u>	<u>1,829,526</u>
Committed - Commuter Parking	-	-	-	-	1,282,864	1,282,864
Assigned - Capital Projects	-	-	2,625,343	-	-	2,625,343
Unassigned	5,988,654	-	-	-	-	5,988,654
Total Fund Balances	<u>7,737,534</u>	<u>552,202</u>	<u>2,625,343</u>	<u>550,158</u>	<u>1,292,889</u>	<u>12,758,126</u>

In the governmental funds financial statements, the Village first utilizes restricted resources to finance qualifying activities, then committed, assigned and unassigned fund balance.

Committed Fund Balance. The Village reports committed fund balance in Commuter Parking, a nonmajor fund. The Village’s Board has committed these funds for the operations of the Village’s commuter parking lot.

Assigned Fund Balance. The Village reports assigned fund balance in the Capital Improvement Fund, a major fund. The Village’s management has assigned these funds to future acquisition and improvement of Village property including infrastructure and general capital assets.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2012

NOTE 4 – OTHER INFORMATION

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 \$2,500 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 Intergovernmental Public Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each participating member. IPBC maintains specific reinsurance coverage for claims in excess of \$100,000 per individual employee participant. The Village pays premiums to IPBC 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, 2012**

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Commitments – Central Lake County Joint Action Water Agency (CLCJAWA)

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
2012	\$ 1,602,556
2013	1,602,556
2014	1,602,556
2015	1,602,556
2016	1,602,556
2017-2029	20,833,228
	<u>28,846,008</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.

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.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2012

NOTE 4 – OTHER INFORMATION – Continued

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 contacts entered into while bound by the intergovernmental agreement, until those contacts 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.

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 online at www.imrf.org. 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.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 4 – OTHER INFORMATION – Continued

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. Participating members hired before January 1, 2011 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. For participating members hired on or after January 1, 2011 who retire at or after age 67 with 10 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 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or 1/2 of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. 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 annual required contribution rate for calendar year 2011 was 12.19 percent.

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:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	30
Current Employees	
Vested	29
Nonvested	<u>10</u>
	<u>69</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2012

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan – Continued

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 hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ 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. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, 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. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3% or $\frac{1}{2}$ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

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 2040 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2012

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:

Fire Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	20
Current Employees	
Vested	20
Nonvested	<u>13</u>
	<u>53</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 hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the monthly salary attached to the rank held 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 salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a firefighter hired before January 1, 2011, 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. The monthly pension of a firefighter hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements

April 30, 2012

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan – Continued

Covered employees, if any, 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 2040 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded.

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 when due, pursuant to formal commitments, as well as statutory or contractual requirements. 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

At year-end, the Police Pension Plan has over 5 percent of net plan assets (other than U.S. Government guaranteed obligations) invested in American Beacon \$1,691,746, Fidelity Contrafund \$1,754,050, and Vanguard Institutional Index \$2,846,245 and the Firefighters' Pension Plan has over 5 percent of net plan assets (other than U.S. Government guaranteed obligations) invested in Dodge & Cox Stock \$1,279,810, T Rowe Price Growth \$1,358,564, Vanguard Index Funds Total \$976,505 and Vanguard 500 Index \$1,000,256. 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, 2012**

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.” The pension liability (asset) for the IMRF, Police and Firefighters’ Pension Plans is as follows:

	IMRF Pension	Police Pension	Firefighters' Pension	Totals
Annual Required Contribution	\$ 753,453	1,185,197	941,093	2,879,743
Interest on the NPO	6,152	(577)	280	5,855
Adjustment to the ARC	(4,398)	438	(213)	(4,173)
Annual Pension Cost	755,207	1,185,058	941,160	2,881,425
Actual Contribution	837,238	1,232,055	987,758	3,057,051
Increase to the NPO	(82,031)	(46,997)	(46,598)	(175,626)
NPO - Beginning of Year	82,031	(28,323)	(13,914)	39,794
NPO - End of Year	-	(75,320)	(60,512)	(135,832)

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

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	12.19%	36.83%	34.79%
Employee	4.50%	9.91%	9.455%
Actuarial Valuation Date	12/31/2011	4/30/2011	4/30/2011
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Open Basis	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	30 Years	30 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	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, 2012**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

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

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2010	\$ 709,469	926,280	679,483
	2011	744,639	1,217,450	964,531
	2012	755,207	1,185,058	941,160
Actual Contributions	2010	709,469	988,826	712,663
	2011	692,258	1,233,142	980,817
	2012	837,238	1,232,055	987,758
Percentage of APC Contributed	2010	100.00%	106.75%	104.88%
	2011	92.97%	101.29%	101.69%
	2012	110.86%	103.97%	104.95%
Net Pension Obligation (Asset)	2010	29,650	(12,631)	2,372
	2011	82,031	(28,323)	(13,914)
	2012	-	(75,320)	(60,512)

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The Village's funded status for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/11	4/30/11	4/30/11
Percent Funded	72.69%	58.60%	64.70%
Actuarial Accrued Liability for Benefits	\$21,265,331	\$37,108,237	\$28,133,581
Actuarial Value of Assets	\$15,457,426	\$21,735,881	\$18,198,771
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$5,807,905)	(\$15,372,356)	(\$9,934,810)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$6,251,369	\$3,348,439	\$2,819,335
Ratio of UAAL to Covered Payroll	92.91%	459.09%	352.38%

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions and Funding Policies

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's General Fund.

The Village provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans.

All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending April 30, 2012, retirees contributed \$284,371. Active employees do not contribute to the plan until retirement.

At April 30, 2012, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	20
Active Employees	<u>163</u>
Total	<u>183</u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2012**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2012, was calculated as follows:

Annual Required Contribution	\$ 185,129
Interest on the NOPEBO	21,151
Adjustment to the ARC	<u>(14,101)</u>
Annual OPEB Cost	192,179
Actual Contribution	<u>56,510</u>
Increase in the NOPEBO	135,669
NOPEBO - Beginning of Year	<u>423,017</u>
NOPEBO - End of Year	<u><u>558,686</u></u>

Trend Information

The Village's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of Annual OPEB Cost Contributions	Net OPEB Obligation
2010	191,568	56,510	29.50 %	263,858
2011	202,833	43,674	21.53 %	423,017
2012	192,179	56,510	29.40 %	558,686

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of April 30, 2012 was as follows:

Actuarial Accrued Liability (AAL)	\$ 3,982,317
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	3,982,317
Funded Ratio (Actuarial Value of Plan Assets/AAL)	-
Covered Payroll (Active Plan Members)	14,377,724
UAAL as a Percentage of Covered Payroll	27.70%

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

Actuarial Methods and Assumptions

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

In the April 30, 2012 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses, and including a 3.0% inflation assumption) and an annual healthcare cost trend rate of 8.0%, with an ultimate rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2012, was 30 years.

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 and Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
 - Other Post-Employment Benefit Plan

- 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 and Employer Contributions
April 30, 2012**

Funding Progress

Actuarial Valuation Date Dec. 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)
2006	\$ 16,188,371	\$ 17,418,295	92.94%	\$ 1,229,924	\$ 6,605,711	18.62%
2007	17,094,116	18,561,058	92.10%	1,466,942	6,925,199	21.18%
2008	15,285,214	19,779,889	77.28%	4,494,675	7,239,177	62.09%
2009	16,624,259	21,871,176	76.01%	5,246,917	7,196,062	72.91%
2010	17,218,638	21,463,129	80.22%	4,244,491	6,511,768	65.18%
2011	15,457,426	21,265,331	72.69%	5,807,905	6,251,369	92.91%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 685,591	\$ 685,591	100.00%
2008	684,367	684,367	100.00%
2009	685,380	685,380	100.00%
2010	709,469	709,469	100.00%
2011	692,258	744,005	93.04%
2012	837,238	753,453	111.12%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2012**

Funding Progress

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 Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2006	\$ 16,685,424	\$ 26,489,010	62.99%	\$ 9,803,586	\$ 3,134,860	312.73%
2007	18,319,178	27,745,651	66.03%	9,426,473	3,218,075	292.92%
2008	18,718,139	30,168,717	62.04%	11,450,578	3,352,666	341.54%
2009	16,285,997	31,997,623	50.90%	15,711,626	3,458,735	454.26%
2010	19,422,120	33,558,833	57.87%	14,136,713	3,276,821	431.42%
2011	21,735,881	37,108,237	58.57%	15,372,356	3,348,439	459.09%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 798,558	\$ 788,887	101.23%
2008	854,428	841,021	101.59%
2009	875,829	830,770	105.42%
2010	988,826	972,769	101.65%
2011	1,233,142	1,235,640	99.80%
2012	1,232,055	1,185,197	103.95%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2012**

Funding Progress

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 Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2006	\$ 14,146,603	\$ 18,337,848	77.14%	\$ 4,191,245	\$ 2,333,541	179.61%
2007	15,649,951	20,169,717	77.59%	4,519,766	2,430,457	185.96%
2008	16,289,710	22,042,512	73.90%	5,752,802	2,420,202	237.70%
2009	13,904,320	23,866,950	58.26%	9,962,630	2,592,518	384.28%
2010	16,428,151	25,269,074	65.01%	8,840,923	2,711,700	326.03%
2011	18,198,771	28,133,581	64.69%	9,934,810	2,819,335	352.38%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 549,589	\$ 539,085	101.95%
2008	595,320	575,385	103.46%
2009	623,360	606,061	102.85%
2010	712,663	696,956	102.25%
2011	980,817	981,061	99.98%
2012	987,758	941,093	104.96%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 April 30, 2012

Funding Progress

Actuarial Valuation Date 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)
2007	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	-	2,528,411	0.00%	2,528,411	14,492,743	17.45%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	-	3,982,317	0.00%	3,982,317	14,377,724	27.70%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ N/A	\$ N/A	N/A
2008	N/A	N/A	N/A
2009	56,510	185,310	30.49%
2010	56,510	185,128	30.52%
2011	43,674	196,236	22.26%
2012	56,510	185,129	30.52%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available. The Village is required to have the actuarial valuation performed triennially.

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 8,167,130	8,167,130	8,308,730
Licenses and Permits	708,000	708,000	868,427
Intergovernmental	7,737,500	7,737,500	8,093,184
Charges for Services	6,512,570	6,512,570	6,987,375
Fines and Forfeits	388,000	388,000	600,493
Interest	1,500	1,500	3,179
Miscellaneous	300,000	300,000	507,205
Total Revenues	<u>23,814,700</u>	<u>23,814,700</u>	<u>25,368,593</u>
Expenditures			
General Government	2,100,455	2,286,245	2,237,568
Community Development	1,328,865	1,328,865	1,311,039
Public Safety	13,855,895	13,885,060	13,741,615
Public Works	2,042,800	2,042,800	1,987,732
Parks and Recreation	2,585,710	2,615,510	2,540,298
Total Expenditures	<u>21,913,725</u>	<u>22,158,480</u>	<u>21,818,252</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,900,975	1,656,220	3,550,341
Other Financing (Uses) Transfers Out	<u>(570,600)</u>	<u>(625,000)</u>	<u>(625,000)</u>
Net Change in Fund Balance	<u>1,330,375</u>	<u>1,031,220</u>	2,925,341
Fund Balance - Beginning			<u>4,812,193</u>
Fund Balance - Ending			<u><u>7,737,534</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 Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Fund
- Budgetary Comparison Schedules – Enterprise Funds
- Combining Statements – Internal Service Funds
- Budgetary Comparison Schedules – Internal Service Funds
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

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.

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.

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.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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.

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

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.

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes			
General Corporate	\$ 810,000	810,000	807,046
Fire Protection	740,000	740,000	745,420
Parks	355,000	355,000	354,202
Recreation	355,000	355,000	354,202
Highway and Bridges - Village	510,000	510,000	476,636
Highway and Bridges - Township	260,000	260,000	288,441
Municipal Retirement	375,000	375,000	378,689
Police Pension	1,225,000	1,225,000	1,222,055
Fire Pension	971,800	971,800	977,758
Special Recreation	155,000	155,000	158,879
Concord/Interlaken Special Service Area	22,230	22,230	22,230
Timber Creek Special Service Area	21,100	21,100	21,204
Electric Utility Tax	1,450,000	1,450,000	1,580,213
Gas Utility Tax	500,000	500,000	457,841
Leased Car Tax	70,000	70,000	72,017
Hotel/Motel Tax	215,000	215,000	248,013
Foreign Fire Insurance Tax	40,000	40,000	40,922
Personal Property Replacement Tax			
General	72,000	72,000	82,962
Police	10,000	10,000	10,000
Fire	10,000	10,000	10,000
	<u>8,167,130</u>	<u>8,167,130</u>	<u>8,308,730</u>
Licenses and Permits			
Building Plan Review Fees	50,000	50,000	64,317
Building Permits	500,000	500,000	602,055
Zoning Fees	25,000	25,000	33,330
Fire Bureau - Permits/Fees	45,000	45,000	72,700
Liquor Licenses	72,000	72,000	79,225
Other Licenses	16,000	16,000	16,800
	<u>708,000</u>	<u>708,000</u>	<u>868,427</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Intergovernmental			
Sales Tax	\$ 5,715,000	5,715,000	5,833,012
Income Tax	1,659,000	1,659,000	1,736,561
Use Tax	255,000	255,000	310,221
Street/Signal Maintenance Fees	77,000	77,000	40,620
Grants	31,500	31,500	172,770
	<u>7,737,500</u>	<u>7,737,500</u>	<u>8,093,184</u>
Charges for Services			
Libertyville Fire Protection	2,437,070	2,437,070	2,452,104
Ambulance Fees	562,000	562,000	573,759
Golf Rentals	1,500	1,500	1,596
Recreation Fees	712,500	712,500	739,910
Green Fees	55,000	55,000	41,732
Swimming Fees	220,000	220,000	217,973
Swimming Programs	125,000	125,000	120,807
Senior Meals Fees	22,000	22,000	16,671
Recycling/Refuse Fees	88,000	88,000	145,824
Parking Fees	6,000	6,000	5,594
Engineering	50,000	50,000	178,255
Alarm Fees	260,000	260,000	206,708
Elevator Inspection Fees	29,000	29,000	27,678
Fire Services	15,000	15,000	12,818
Legal Fee Reimbursement	10,000	10,000	62,348
Birth/Death Certificates	190,000	190,000	205,378
Cable Franchise Fee	325,000	325,000	363,893
Telecom Infrastructure Maintenance Fee	1,000,000	1,000,000	1,109,807
Police Services	83,000	83,000	67,537
Damage to Village Property	1,000	1,000	72,111
Senior Center Sponsorship	5,000	5,000	7,076
Concessions - Pools	28,000	28,000	26,191
Pro Shop Merchandise	500	500	297
Telephone Surcharge - 911	137,000	137,000	143,144
Wireless Surcharge - 911	150,000	150,000	188,164
	<u>6,512,570</u>	<u>6,512,570</u>	<u>6,987,375</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Fines and Forfeits			
Local Fines	\$ 180,000	180,000	239,182
Circuit Court Fines	145,000	145,000	207,473
DUI Fines - Senate Bill 740	3,000	3,000	26,971
Automated Traffic Enforcement	60,000	60,000	126,867
	<u>388,000</u>	<u>388,000</u>	<u>600,493</u>
Interest			
Investment Income	1,500	1,500	3,179
Miscellaneous			
Park Rentals	10,000	10,000	13,728
Scholarship/Donations	18,000	18,000	14,784
LCCF Contribution	12,000	12,000	13,438
Soda Machine Revenue	2,000	2,000	1,081
Tree Program	-	-	4,818
Drug Seizure	-	-	5,580
Drug Forfeiture	-	-	5,964
Cash Over	-	-	265
TIF Surplus Rebate	123,000	123,000	134,895
Insurance Surplus	100,000	100,000	252,003
Miscellaneous	35,000	35,000	60,649
	<u>300,000</u>	<u>300,000</u>	<u>507,205</u>
Total Revenues	<u>23,814,700</u>	<u>23,814,700</u>	<u>25,368,593</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
General Government			
Legislative	\$ 91,205	99,205	98,447
Administration and Finance	1,137,785	1,169,375	1,166,613
Legal	357,000	502,700	495,200
Public Buildings	68,495	68,495	58,456
Community Organization/Activities	195,200	195,200	185,440
Senior Programs	50,970	51,470	51,311
Central Business District Parking	29,900	29,900	17,327
Hotel/Motel Tax	169,900	169,900	164,774
	<u>2,100,455</u>	<u>2,286,245</u>	<u>2,237,568</u>
Community Development			
Planning	479,560	479,560	479,436
Building Services	694,945	694,945	685,490
Economic Development	154,360	154,360	146,113
	<u>1,328,865</u>	<u>1,328,865</u>	<u>1,311,039</u>
Public Safety			
Police Department			
Administration/Communication/Records	1,966,090	1,868,235	1,786,322
Patrol Services	4,459,125	4,546,955	4,538,529
Investigation	654,925	654,925	669,255
Public Education	-	-	101
Community Service	124,940	124,940	99,664
	<u>7,205,080</u>	<u>7,195,055</u>	<u>7,093,871</u>
Fire Services Department			
Administration	207,825	210,410	209,140
Fire Prevention	236,020	197,395	195,113
Emergency Services	5,296,375	5,359,405	5,353,570
Support Services	516,875	516,875	514,983
Fire Fund	10,000	10,000	2,370
Foreign Fire Insurance	40,000	40,000	36,965
	<u>6,307,095</u>	<u>6,334,085</u>	<u>6,312,141</u>
Emergency Management Agency	<u>22,600</u>	<u>34,800</u>	<u>34,486</u>
Emergency Telephone System (911)	<u>321,120</u>	<u>321,120</u>	<u>301,117</u>
Total Public Safety	<u>13,855,895</u>	<u>13,885,060</u>	<u>13,741,615</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
 Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Public Works			
Engineering	\$ 216,255	216,255	215,175
Highways and Bridges	1,354,640	1,354,640	1,330,786
Snow Removal and Ice Control	279,000	279,000	258,078
Concord/Interlaken Special Service Area	24,200	24,200	23,340
Timber Creek Special Service Area	19,800	19,800	18,609
Refuse and Recycling	148,905	148,905	141,744
	<u>2,042,800</u>	<u>2,042,800</u>	<u>1,987,732</u>
Parks and Recreation			
Parks	1,269,480	1,269,480	1,230,738
Recreation	834,670	864,970	860,793
Libertyville Golf Course	130,620	130,120	122,852
Swimming Pool	350,940	350,940	325,915
	<u>2,585,710</u>	<u>2,615,510</u>	<u>2,540,298</u>
Total Expenditures	<u>21,913,725</u>	<u>22,158,480</u>	<u>21,818,252</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
General Government			
Legislative			
Salaries	\$ 45,600	45,600	45,600
Employer Contribution - FICA & Medicare	3,905	3,905	4,093
Travel, Training, Subscriptions and Dues	20,000	20,000	16,651
Technical Services	3,600	3,600	2,493
Appearance Review Committee	1,250	1,250	1,250
Board of Police and Fire Commissions	9,000	17,000	16,790
Keep Libertyville Beautiful	1,500	1,500	594
Plan Commission/Zoning Board of Appeals	4,200	4,200	6,650
Business Appreciation Breakfast	150	150	687
Miscellaneous	2,000	2,000	3,639
	<u>91,205</u>	<u>99,205</u>	<u>98,447</u>
Administration and Finance			
Salaries	579,760	565,760	565,567
Sick Leave Buyback	-	46,150	46,144
Employer Contribution - IMRF	66,670	77,760	77,758
Employer Contribution - FICA & Medicare	40,130	40,130	36,565
Telephone	10,000	10,000	8,616
Maintenance - Copy Machines	7,200	7,200	6,702
Maintenance - Motor Vehicles	4,000	4,000	4,000
Maintenance - Other Equipment	500	500	686
Vital Records	48,000	53,350	53,345
Insurance	133,740	133,740	132,665
Intergovernmental Risk Management Agency	147,890	130,890	130,053
Postage	10,000	10,000	8,480
Office Supplies	10,000	10,000	11,069
Audit Services	22,000	22,000	21,435
Travel, Training, Subscriptions and Dues	8,220	8,220	9,978
Technical Services	7,000	7,000	4,326
Credit Card/Bank Fees	10,000	10,000	13,689
Publication	16,500	16,500	17,610
Printing	2,900	2,900	5,018
Section 125 Administration Fees	7,020	7,020	6,404

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration and Finance - Continued			
Employee Programs	\$ 500	500	373
Cash Under	-	-	43
Vehicle Replacement Fees	4,755	4,755	4,755
Miscellaneous	1,000	1,000	1,332
	<u>1,137,785</u>	<u>1,169,375</u>	<u>1,166,613</u>
Legal			
Village Attorney	180,000	280,000	275,043
Village Prosecutor	40,000	43,000	40,061
Labor Counsel	50,000	82,000	80,554
Litigation	80,000	95,000	97,474
Administrative Adjudicator	6,000	2,500	1,870
Miscellaneous	1,000	200	198
	<u>357,000</u>	<u>502,700</u>	<u>495,200</u>
Public Buildings			
Materials and Supplies	-	-	115
North Shore Gas	2,200	2,200	1,747
Maintenance - Village Hall	13,000	13,000	10,929
Maintenance - Schertz Building	31,300	31,300	27,788
Maintenance - Motor Vehicle	850	850	850
Intergovernmental Risk Management Agency	8,545	8,545	7,560
Uniforms	100	100	-
Civic Center	-	-	(253)
Unemployment Benefits	7,500	7,500	8,496
Miscellaneous	5,000	5,000	1,224
	<u>68,495</u>	<u>68,495</u>	<u>58,456</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Organization/Activities			
Dial-A-Ride	\$ 15,000	15,000	11,021
Northern Illinois Special Recreation Assn.	140,000	140,000	134,219
Special Events	15,000	15,000	15,000
Mosquito Control	25,200	25,200	25,200
	<u>195,200</u>	<u>195,200</u>	<u>185,440</u>
Senior Programs			
Salaries	20,200	20,700	20,690
Employer Contribution - IMRF	2,300	2,300	2,407
Employer Contribution - FICA & Medicare	1,530	1,530	1,583
Materials and Supplies	4,000	4,000	5,092
Meal Supplies	1,400	1,400	2,433
Utilities	240	240	216
Contractual Services	15,000	15,000	13,527
Senior Trips	6,300	6,300	5,363
	<u>50,970</u>	<u>51,470</u>	<u>51,311</u>
Central Business District Parking			
Technical Services	5,000	5,000	-
Telephone	1,900	1,900	1,761
Materials and Supplies	3,000	3,000	1,651
Maintenance - Building	7,000	7,000	7,277
Maintenance - Parking Lots	13,000	13,000	6,638
	<u>29,900</u>	<u>29,900</u>	<u>17,327</u>
Hotel/Motel Tax			
Libertyville Days	24,000	24,000	23,905
Downtown Beautification	19,000	19,000	16,162
Cook House	15,000	15,000	6,774
Mainstreet Libertyville	5,000	5,000	5,000
Village Band	3,000	3,000	2,847
Tourism Promotions	15,000	15,000	14,871

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
General Government - Continued			
Hotel/Motel Tax - Continued			
Lake County Convention	\$ 10,000	10,000	10,000
Special Events	14,500	14,500	13,618
Civic Center	14,400	14,400	22,092
Sports Complex Marketing	40,000	40,000	41,609
Adler Cultural Center	10,000	10,000	7,896
	<u>169,900</u>	<u>169,900</u>	<u>164,774</u>
Total General Government	2,100,455	2,286,245	2,237,568
Community Development			
Planning			
Salaries	331,940	331,940	331,547
Employer Contribution - IMRF	38,175	38,175	44,678
Employer Contribution - FICA & Medicare	23,920	23,920	23,432
Materials and Supplies	3,500	3,500	2,816
Telephone	2,500	2,500	1,892
Maintenance - Motor Vehicle	650	650	650
Insurance	59,900	59,900	59,418
Intergovernmental Risk Management Agency	6,825	6,825	6,041
Postage	1,300	1,300	516
Travel, Training, Subscriptions and Dues	5,500	5,500	4,124
Printing and Photoprocessing	5,000	5,000	3,999
Miscellaneous	350	350	323
	<u>479,560</u>	<u>479,560</u>	<u>479,436</u>
Building Services			
Salaries	448,560	448,560	450,801
Employer Contribution - IMRF	51,585	51,585	61,321
Employer Contribution - FICA & Medicare	34,315	34,315	33,279

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Community Development - Continued			
Building Services - Continued			
Materials and Supplies	\$ 2,000	2,000	1,501
Telephone	2,500	2,500	1,892
Maintenance - Motor Vehicle	7,900	7,900	7,900
Maintenance - Other Equipment	2,100	2,100	1,614
Insurance	80,130	80,130	79,483
Intergovernmental Risk Management Agency	18,055	18,055	17,602
Office Supplies	2,800	2,800	2,676
Travel, Training, Subscriptions and Dues	4,000	4,000	3,273
Technical Services	22,000	22,000	20,972
Reimbursable Expenses	600	600	288
Printing and Publication	3,000	3,000	2,717
Unemployment Benefits	15,000	15,000	-
Miscellaneous	400	400	171
	<u>694,945</u>	<u>694,945</u>	<u>685,490</u>
Economic Development			
Salaries	85,670	85,670	85,588
Employer Contribution - IMRF	9,850	9,850	11,635
Employer Contribution - FICA & Medicare	6,555	6,555	6,197
Materials and Supplies	800	800	194
Insurance	19,915	19,915	19,753
Intergovernmental Risk Management Agency	1,770	1,770	1,512
Postage	750	750	252
Travel, Training, Subscriptions and Dues	4,550	4,550	4,710
Technical Services	1,500	1,500	543
Economic Development Incentives	18,000	18,000	10,933
Promotion and Activities	3,500	3,500	3,490
Printing and Publication	1,500	1,500	1,306
	<u>154,360</u>	<u>154,360</u>	<u>146,113</u>
Total Community Development	<u>1,328,865</u>	<u>1,328,865</u>	<u>1,311,039</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Public Safety			
Police Department			
Administration/Communication/Records			
Salaries - Uniformed	\$ 316,330	316,330	307,205
Salaries - Civilian	132,260	132,260	125,744
Salaries - Dispatchers	315,925	298,920	277,502
Employer Contribution - IMRF	51,510	51,510	57,364
Employer Contribution - FICA & Medicare	36,950	36,950	32,113
Contractual Services	92,000	66,150	59,971
Materials and Supplies	5,450	5,450	2,696
Telephone	13,000	13,000	10,834
Maintenance - Motor Vehicles Fees	11,175	11,175	11,175
Maintenance - Other Equipment	1,000	1,000	269
Insurance	783,120	743,120	714,178
Intergovernmental Risk Management Agency	170,620	155,620	152,785
Postage	2,500	2,500	2,044
Office Supplies	9,500	9,500	9,837
Travel, Training, Subscriptions and Dues	10,000	10,000	9,665
Medical Services	1,050	1,050	2,243
Photocopying	5,650	5,650	4,773
Printing and Publications	4,250	4,250	4,673
Uniforms	2,800	2,800	1,168
Miscellaneous	1,000	1,000	83
	<u>1,966,090</u>	<u>1,868,235</u>	<u>1,786,322</u>
Patrol Services			
Salaries - Uniformed	2,880,345	2,912,640	2,912,614
Sick Leave Buyback	-	32,250	32,252
Employer Contribution - FICA & Medicare	34,505	37,100	37,096
Contractual Services	1,500	1,500	2,497
Materials and Supplies	23,000	23,000	22,845
Maintenance - Motor Vehicles Fees	86,000	86,000	86,000
Maintenance - Other Equipment	8,550	8,550	5,539
Squad Equipment Changeover	20,000	20,000	19,156
DUI Equipment	22,450	22,450	15,933

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Patrol Services - Continued			
Travel, Training, Subscriptions and Dues	\$ 15,500	15,500	16,658
Equipment Rental and User Fees	5,155	5,155	5,155
Uniforms	24,600	38,190	38,186
Police Pension	1,225,000	1,232,100	1,232,055
Vehicle Replacement Fees	112,420	112,420	112,420
Miscellaneous	100	100	123
	<u>4,459,125</u>	<u>4,546,955</u>	<u>4,538,529</u>
Investigations			
Salaries - Uniformed	592,340	592,340	609,175
Employer Contribution - FICA & Medicare	8,590	8,590	8,704
Contractual Services	4,000	4,000	4,091
Materials and Supplies	1,000	1,000	1,081
Maintenance - Motor Vehicles Fees	11,900	11,900	11,900
Travel, Training, Subscriptions and Dues	1,000	1,000	339
Uniforms	6,000	6,000	4,832
Northern Illinois Crime Lab	29,345	29,345	29,342
Drug Forfeiture Expense	250	250	-
Miscellaneous	500	500	(209)
	<u>654,925</u>	<u>654,925</u>	<u>669,255</u>
Public Education			
Materials and Supplies	-	-	101
Community Services			
Salaries - Civilian	92,925	92,925	73,664
Employer Contribution - IMRF	7,070	7,070	3,217
Employer Contribution - FICA & Medicare	6,415	6,415	5,579
Materials and Supplies	250	250	159
Maintenance - Motor Vehicles Fees	14,980	14,980	14,980
Travel, Training, Subscriptions and Dues	500	500	362

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Community Services - Continued			
Animal Care	\$ 1,000	1,000	709
Uniforms	1,800	1,800	994
	<u>124,940</u>	<u>124,940</u>	<u>99,664</u>
Total Police Department	<u>7,205,080</u>	<u>7,195,055</u>	<u>7,093,871</u>
Fire Department			
Administration			
Salaries - Uniformed	121,715	124,300	124,284
Salaries - Civilian	44,665	44,665	46,878
Employer Contribution - IMRF	5,135	5,135	6,380
Employer Contribution - FICA & Medicare	5,180	5,180	4,875
Telephone	21,000	21,000	19,159
Postage	2,200	2,200	1,601
Office Supplies	2,200	2,200	2,521
Travel, Training, Subscriptions and Dues	780	780	155
Photocopying	4,450	4,450	2,914
Miscellaneous	500	500	373
	<u>207,825</u>	<u>210,410</u>	<u>209,140</u>
Fire Prevention			
Salaries - Uniformed	108,135	108,135	113,480
Salaries - Civilian	88,625	50,000	49,510
Employer Contribution - IMRF	10,190	10,190	5,985
Employer Contribution - FICA & Medicare	8,350	8,350	5,369
Maintenance - Motor Equipment Fees	16,070	16,070	16,070
Maintenance - Other Equipment	150	150	-
Office Supplies	200	200	52
Public Education	2,000	2,000	2,237
Travel, Training, Subscriptions and Dues	2,300	2,300	2,410
	<u>236,020</u>	<u>197,395</u>	<u>195,113</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Emergency Services			
Salaries - Uniformed	\$ 3,199,060	3,210,000	3,209,804
Salaries - Dispatchers	198,420	174,500	174,117
Sick Leave Buyback	-	40,850	40,817
Employer Contribution - IMRF	22,820	22,820	20,608
Employer Contribution - FICA & Medicare	56,400	56,400	53,344
Contractual Services	-	44,500	44,500
Firefighter/EMS Supplies	17,000	17,000	18,886
Insurance	616,450	598,000	597,426
Intergovernmental Risk Management Agency	160,890	145,000	144,509
Office Supplies	200	200	105
Travel, Training, Subscriptions and Dues	12,500	12,500	12,838
Technical Services	16,650	16,650	10,893
Rental & User Fees	10,775	10,775	9,560
Firefighters' Pension	981,060	981,060	987,758
Paid on Call Pensions	3,150	3,150	3,150
Miscellaneous	1,000	1,000	943
Capital Outlay	-	25,000	24,312
	<u>5,296,375</u>	<u>5,359,405</u>	<u>5,353,570</u>
Support Services			
Salaries - Uniformed	31,500	31,500	33,529
Employer Contribution - FICA & Medicare	450	450	467
Materials and Supplies	14,000	14,000	13,570
Firefighter/EMS Supplies	23,400	23,400	20,910
Utilities	25,000	25,000	24,137
Maintenance - Buildings	18,000	18,000	18,852
Maintenance - Grounds	7,550	7,550	6,941
Maintenance - Motor Equipment	115,000	115,000	115,000
Maintenance - Other Equipment	11,100	11,100	11,161
Uniforms	20,875	20,875	20,416
Vehicle Replacement Fees	250,000	250,000	250,000
	<u>516,875</u>	<u>516,875</u>	<u>514,983</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Fire Fund			
Soda Purchase	\$ 2,000	2,000	1,400
Antique Fire Truck Repairs	2,000	2,000	-
Miscellaneous	6,000	6,000	970
	<u>10,000</u>	<u>10,000</u>	<u>2,370</u>
Foreign Fire Insurance			
Firefighting/EMS Equipment	40,000	40,000	36,965
	<u>6,307,095</u>	<u>6,334,085</u>	<u>6,312,141</u>
Emergency Management Agency			
Materials and Supplies	50	50	59
Electricity	200	200	199
Telephone	1,000	600	552
Maintenance - Other Equipment	8,800	10,000	9,969
Computer Equipment and Supplies	300	-	-
Office Supplies	100	100	-
Public Education	-	2,350	2,327
Travel, Training, Subscriptions and Dues	650	-	-
Capital Outlay	11,500	21,500	21,380
	<u>22,600</u>	<u>34,800</u>	<u>34,486</u>
Emergency Telephone System (911)			
Salaries	78,160	78,160	78,549
Employer Contribution - IMRF	8,990	8,990	9,447
Employer Contribution - FICA & Medicare	5,980	5,980	5,949
Materials and Supplies	500	500	-
Telephone	46,000	46,000	51,626
Maintenance - Other Equipment	29,750	29,750	28,542
Maintenance - 911 Equipment	60,000	60,000	53,947
Computer Equipment and Supplies	4,000	4,000	862
Insurance	6,855	6,855	6,800
Intergovernmental Risk Management Agency	12,800	12,800	11,329
Office Supplies	300	300	168
Travel, Training, Subscriptions and Dues	3,800	3,800	2,025

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Emergency Telephone System (911) - Continued			
Technical Services	\$ 3,000	3,000	1,995
Uniforms	1,000	1,000	179
Capital Outlay	21,000	21,000	19,541
Computer Aided Dispatch Equipment	38,985	38,985	30,158
	<u>321,120</u>	<u>321,120</u>	<u>301,117</u>
Total Public Safety	13,855,895	13,885,060	13,741,615
Public Works			
Engineering			
Salaries	117,445	117,445	108,309
Employer Contribution - IMRF	11,890	11,890	19,043
Employer Contribution - FICA & Medicare	8,985	8,985	7,999
Materials and Supplies	1,600	1,600	1,147
Telephone	2,800	2,800	1,892
Maintenance - Vehicles	6,450	6,450	6,450
Maintenance - Other Equipment	765	765	-
Insurance	46,685	46,685	45,553
Intergovernmental Risk Management Agency	8,700	8,700	7,702
Office Supplies	5,150	5,150	4,008
Travel, Training, Subscriptions and Dues	1,890	1,890	1,928
Technical Services	305	305	7,554
Vehicle Replacement Fees	3,590	3,590	3,590
	<u>216,255</u>	<u>216,255</u>	<u>215,175</u>
Highways and Bridges			
Salaries - Administration	85,665	85,665	76,597
Salaries - Clerical	16,860	16,860	16,958
Salaries - Maintenance	302,060	302,060	282,157
Employer Contribution - IMRF	46,525	46,525	56,454
Employer Contribution - FICA & Medicare	30,645	30,645	27,204
Materials and Supplies	14,250	14,250	13,226
Streetlights - Energy	101,600	101,600	97,116
Streetlights - Maintenance	83,850	83,850	124,555

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Public Works - Continued			
Highways and Bridges - Continued			
Maintenance - Buildings	\$ 10,025	10,025	3,248
Maintenance - Roadway Medians	13,000	13,000	17,848
Maintenance - Motor Equipment Fees	113,400	113,400	113,400
Maintenance - Other Equipment	1,300	1,300	943
Maintenance - Streets and Alleys	39,000	39,000	33,994
Maintenance - Sidewalks	10,000	10,000	7,972
Maintenance - Storm Sewers	13,300	13,300	13,829
Maintenance - Signs	6,000	6,000	7,049
Insurance	172,235	172,235	163,308
Intergovernmental Risk Management Agency	65,325	65,325	55,015
Travel, Training, Subscriptions and Dues	800	800	920
Technical Services	980	980	1,477
Traffic Signal Maintenance	43,975	43,975	35,113
Photoprocessing	2,000	2,000	1,935
Uniforms	4,425	4,425	3,048
Vehicle Replacement Fees	177,420	177,420	177,420
	<u>1,354,640</u>	<u>1,354,640</u>	<u>1,330,786</u>
Snow Removal and Ice Control			
Salaries - Administration	17,135	17,135	13,978
Salaries - Maintenance	117,905	117,905	108,381
Employer Contribution - IMRF	15,405	15,405	14,783
Employer Contribution - FICA & Medicare	10,250	10,250	8,985
Materials and Supplies	105,950	105,950	101,059
Intergovernmental Risk Management Agency	10,390	10,390	8,314
Contractual Service	965	965	963
Miscellaneous	1,000	1,000	1,615
	<u>279,000</u>	<u>279,000</u>	<u>258,078</u>
Concord/Interlaken Special Service Area			
Administration Fees	1,000	1,000	1,000
Maintenance of Retention Pond	5,300	5,300	4,431
Landscaping	11,900	11,900	11,910
Miscellaneous	6,000	6,000	5,999
	<u>24,200</u>	<u>24,200</u>	<u>23,340</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Public Works - Continued			
Timber Creek Special Service Area			
Administration Fees	\$ 1,000	1,000	1,000
Maintenance of Retention Pond	4,200	4,200	4,933
Landscaping	10,600	10,600	9,731
Miscellaneous	4,000	4,000	2,945
	<u>19,800</u>	<u>19,800</u>	<u>18,609</u>
Refuse and Recycling			
Salaries - Maintenance	37,450	37,450	37,788
Employer Contribution - IMRF	4,310	4,310	4,563
Employer Contribution - FICA & Medicare	2,865	2,865	2,754
Insurance	19,915	19,915	19,753
Materials and Supplies	5,750	5,750	3,026
Maintenance - Motor Vehicles	16,600	16,600	16,600
Intergovernmental Risk Management Agency	4,595	4,595	4,388
SWALCO Fee	7,420	7,420	7,416
Contractual Service	50,000	50,000	45,456
	<u>148,905</u>	<u>148,905</u>	<u>141,744</u>
Total Public Works	<u>2,042,800</u>	<u>2,042,800</u>	<u>1,987,732</u>
Parks and Recreation			
Parks			
Salaries - Full Time	626,865	626,865	623,895
Salaries - Part Time	18,775	18,775	18,887
Sick Leave Buyback	22,550	22,550	-
Employer Contribution - IMRF	70,595	70,595	85,674
Employer Contribution - FICA & Medicare	46,960	46,960	47,423
Contractual Services	16,500	16,500	16,837
Materials and Supplies	8,350	8,350	8,160
Electricity	4,500	4,500	3,720
North Shore Gas	1,500	1,500	1,374
Telephone	3,900	3,900	1,611
Gasoline and Oil	2,000	2,000	1,975
Maintenance - Building	7,750	7,750	7,777
Maintenance - Grounds	28,300	28,300	28,071

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Parks - Continued			
Maintenance - Motor Vehicles	\$ 60,000	60,000	60,000
Maintenance - Other Equipment	10,750	10,750	10,561
Maintenance - Roads and Parking Lots	500	500	-
Insurance	149,600	149,600	142,380
Intergovernmental Risk Management Agency	39,120	39,120	32,712
Office Supplies	500	500	527
Travel, Training, Subscriptions and Dues	2,160	2,160	1,076
Tree Surgery and Spraying	14,500	14,500	12,594
Nursery Stock and Trees	2,000	2,000	6,030
Equipment Rental	350	350	90
Unemployment Benefits	15,000	15,000	4,656
Uniform	5,095	5,095	4,178
Vehicle Replacement Fees	108,330	108,330	108,330
Miscellaneous	3,030	3,030	2,200
	<u>1,269,480</u>	<u>1,269,480</u>	<u>1,230,738</u>
Recreation			
Salaries - Administrative Staff	178,250	178,250	179,141
Salaries - Tot Programs	121,260	121,260	106,173
Salaries - Youth/Teen Programs	94,000	94,000	94,109
Salaries - Special/Cultural Events	30,000	30,000	28,036
Employer Contribution - IMRF	25,100	25,100	32,772
Employer Contribution - FICA & Medicare	32,400	32,400	30,730
Supplies and Expenses - Tot Programs	11,000	11,000	9,050
Supplies and Expenses - Youth Programs	26,600	26,600	23,321
Electricity	30,000	30,000	26,994
North Shore Gas	2,500	2,500	1,193
Telephone	5,500	5,500	4,495
Maintenance - Motor Vehicles	3,580	3,580	3,580
Maintenance - Building	20,000	20,000	19,901
Independent Contractor	104,700	135,000	158,541
Cultural Arts Expenses	9,000	9,000	11,707
Insurance	43,285	43,285	44,779
Intergovernmental Risk Management Agency	32,705	32,705	27,327
Seasonal Brochures	28,100	28,100	24,779
Office Supplies	5,600	5,600	4,440

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Recreation - Continued			
Travel, Training, Subscriptions and Dues	\$ 590	590	185
Supplies and Expenses - Special Event Family	5,200	5,200	4,228
Credit Card Bank Fee	19,000	19,000	19,530
Photoprocessing	3,800	3,800	2,911
Refunds	-	-	1,147
Cash Short	-	-	117
Miscellaneous	2,500	2,500	1,607
	<u>834,670</u>	<u>864,970</u>	<u>860,793</u>
Libertyville Golf Course			
Salaries - Pro Shop	7,885	7,885	11,625
Salaries - Maintenance	12,960	12,460	6,403
Employer Contribution - IMRF	600	600	1,799
Employer Contribution - FICA & Medicare	1,835	1,835	1,285
Materials and Supplies	250	250	34
Maintenance - Building	175	175	176
Maintenance - Grounds	85,630	85,630	85,973
Maintenance - Other Equipment	-	-	53
Intergovernmental Risk Management Agency	18,065	18,065	15,110
Golf Course Supplies	1,180	1,180	353
Unemployment Benefits	2,000	2,000	-
Miscellaneous	40	40	41
	<u>130,620</u>	<u>130,120</u>	<u>122,852</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Swimming Pool			
Salaries - Administration	\$ 31,600	31,600	31,759
Salaries - Concessions	6,300	6,300	6,854
Salaries - Public Swim	112,500	112,500	108,711
Salaries - Swim Lessons	53,000	53,000	42,912
Employer Contribution - IMRF	3,635	3,635	4,341
Employer Contribution - FICA & Medicare	15,335	15,335	14,352
Supplies - Swim Lessons	1,800	1,800	1,241
Materials and Supplies	3,000	3,000	3,737
Supplies - Maintenance	450	450	-
Electricity	28,000	28,000	28,890
North Shore Gas	18,000	18,000	14,150
Telephone	2,100	2,100	1,959
Maintenance - Building	4,850	4,850	3,959
Maintenance - Pools	18,300	18,300	17,508
Intergovernmental Risk Management Agency	18,070	18,070	15,110
Office Supplies	150	150	294
Travel, Training, Subscriptions and Dues	950	950	1,653
Concession Expense	13,000	13,000	12,021
Special Events	300	300	20
Printing and Photocopying	450	450	78
Uniforms	7,000	7,000	6,401
Capital Outlay	10,000	10,000	8,160
Miscellaneous	2,150	2,150	1,805
	<u>350,940</u>	<u>350,940</u>	<u>325,915</u>
Total Parks and Recreation	<u>2,585,710</u>	<u>2,615,510</u>	<u>2,540,298</u>
Total Expenditures	<u>21,913,725</u>	<u>22,158,480</u>	<u>21,818,252</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Debt Service Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 211,605	211,605	219,811
Interest	-	-	250
Total Revenues	<u>211,605</u>	<u>211,605</u>	<u>220,061</u>
Expenditures			
Debt Service			
Principal Retirement	220,000	220,000	220,000
Interest	68,525	68,525	68,521
Fiscal Charges	1,600	1,600	428
Total Expenditures	<u>290,125</u>	<u>290,125</u>	<u>288,949</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(78,520)	(78,520)	(68,888)
Other Financing Sources			
Transfers In	<u>76,920</u>	<u>76,920</u>	<u>76,920</u>
Net Change in Fund Balance	<u>(1,600)</u>	<u>(1,600)</u>	8,032
Fund Balance - Beginning			<u>544,170</u>
Fund Balance - Ending			<u><u>552,202</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, 2012**

	Budget		Actual
	Original	Final	
Revenues			
Licenses and Permits			
Park Impact Fees	\$ 40,000	40,000	240,138
Vehicle Licenses	405,000	405,000	399,808
Intergovernmental			
Motor Fuel Tax Allotments	543,000	543,000	599,474
Grants	200,000	200,000	92,916
Charges for Services			
Telecommunication Revenue	253,000	253,000	286,498
Interest	1,000	1,000	636
Miscellaneous	11,100	11,100	37,216
Total Revenues	<u>1,453,100</u>	<u>1,453,100</u>	<u>1,656,686</u>
Expenditures			
Capital Outlay	<u>1,395,640</u>	<u>1,395,640</u>	<u>1,154,768</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>57,460</u>	<u>57,460</u>	<u>501,918</u>
Other Financing Sources (Uses)			
Transfers In	55,000	55,000	55,000
Transfers Out	(76,920)	(76,920)	(76,920)
	<u>(21,920)</u>	<u>(21,920)</u>	<u>(21,920)</u>
Net Change in Fund Balance	<u>35,540</u>	<u>35,540</u>	479,998
Fund Balance - Beginning			<u>2,145,345</u>
Fund Balance - Ending			<u>2,625,343</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Capital Improvement - Capital Projects Fund

**Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Capital Outlay			
Maintenance Streets and Alley	\$ 64,850	64,850	14,353
Asphalt Resurfacing	600,000	600,000	585,179
Fire Stations	200,000	200,000	47,642
Park Improvement	56,290	56,290	42,124
Annual Road Improvement Program	405,000	405,000	399,171
Sidewalks and Bike Paths	40,000	40,000	49,440
Peterson Road Corridor	10,000	10,000	-
Miscellaneous	19,500	19,500	16,859
Total Expenditures	<u>1,395,640</u>	<u>1,395,640</u>	<u>1,154,768</u>

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, 2012**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 2,500,000	2,500,000	2,648,512
Interest	-	-	481
Miscellaneous	-	-	2,134
Total Revenues	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,651,127</u>
Expenditures			
Economic Development			
Parking Improvements	1,330,725	1,330,725	1,022,202
TIF Surplus Rebate	1,750,000	1,750,000	1,853,958
Miscellaneous	5,000	5,000	3,505
Total Expenditures	<u>3,085,725</u>	<u>3,085,725</u>	<u>2,879,665</u>
Net Change in Fund Balance	<u>(585,725)</u>	<u>(585,725)</u>	(228,538)
Fund Balance - Beginning			<u>778,696</u>
Fund Balance - Ending			<u><u>550,158</u></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, 2012**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Permit Fees	\$ 160,000	160,000	149,095
Daily Fees	177,500	177,500	184,830
Interest	-	-	1,668
Total Revenues	<u>337,500</u>	<u>337,500</u>	<u>335,593</u>
Expenditures			
General Government	<u>356,520</u>	<u>356,520</u>	<u>308,817</u>
Net Change in Fund Balance	<u>(19,020)</u>	<u>(19,020)</u>	26,776
Fund Balance - Beginning			<u>1,266,113</u>
Fund Balance - Ending			<u><u>1,292,889</u></u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Commuter Parking - Special Revenue Fund

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
General Government			
Salaries	\$ 96,095	96,095	103,868
Employer Contribution - IMRF	11,055	11,055	11,717
Employer Contribution - FICA & Medicare	7,355	7,355	7,626
Materials and Supplies	5,000	5,000	3,030
Electricity	6,600	6,600	6,905
Telephone	8,450	8,450	7,656
Maintenance - Grounds	87,000	87,000	56,206
Insurance	19,915	19,915	11,089
Intergovernmental Risk Management Agency	17,950	17,950	15,890
Postage	1,700	1,700	884
Software Maintenance	2,500	2,500	5,724
Rental of Land	8,900	8,900	8,400
Credit Card Fees	-	-	4,270
Refunds	2,000	2,000	1,215
Station Improvements	8,000	8,000	1,337
Capital Outlay	74,000	74,000	63,000
Total Expenditures	356,520	356,520	308,817

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, 2012**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Sales	\$ 4,528,500	4,528,500	4,371,774
Sewer Service Charges	3,037,400	3,037,400	2,855,758
Meters and Readouts	10,000	10,000	19,622
Miscellaneous	4,000	4,000	28,087
Total Operating Revenues	<u>7,579,900</u>	<u>7,579,900</u>	<u>7,275,241</u>
Operating Expenses			
Operations			
Water Operations	3,786,995	3,786,995	3,620,138
Sewer Operations	1,337,695	1,337,695	1,283,970
Wastewater Treatment Plant	1,252,660	1,252,660	1,224,143
Water and Sewer Capital Improvements	442,100	442,100	99,056
Depreciation	-	-	1,044,917
Total Operating Expenses	<u>6,819,450</u>	<u>6,819,450</u>	<u>7,272,224</u>
Operating Income	<u>760,450</u>	<u>760,450</u>	<u>3,017</u>
Nonoperating Revenues (Expenses)			
Interest Income	7,000	7,000	1,921
Connection Fees	30,000	30,000	120,500
Other Income	-	-	8,749
Interest and Fiscal Charges	(168,245)	(168,245)	(162,759)
	<u>(131,245)</u>	<u>(131,245)</u>	<u>(31,589)</u>
Change in Net Assets	<u>629,205</u>	<u>629,205</u>	<u>(28,572)</u>
Net Assets - Beginning			<u>21,120,109</u>
Net Assets - Ending			<u>21,091,537</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Operations			
Water Operations			
Salaries - Administrative	\$ 172,160	172,160	198,294
Salaries - Clerical	169,695	169,695	138,310
Salaries - Engineering	74,360	74,360	69,855
Salaries - Maintenance	361,845	361,845	336,968
Employer Contribution - IMRF	86,925	86,925	92,055
Employer Contribution - FICA & Medicare	57,370	57,370	52,202
Materials and Supplies	9,700	9,700	9,727
Electricity	46,500	46,500	43,447
North Shore Gas	6,000	6,000	3,768
Telephone	8,700	8,700	7,086
Maintenance - Building and Grounds	8,250	8,250	7,757
Maintenance - Motor Vehicles	35,800	35,800	35,800
Maintenance - Other Equipment	12,500	12,500	10,924
Maintenance - Water Lines	35,000	35,000	43,470
Insurance	65,850	65,850	76,874
Intergovernmental Risk Management Agency	41,645	41,645	35,169
Postage	15,000	15,000	13,539
Office Supplies	2,000	2,000	1,927
Travel, Training, Subscriptions and Dues	3,215	3,215	1,354
Technical Services	49,545	49,545	46,434
Meters - New Construction	20,000	20,000	15,679
Credit Card Fees	16,000	16,000	23,114
Uniforms	3,200	3,200	3,480
Bad Debt Expense	1,500	1,500	1,203
Technology Equipment and Replacement	35,000	35,000	35,000
Capital Outlay	2,500	2,500	2,334
Vehicle Replacement Fees	40,725	40,725	40,725
Purchase of Water - CLCJAWA	2,402,510	2,402,510	2,270,350
Miscellaneous	3,500	3,500	3,293
	<u>3,786,995</u>	<u>3,786,995</u>	<u>3,620,138</u>
Sewer Operations			
Salaries - Administrative	112,710	112,710	103,985
Salaries - Engineering	61,730	61,730	57,513
Salaries - Maintenance	231,740	231,740	212,312

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Operations - Continued			
Sewer Operations - Continued			
Employer Contribution - IMRF	\$ 46,710	46,710	47,076
Employer Contribution - FICA & Medicare	30,390	30,390	26,880
Materials and Supplies	4,700	4,700	4,674
County Sewer Service	597,000	597,000	596,989
Electricity	19,000	19,000	18,279
North Shore Gas	3,000	3,000	1,420
Telephone	1,450	1,450	1,437
Maintenance - Motor Equipment	20,000	20,000	20,000
Maintenance - Lift Stations	36,000	36,000	22,630
Maintenance - Sewer Lines	18,500	18,500	7,937
Insurance	40,065	40,065	34,029
Intergovernmental Risk Management Agency	41,300	41,300	35,299
Postage	8,500	8,500	10,371
Travel, Training, Subscriptions and Dues	1,300	1,300	240
Technical Services	2,520	2,520	4,559
Uniforms	1,250	1,250	861
Technology Equipment and Replacement	35,000	35,000	35,000
Capital Outlay	2,500	2,500	2,058
Vehicle Replacement Fees	21,830	21,830	21,830
Miscellaneous	500	500	18,591
	<u>1,337,695</u>	<u>1,337,695</u>	<u>1,283,970</u>
Wastewater Treatment Plant			
Salaries - Administrative	51,080	51,080	51,194
Salaries - Operators	355,305	355,305	353,895
Employer Contribution - IMRF	46,735	46,735	55,185
Employer Contribution - FICA & Medicare	30,840	30,840	29,112
Materials and Supplies	26,500	26,500	23,338
Chemicals	19,500	19,500	16,078
Electricity	265,000	265,000	260,312
North Shore Gas	43,000	43,000	27,391
Telephone	5,100	5,100	4,340
Maintenance - Building and Grounds	19,300	19,300	17,860
Maintenance - Motor Equipment	12,000	12,000	12,000

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Operations - Continued			
Wastewater Treatment Plant - Continued			
Maintenance - Other Equipment	\$ 43,750	43,750	44,878
Sludge Removal	144,850	144,850	149,056
Insurance	86,515	86,515	85,814
Intergovernmental Risk Management Agency	41,645	41,645	35,229
Office Supplies	-	-	18
Travel, Training, Subscriptions and Dues	1,180	1,180	252
Technical Services	27,725	27,725	25,679
Uniforms	2,400	2,400	2,407
Technology Equipment and Replacement	20,000	20,000	20,000
Vehicle Replacement Fees	10,035	10,035	10,035
Miscellaneous	200	200	70
	<u>1,252,660</u>	<u>1,252,660</u>	<u>1,224,143</u>
Water and Sewer Capital Improvements			
Watermain Improvements	233,000	233,000	59,356
Sanitary Sewer Repairs	-	-	13,825
Sanitary Sewer Relocation	110,000	110,000	41,077
Water and Sewer River Crossing	10,000	10,000	(15,303)
Replacement Meters	89,100	89,100	69,563
Hydrants, Valves, Miscellaneous	-	-	909
Miscellaneous	-	-	11,480
	<u>442,100</u>	<u>442,100</u>	<u>180,907</u>
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(81,851)
	<u>442,100</u>	<u>442,100</u>	<u>99,056</u>
Total Operations	<u><u>6,819,450</u></u>	<u><u>6,819,450</u></u>	<u><u>6,227,307</u></u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Capital Assets and Depreciation
Year Ended April 30, 2012**

	Capital Assets			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Land and Improvements	\$ 2,272,080	-	-	2,272,080
Buildings and Improvements	14,179,893	-	-	14,179,893
Machinery and Equipment	1,720,581	-	-	1,720,581
Waterworks System	14,634,678	42,920	-	14,677,598
Sewerage System	15,514,105	38,931	-	15,553,036
Total Capital Assets	<u>48,321,337</u>	<u>81,851</u>	<u>-</u>	<u>48,403,188</u>
	Accumulated Depreciation			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Buildings and Improvements	8,062,508	300,348	-	8,362,856
Machinery and Equipment	1,447,934	30,864	-	1,478,798
Waterworks System	7,569,799	354,604	-	7,924,403
Sewerage System	8,175,038	359,101	-	8,534,139
Total Accumulated Depreciation	<u>25,255,279</u>	<u>1,044,917</u>	<u>-</u>	<u>26,300,196</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>23,066,058</u>			<u>22,102,992</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, 2012

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Indoor Sports Center	\$ 2,236,305	2,236,305	2,204,460
Golf Learning Center	320,400	320,400	340,431
Total Operating Revenues	<u>2,556,705</u>	<u>2,556,705</u>	<u>2,544,891</u>
Operating Expenses			
Operations			
Indoor Sports Center	1,745,625	1,748,625	1,753,230
Golf Learning Center	289,885	289,885	280,040
Family Entertainment Center	-	4,000	4,046
Depreciation	-	-	481,258
Total Operating Expenses	<u>2,035,510</u>	<u>2,042,510</u>	<u>2,518,574</u>
Operating Income	<u>521,195</u>	<u>514,195</u>	<u>26,317</u>
Nonoperating Revenues (Expenses)			
Grants	-	-	108,937
Interest and Fiscal Charges	(834,415)	(834,415)	(881,581)
	<u>(834,415)</u>	<u>(834,415)</u>	<u>(772,644)</u>
Income (Loss) Before Transfers	(313,220)	(320,220)	(746,327)
Transfers In	<u>515,600</u>	<u>515,600</u>	<u>570,000</u>
Change in Net Assets	<u>202,380</u>	<u>195,380</u>	(176,327)
Net Assets - Beginning			<u>(1,969,190)</u>
Net Assets - Ending			<u>(2,145,517)</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Operations			
Indoor Sports Center			
Salaries - Administrative	\$ 240,020	240,020	249,080
Salaries - Maintenance	77,475	77,475	75,211
Salaries - Fitness	240,225	240,225	224,179
Salaries - Conference/Front Desk/Parties	136,000	136,000	159,782
Salaries - Programs	50,000	50,000	51,873
Employer Contribution - IMRF	49,945	49,945	54,731
Employer Contribution - FICA & Medicare	55,700	55,700	55,507
Materials and Supplies	16,000	16,000	16,618
Concessions	56,000	56,000	96,145
Contracted Services	98,000	98,000	88,120
Electricity	230,000	230,000	233,891
North Shore Gas	20,000	20,000	17,113
Telephone	3,800	3,800	4,830
Maintenance - Building	101,580	101,580	90,762
Maintenance - Independent Contractors	41,250	41,250	43,005
Maintenance - Grounds	98,840	98,840	79,265
Maintenance - Vehicle	6,200	6,200	-
Insurance	65,975	65,975	65,876
Intergovernmental Risk Management Agency	64,715	64,715	53,397
Office Supplies	1,800	1,800	2,703
Supplies - Adult Athletic Programs	7,000	7,000	4,570
Materials and Supplies - Conference Rooms	1,000	1,000	3,621
Materials and Supplies - Fitness	8,000	8,000	8,304
Credit Card Bank Fee	37,000	40,000	40,054
Photoprocessing	3,700	3,700	2,901
Unemployment Benefits	20,400	20,400	17,653
Refunds	-	-	(1,603)
Climbing Wall/Front Desk	2,500	2,500	3,783
Cash Short/Over	-	-	426
Bad Debt Expense	-	-	(567)
Technology Equipment & Replacement	12,000	12,000	12,000
Capital Outlay	-	109,000	108,937
Miscellaneous	500	500	-
	<u>1,745,625</u>	<u>1,857,625</u>	<u>1,862,167</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2012

	Budget		Actual
	Original	Final	
Operations - Continued			
Indoor Sports Center - Continued			
Less Nonoperating Items			
Capital Assets Capitalized	\$ -	(109,000)	(108,937)
Total Indoor Sports Center	1,745,625	1,748,625	1,753,230
Golf Learning Center			
Salaries - Administrative	21,890	21,890	21,931
Salaries - Maintenance	26,180	26,180	20,481
Salaries - Pro Shop	65,000	65,000	58,702
Salaries - Instructors	-	-	142
Employer Contribution - IMRF	8,165	8,165	8,823
Employer Contribution - FICA & Medicare	8,375	8,375	7,587
Materials and Supplies	2,000	2,000	1,719
Electricity	12,500	12,500	11,716
North Shore Gas	6,000	6,000	5,320
Telephone	1,800	1,800	2,459
Maintenance - Building	1,500	1,500	2,657
Maintenance - Grounds	39,135	39,135	42,101
Maintenance - Other Equipment	-	-	1,709
Contractual - Golf Lessons	13,400	13,400	6,961
Insurance	17,700	17,700	17,373
Intergovernmental Risk Management Agency	25,590	25,590	22,660
Office Supplies	150	150	(19)
Materials and Supplies - Pro Shop	19,300	19,300	18,016
Pro Shop Merchandise	1,000	1,000	18,934
Photoprocessing	50	50	38
Unemployment Benefits	20,000	20,000	10,730
Uniforms	150	150	-
	289,885	289,885	280,040
Family Entertainment Center			
North Shore Gas	-	-	169
Maintenance - Building	-	4,000	3,877
	-	4,000	4,046
Total Operations	2,035,510	2,042,510	2,037,316

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

Schedule of Capital Assets and Depreciation
Year Ended April 30, 2012

	Capital Assets			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Land	\$ 4,771,168	-	-	4,771,168
Buildings and Improvements	17,447,100	108,937	50,000	17,506,037
Machinery and Equipment	448,436	-	-	448,436
Total Capital Assets	22,666,704	108,937	50,000	22,725,641
	Accumulated Depreciation			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Buildings and Improvements	3,245,885	436,415	50,000	3,632,300
Machinery and Equipment	336,328	44,843	-	381,171
Total Accumulated Depreciation	3,582,213	481,258	50,000	4,013,471
Total Capital Assets (Net of Accumulated Depreciation)	19,084,491			18,712,170

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Combining Statement of Net Assets - Internal Service Funds
April 30, 2012**

	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 1,077,510	558,639	1,636,149
Receivables - Net of Allowances			
Accounts	1,096	65,467	66,563
Inventories	27,177	-	27,177
Prepays	13,677	-	13,677
Total Current Assets	<u>1,119,460</u>	<u>624,106</u>	<u>1,743,566</u>
Noncurrent Assets			
Capital Assets			
Machinery and Equipment	6,897,881	206,664	7,104,545
Accumulated Depreciation	(4,170,087)	(122,499)	(4,292,586)
Total Noncurrent Assets	<u>2,727,794</u>	<u>84,165</u>	<u>2,811,959</u>
Total Assets	<u>3,847,254</u>	<u>708,271</u>	<u>4,555,525</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	9,294	71,028	80,322
Accrued Payroll	11,320	5,800	17,120
Unearned/Deferred Revenues	-	312,000	312,000
Compensated Absences Payable	4,212	9,486	13,698
Installment Contracts Payable	349,087	30,260	379,347
Total Current Liabilities	<u>373,913</u>	<u>428,574</u>	<u>802,487</u>
Noncurrent Liabilities			
Compensated Absences Payable	16,850	37,945	54,795
Installment Contracts Payable	348,673	48,034	396,707
Total Noncurrent Liabilities	<u>365,523</u>	<u>85,979</u>	<u>451,502</u>
Total Liabilities	<u>739,436</u>	<u>514,553</u>	<u>1,253,989</u>
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	2,030,034	5,871	2,035,905
Unrestricted	1,077,784	187,847	1,265,631
Total Net Assets	<u>3,107,818</u>	<u>193,718</u>	<u>3,301,536</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Combining Statement of Revenues, Expenses and Changes in Net Assets
 Internal Service Funds
 Year Ended April 30, 2012

	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
Operating Revenues			
Interfund Services	\$ 1,331,220	387,998	1,719,218
Operating Expenses			
Operations	905,958	393,890	1,299,848
Depreciation	428,806	37,499	466,305
Total Operating Expenses	1,334,764	431,389	1,766,153
Operating Income (Loss)	(3,544)	(43,391)	(46,935)
Nonoperating Revenues (Expenses)			
Interest Income	626	221	847
Other Income	12,000	147,414	159,414
Interest and Fiscal Charges	(23,395)	(4,385)	(27,780)
	(10,769)	143,250	132,481
Change in Net Assets	(14,313)	99,859	85,546
Net Assets - Beginning	3,122,131	93,859	3,215,990
Net Assets - Ending	3,107,818	193,718	3,301,536

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Combining Statement of Cash Flows - Internal Service Funds
Year Ended April 30, 2012**

	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
Cash Flows from Operating Activities			
Receipts from Interfund Services	\$ 1,339,295	533,695	1,872,990
Payments to Employees	(226,474)	(125,150)	(351,624)
Payments to Suppliers	(704,155)	(249,973)	(954,128)
	<u>408,666</u>	<u>158,572</u>	<u>567,238</u>
Cash Flows from Capital and Related Financing Activities			
Interest on Capital Debt	(23,395)	(4,385)	(27,780)
Principal on Capital Debt	(314,966)	(28,923)	(343,889)
	<u>(338,361)</u>	<u>(33,308)</u>	<u>(371,669)</u>
Cash Flows from Investing Activities			
Interest Received	626	221	847
	<u>626</u>	<u>221</u>	<u>847</u>
Net Change in Cash and Cash Equivalents	70,931	125,485	196,416
Cash and Cash Equivalents - Beginning	<u>1,006,579</u>	<u>433,154</u>	<u>1,439,733</u>
Cash and Cash Equivalents - Ending	<u><u>1,077,510</u></u>	<u><u>558,639</u></u>	<u><u>1,636,149</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	<u>(3,544)</u>	<u>(43,391)</u>	<u>(46,935)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation and Amortization Expense	428,806	37,499	466,305
Other Income	12,000	147,414	159,414
(Increase) Decrease in Current Assets	(3,925)	(1,717)	(5,642)
Increase (Decrease) in Current Liabilities	(24,671)	18,767	(5,904)
Net Cash Provided by Operating Activities	<u><u>408,666</u></u>	<u><u>158,572</u></u>	<u><u>567,238</u></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, 2012

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 1,277,460	1,277,460	1,331,220
Operating Expenses			
Operations	929,040	936,040	905,958
Depreciation	-	-	428,806
Total Operating Expenses	929,040	936,040	1,334,764
Operating Income (Loss)	348,420	341,420	(3,544)
Nonoperating Revenues (Expenses)			
Interest Income	1,500	1,500	626
Other Income	10,000	10,000	12,000
Interest and Fiscal Charges	-	-	(23,395)
	11,500	11,500	(10,769)
Change in Net Assets	359,920	352,920	(14,313)
Net Assets - Beginning			3,122,131
Net Assets - Ending			3,107,818

VILLAGE OF LIBERTYVILLE, ILLINOIS

Vehicle Maintenance and Replacement Service - Internal Service Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Operations			
Salaries - Clerical	\$ 5,695	5,695	5,652
Salaries - Maintenance	220,890	220,890	220,822
Employer Contribution - IMRF	26,060	26,060	30,653
Employer Contribution - FICA & Medicare	17,335	17,335	16,150
Shop Supplies	5,000	5,000	4,727
Tools	3,500	3,500	2,968
Gasoline and Oil	301,000	301,000	259,054
Maintenance Shop Facilities	500	500	361
Vehicle Washing	4,000	4,000	1,278
Non-Stocked Vehicle Parts	73,200	73,200	78,745
Maintenance Other Equipment	6,850	6,850	3,720
Insurance	59,800	59,800	59,269
Intergovernmental Risk Management Agency	24,985	24,985	25,433
Travel, Training and Dues	530	530	1,003
Contractual Repair Services	13,000	13,000	6,994
Uniforms	1,000	1,000	703
License, Title and Inspection Fees	2,500	2,500	3,142
Transfer Vehicle Replacement	5,460	5,460	1,490
Vehicle Replacement Costs	121,000	121,000	419,090
Fire Contractual Repairs	22,300	22,300	18,485
Police Contractual Repairs	4,000	4,000	4,299
Accident Damage Expense	10,000	17,000	16,865
Capital Outlay	-	-	25,778
Miscellaneous	435	435	347
	<u>929,040</u>	<u>936,040</u>	<u>1,207,028</u>
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(301,070)
	<u>929,040</u>	<u>936,040</u>	<u>905,958</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Vehicle Maintenance and Replacement Service - Internal Service Fund

**Schedule of Capital Assets and Depreciation
Year Ended April 30, 2012**

	Capital Assets			Balances Ending
	Beginning Balances	Additions	Retirements/ Transfers	
Machinery and Equipment	\$ 6,691,811	301,070	95,000	6,897,881
	Accumulated Depreciation			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	3,836,281	428,806	95,000	4,170,087
Total Capital Assets (Net of Accumulated Depreciation)	2,855,530			2,727,794

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, 2012**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 357,000	357,000	387,998
Operating Expenses			
Operations	409,560	409,560	393,890
Depreciation	-	-	37,499
Total Operating Expenses	409,560	409,560	431,389
Operating Income (Loss)	(52,560)	(52,560)	(43,391)
Nonoperating Revenues (Expenses)			
Interest Income	50	50	221
Other Income	118,750	118,750	147,414
Interest and Fiscal Charges	(33,310)	(33,310)	(4,385)
	118,800	118,800	143,250
Change in Net Assets	66,240	66,240	99,859
Net Assets - Beginning			93,859
Net Assets - Ending			193,718

VILLAGE OF LIBERTYVILLE, ILLINOIS

Technology Equipment Replacement - Internal Service Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Operations			
Salaries Administration	\$ 120,830	120,830	125,150
Employer Contribution - IMRF	13,895	13,895	15,375
Employer Contribution - FICA & Medicare	9,245	9,245	9,276
Computer Supplies	10,000	10,000	7,823
Wireless Service	7,200	7,200	(3,197)
Motor Vehicles Maintenance	1,000	1,000	1,000
Hardware Maintenance	5,000	5,000	2,030
Internet Access	16,715	16,715	15,830
Insurance	100	100	75
Travel, Training, Subscriptions and Dues	5,000	5,000	996
Consulting Services	49,500	49,500	17,803
Software, Licensing and Updates	80,575	80,575	71,523
Web Page Services	10,000	10,000	9,085
Capital Outlay	79,500	79,500	120,792
Miscellaneous	1,000	1,000	329
Total Operations	<u>409,560</u>	<u>409,560</u>	<u>393,890</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Technology Equipment Replacement - Internal Service Fund

**Schedule of Capital Assets and Depreciation
Year Ended April 30, 2012**

	Capital Assets			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	\$ 206,664	-	-	206,664
	Accumulated Depreciation			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	85,000	37,499	-	122,499
Total Capital Assets (Net of Accumulated Depreciation)	<u>121,664</u>			<u>84,165</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Plan Assets
April 30, 2012**

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,028,147	769,057	1,797,204
Investments			
State and Local Obligations	1,004,136	-	1,004,136
Corporate Bonds	441,242	3,820,554	4,261,796
U.S. Government and Agency Obligations	9,681,084	5,482,012	15,163,096
Insurance Contracts	610,706	-	610,706
Mutual Funds	9,723,620	8,560,481	18,284,101
Receivables - Accrued Interest	94,546	71,204	165,750
Prepays	-	500	500
Total Assets	22,583,481	18,703,808	41,287,289
LIABILITIES			
Accounts Payable	21,897	12,615	34,512
NET PLAN ASSETS			
Held in Trust for Pension Benefits	22,561,584	18,691,193	41,252,777

VILLAGE OF LIBERTYVILLE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Net Plan Assets
Year Ended April 30, 2012**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 1,232,055	987,758	2,219,813
Contributions - Plan Members	340,071	305,298	645,369
Total Contributions	1,572,126	1,293,056	2,865,182
Investment Income			
Interest Earned	593,068	391,611	984,679
Net Change in Fair Value	347,184	(27,391)	319,793
	940,252	364,220	1,304,472
Less Investment Expenses	(53,630)	(37,808)	(91,438)
Net Investment Income	886,622	326,412	1,213,034
Total Additions	2,458,748	1,619,468	4,078,216
Deductions			
Administration	33,619	33,166	66,785
Benefits	1,599,426	1,093,880	2,693,306
Total Deductions	1,633,045	1,127,046	2,760,091
Change in Net Assets	825,703	492,422	1,318,125
Net Plan Assets Held in Trust for Pension Benefits			
Beginning	21,735,881	18,198,771	39,934,652
Ending	22,561,584	18,691,193	41,252,777

VILLAGE OF LIBERTYVILLE, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 1,235,000	1,235,000	1,232,055
Contributions - Plan Members	330,000	330,000	340,071
Total Contributions	<u>1,565,000</u>	<u>1,565,000</u>	<u>1,572,126</u>
Investment Income			
Interest Earned	413,000	413,000	593,068
Net Change in Fair Value	-	-	347,184
	<u>413,000</u>	<u>413,000</u>	<u>940,252</u>
Less Investment Expenses	(39,000)	(39,000)	(53,630)
Net Investment Income	<u>374,000</u>	<u>374,000</u>	<u>886,622</u>
Total Additions	<u>1,939,000</u>	<u>1,939,000</u>	<u>2,458,748</u>
Deductions			
Administration	38,400	38,400	33,619
Benefits	1,518,100	1,609,300	1,599,426
Total Deductions	<u>1,556,500</u>	<u>1,647,700</u>	<u>1,633,045</u>
Change in Net Assets	<u>382,500</u>	<u>291,300</u>	825,703
Net Plan Assets Held in Trust for Pension Benefits			
Beginning			<u>21,735,881</u>
Ending			<u>22,561,584</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

**Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 981,800	981,800	987,758
Contributions - Plan Members	275,000	275,000	305,298
Total Contributions	1,256,800	1,256,800	1,293,056
Investment Income			
Interest Earned	318,000	318,000	391,611
Net Change in Fair Value	-	-	(27,391)
	318,000	318,000	364,220
Less Investment Expenses	(32,000)	(36,000)	(37,808)
Net Investment Income	286,000	282,000	326,412
Total Additions	1,542,800	1,538,800	1,619,468
Deductions			
Administration	28,400	36,600	33,166
Benefits	977,550	1,094,200	1,093,880
Total Deductions	1,005,950	1,130,800	1,127,046
Change in Net Assets	536,850	408,000	492,422
Net Plan Assets Held in Trust for Pension Benefits			
Beginning			18,198,771
Ending			18,691,193

SUPPLEMENTAL SCHEDULES

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Waterworks and Sewerage Bonds of 2001A
April 30, 2012**

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
2011	\$ 350,000	23,113	373,113	2012	15,144	2012	7,969
2012	375,000	7,969	382,969	2013	7,969	2013	-
	<u>725,000</u>	<u>31,082</u>	<u>756,082</u>		<u>23,113</u>		<u>7,969</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2004
April 30, 2012**

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
2011	\$ 165,000	80,418	245,418	2012	40,209	2012	40,209
2012	180,000	73,652	253,652	2013	36,826	2013	36,826
2013	195,000	66,272	261,272	2014	33,136	2014	33,136
2014	195,000	58,278	253,278	2015	29,139	2015	29,139
2015	210,000	50,088	260,088	2016	25,044	2016	25,044
2016	215,000	41,058	256,058	2017	20,529	2017	20,529
2017	225,000	31,704	256,704	2018	15,852	2018	15,852
2018	240,000	21,806	261,806	2019	10,903	2019	10,903
2019	250,000	11,124	261,124	2020	5,562	2020	5,562
	<u>1,875,000</u>	<u>434,400</u>	<u>2,309,400</u>		<u>217,200</u>		<u>217,200</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Waterworks and Sewerage Alternate Revenue Source Bonds of 2006
April 30, 2012**

Date of Issue	July 26, 2006
Date of Maturity	May 1, 2022
Authorized Issue	\$3,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.900% to 4.200%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	J. P. Morgan Trust Company, National Association 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
2011	\$ 90,000	108,632	198,632	2012	55,216	2012	53,416
2012	95,000	104,932	199,932	2013	53,416	2013	51,516
2013	230,000	98,432	328,432	2014	51,516	2014	46,916
2014	240,000	88,972	328,972	2015	46,916	2015	42,056
2015	250,000	78,987	328,987	2016	42,056	2016	36,931
2016	260,000	68,500	328,500	2017	36,931	2017	31,569
2017	275,000	57,432	332,432	2018	31,569	2018	25,863
2018	290,000	45,708	335,708	2019	25,863	2019	19,845
2019	300,000	33,390	333,390	2020	19,845	2020	13,545
2020	315,000	20,475	335,475	2021	13,545	2021	6,930
2021	330,000	6,930	336,930	2022	6,930	2022	-
	<u>2,675,000</u>	<u>712,390</u>	<u>3,387,390</u>		<u>383,803</u>		<u>328,587</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Limited Tax Refunding Bonds of 2008
April 30, 2012**

Date of Issue	December 15, 2008
Date of Maturity	December 15, 2019
Authorized Issue	\$1,710,000
Denomination of Bonds	\$5,000
Interest Rates	2.500% to 4.200%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	New York Mellon 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
2011	\$ 160,000	52,728	212,728	2012	26,364	2012	26,364
2012	165,000	48,328	213,328	2013	24,164	2013	24,164
2013	170,000	43,378	213,378	2014	21,689	2014	21,689
2014	180,000	37,852	217,852	2015	18,926	2015	18,926
2015	185,000	31,552	216,552	2016	15,776	2016	15,776
2016	190,000	24,615	214,615	2017	12,307	2017	12,308
2017	205,000	17,015	222,015	2018	8,507	2018	8,508
2018	205,000	8,610	213,610	2019	4,305	2019	4,305
	<u>1,460,000</u>	<u>264,078</u>	<u>1,724,078</u>		<u>132,038</u>		<u>132,040</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Refunding Bonds of 2010A
April 30, 2012**

Date of Issue	April 1, 2010
Date of Maturity	December 15, 2030
Authorized Issue	\$11,570,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.30%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	New York Mellon 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
2011	\$ -	473,255	473,255	2012	236,628	2012	236,627
2012	-	473,255	473,255	2013	236,628	2013	236,627
2013	75,000	473,255	548,255	2014	236,628	2014	236,627
2014	75,000	471,005	546,005	2015	235,502	2015	235,503
2015	75,000	469,755	544,755	2016	234,377	2016	235,378
2016	75,000	465,505	540,505	2017	233,252	2017	232,253
2017	75,000	464,255	539,255	2018	232,127	2018	232,128
2018	75,000	461,255	536,255	2019	230,627	2019	230,628
2019	75,000	458,255	533,255	2020	229,127	2020	229,128
2020	830,000	455,255	1,285,255	2021	227,627	2021	227,628
2021	860,000	422,055	1,282,055	2022	211,027	2022	211,028
2022	895,000	387,655	1,282,655	2023	193,827	2023	193,828
2023	935,000	351,855	1,286,855	2024	175,927	2024	175,928
2024	970,000	314,455	1,284,455	2025	157,227	2025	157,228
2025	1,015,000	275,655	1,290,655	2026	137,827	2026	137,828
2026	1,055,000	235,055	1,290,055	2027	117,527	2027	117,528
2027	1,435,000	192,855	1,627,855	2028	96,427	2028	96,428
2028	1,500,000	131,150	1,631,150	2029	65,575	2029	65,575
2029	1,550,000	66,650	1,616,650	2030	33,325	2030	33,325
	<u>11,570,000</u>	<u>7,042,435</u>	<u>18,612,435</u>		<u>3,521,212</u>		<u>3,521,223</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Refunding Bonds of 2010B
April 30, 2012**

Date of Issue	April 1, 2010
Date of Maturity	December 15, 2027
Authorized Issue	\$3,245,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.875%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	New York Mellon 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
2011	\$ -	161,712	161,712	2012	80,856	2012	80,856
2012	-	161,712	161,712	2013	80,856	2013	80,856
2013	170,000	161,712	331,712	2014	80,856	2014	80,856
2014	175,000	156,612	331,612	2015	78,306	2015	78,306
2015	180,000	150,492	330,492	2016	75,246	2016	75,246
2016	190,000	143,288	333,288	2017	71,644	2017	71,644
2017	200,000	135,212	335,212	2018	67,606	2018	67,606
2018	210,000	126,462	336,462	2019	63,231	2019	63,231
2019	220,000	116,750	336,750	2020	58,375	2020	58,375
2020	230,000	105,750	335,750	2021	52,875	2021	52,875
2021	240,000	94,250	334,250	2022	47,125	2022	47,125
2022	255,000	81,350	336,350	2023	40,675	2023	40,675
2023	270,000	67,644	337,644	2024	33,822	2024	33,822
2024	285,000	52,456	337,456	2025	26,228	2025	26,228
2025	300,000	36,424	336,424	2026	18,212	2026	18,212
2026	320,000	18,800	338,800	2027	9,400	2027	9,400
	<u>3,245,000</u>	<u>1,770,626</u>	<u>5,015,626</u>		<u>885,313</u>		<u>885,313</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Refunding Bonds of 2010C
April 30, 2012**

Date of Issue	October 26, 2010
Date of Maturity	December 15, 2020
Authorized Issue	\$3,840,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 2.75%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	New York Mellon 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
2011	\$ 60,000	93,975	153,975	2012	46,988	2012	46,987
2012	50,000	92,775	142,775	2013	46,388	2013	46,387
2013	490,000	91,775	581,775	2014	45,888	2014	45,887
2014	505,000	81,975	586,975	2015	40,988	2015	40,987
2015	510,000	69,350	579,350	2016	34,675	2016	34,675
2016	525,000	56,600	581,600	2017	28,300	2017	28,300
2017	540,000	43,475	583,475	2018	21,738	2018	21,737
2018	550,000	29,975	579,975	2019	14,988	2019	14,987
2019	570,000	15,675	585,675	2020	7,838	2020	7,837
	<u>3,800,000</u>	<u>575,575</u>	<u>4,375,575</u>		<u>287,791</u>		<u>287,784</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Refunding Bonds of 2010D
April 30, 2012**

Date of Issue	October 26, 2010
Date of Maturity	December 15, 2017
Authorized Issue	\$470,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 2.60%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	New York Mellon 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
2011	\$ 65,000	9,190	74,190	2012	4,595	2012	4,595
2012	65,000	7,890	72,890	2013	3,945	2013	3,945
2013	70,000	6,590	76,590	2014	3,295	2014	3,295
2014	70,000	5,190	75,190	2015	2,595	2015	2,595
2015	70,000	3,440	73,440	2016	1,720	2016	1,720
2016	65,000	1,690	66,690	2017	845	2017	845
	<u>405,000</u>	<u>33,990</u>	<u>438,990</u>		<u>16,995</u>		<u>16,995</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

IEPA Sewer Revenue Bonds of 1999

April 30, 2012

Date of Issue	March 1, 1995
Date of Maturity	September 1, 2014
Authorized Issue	\$2,854,333
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		Totals
	Principal	Interest	
2013	\$ 184,082	12,815	196,897
2014	189,673	7,224	196,897
2015	96,988	1,463	98,451
	470,743	21,502	492,245

STATISTICAL SECTION

(Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Net Assets by Component - Last Nine Fiscal Years
April 30, 2012 (Unaudited)**

See Following Page

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Net Assets by Component - Last Nine Fiscal Years
April 30, 2012 (Unaudited)**

	2004	2005	2006
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$ 23,528,062	24,520,248	130,700,298
Restricted	1,201,639	1,725,315	1,206,999
Unrestricted	10,210,430	10,398,325	12,579,529
Total Governmental Activities Net Assets	<u>34,940,131</u>	<u>36,643,888</u>	<u>144,486,826</u>
Business-Type Activities			
Invested in Capital Assets, Net of Related Debt	18,271,947	18,071,513	18,046,127
Unrestricted	2,845,264	1,922,287	813,404
Total Business-Type Activities Net Assets	<u>21,117,211</u>	<u>19,993,800</u>	<u>18,859,531</u>
Primary Government			
Invested in Capital Assets, Net of Related Debt	41,800,009	42,591,761	148,746,425
Restricted	1,201,639	1,725,315	1,206,999
Unrestricted	13,055,694	12,320,612	13,392,933
Total Primary Government Net Assets	<u>56,057,342</u>	<u>56,637,688</u>	<u>163,346,357</u>

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2004.

2007	2008	2009	2010	2011	2012
145,149,599	146,129,781	151,837,268	155,042,487	152,790,891	151,632,425
1,298,287	1,338,773	1,225,206	1,036,836	1,930,223	1,806,307
18,116,079	19,795,069	14,285,053	3,369,441	6,265,532	9,800,419
<u>164,563,965</u>	<u>167,263,623</u>	<u>167,347,527</u>	<u>159,448,764</u>	<u>160,986,646</u>	<u>163,239,151</u>
16,156,592	16,895,822	17,292,192	17,379,271	17,002,713	16,457,414
2,584,234	805,916	(2,340,559)	3,336,604	2,148,206	2,488,606
<u>18,740,826</u>	<u>17,701,738</u>	<u>14,951,633</u>	<u>20,715,875</u>	<u>19,150,919</u>	<u>18,946,020</u>
161,306,191	163,025,603	169,129,460	172,421,758	169,793,604	168,089,839
1,298,287	1,338,773	1,225,206	1,036,836	1,930,223	1,806,307
20,700,313	20,600,985	11,944,494	6,706,045	8,413,738	12,289,025
<u>183,304,791</u>	<u>184,965,361</u>	<u>182,299,160</u>	<u>180,164,639</u>	<u>180,137,565</u>	<u>182,185,171</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Changes in Net Assets - Last Nine Fiscal Years
April 30, 2012 (Unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses									
Governmental Activities									
General Government	\$ 2,684,660	2,767,055	2,594,575	2,468,057	2,815,826	2,857,313	2,850,107	2,471,416	2,630,190
Community Development	1,030,429	968,502	1,034,897	1,136,810	1,286,825	1,315,490	1,327,110	1,241,044	1,311,039
Public Safety	11,349,821	11,204,047	13,666,355	11,073,209	12,893,235	13,343,437	13,318,393	13,865,295	13,821,741
Public Works	2,275,270	2,011,215	3,225,742	3,730,768	3,848,776	3,963,080	3,996,726	3,928,442	3,868,391
Parks and Recreation	3,772,294	3,550,485	3,080,371	3,091,115	3,194,934	3,095,859	2,933,418	2,858,784	2,803,764
Economic Development	109,275	703,633	124,291	939,443	695,858	1,651,999	487,576	2,708,857	2,917,982
Interest on Long-Term Debt	409,403	305,035	269,242	234,969	193,187	193,112	86,254	103,998	57,295
Total Governmental Activities Expenses	21,631,152	21,509,972	23,995,473	22,674,371	24,928,641	26,420,290	24,999,584	27,177,836	27,410,402
Business-Type Activities									
Waterworks and Sewerage	6,734,485	6,507,588	7,303,198	7,047,807	7,374,060	7,575,730	7,260,535	8,025,210	7,434,983
Libertyville Sports Complex	5,178,720	4,553,222	3,987,449	3,834,185	4,141,989	3,767,660	3,556,043	3,379,087	3,400,155
Total Business-Type Activities Net Assets	11,913,205	11,060,810	11,290,647	10,881,992	11,516,049	11,343,390	10,816,578	11,404,297	10,835,138
Total Primary Government Expenses	33,544,357	32,570,782	35,286,120	33,556,363	36,444,690	37,763,680	35,816,162	38,582,133	38,245,540
Program Revenues									
Governmental Activities									
Charges for Services									
General Government	2,143,973	3,041,474	3,272,877	4,109,949	3,940,484	4,058,357	3,746,656	3,803,987	4,279,235
Community Development	138,654	196,770	330,339	423,194	299,923	385,513	293,603	258,792	412,641
Public Safety	2,688,795	2,473,544	2,656,464	2,773,671	3,092,050	3,184,475	3,225,790	3,380,120	3,706,711
Parks and Recreation	1,231,096	1,196,794	1,320,083	1,291,404	1,294,725	1,219,846	1,204,507	1,244,862	1,318,077
Capital Grants/Contributions	602,715	618,286	669,307	601,837	704,992	874,399	533,583	977,802	692,390
Total Governmental Activities Program Revenues	6,805,233	7,526,868	8,249,070	9,200,055	9,332,174	9,722,590	9,004,139	9,665,563	10,409,054
Business-Type Activities									
Charges for Services									
Waterworks and Sewerage	6,408,995	6,336,099	6,911,448	6,803,946	6,261,728	5,837,221	5,766,417	6,906,343	7,395,741
Libertyville Sports Complex	3,696,439	3,613,227	3,223,825	3,075,067	3,213,660	2,704,025	2,363,709	2,315,181	2,544,891
Capital Grants/Contributions	-	-	-	695,648	829,396	31,500	-	-	108,937
Total Business-Type Activities Program Revenues	10,105,434	9,949,326	10,135,273	10,574,661	10,304,784	8,572,746	8,130,126	9,221,524	10,049,569
Total Primary Government Program Revenues	16,910,667	17,476,194	18,384,343	19,774,716	19,636,958	18,295,336	17,134,265	18,887,087	20,458,623

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Net (Expense) Revenue									
Governmental Activities	\$ (14,825,919)	(13,983,104)	(15,746,403)	(13,474,316)	(15,596,467)	(16,697,700)	(15,995,445)	(17,512,273)	(17,001,348)
Business-Type Activities	(1,807,771)	(1,111,484)	(1,155,374)	(307,331)	(1,211,265)	(2,770,644)	(2,686,452)	(2,182,773)	(785,569)
Total Primary Government Net Revenue (Expense)	<u>(16,633,690)</u>	<u>(15,094,588)</u>	<u>(16,901,777)</u>	<u>(13,781,647)</u>	<u>(16,807,732)</u>	<u>(19,468,344)</u>	<u>(18,681,897)</u>	<u>(19,695,046)</u>	<u>(17,786,917)</u>
General Revenues and Other Changes in Net Assets									
Governmental Activities									
Taxes									
Property Taxes	5,523,186	5,938,095	6,405,525	6,868,027	7,199,409	7,519,390	8,003,971	8,265,208	8,675,085
Other Taxes	372,206	362,902	429,598	431,258	447,149	404,664	849,687	2,772,708	2,501,968
Intergovernmental									
Sales and Use Taxes	7,840,044	7,420,912	7,735,611	7,569,381	7,304,853	6,086,067	5,649,260	6,084,335	6,143,233
Income Taxes	1,253,563	1,404,226	1,584,940	1,748,207	1,909,785	1,889,000	1,600,904	1,664,499	1,736,561
Other	105,305	87,424	74,214	476,047	85,138	183,490	78,270	159,300	213,390
Interest Income	278,943	184,131	431,533	837,852	885,382	391,979	85,192	14,115	7,061
Miscellaneous	396,933	386,081	387,140	2,288,709	361,404	203,324	224,398	545,990	546,555
Transfers - Internal Activity	104,980	103,090	103,690	102,975	103,005	103,690	(8,395,000)	(456,000)	(570,000)
Total Governmental Activities	<u>15,875,160</u>	<u>15,886,861</u>	<u>17,152,251</u>	<u>20,322,456</u>	<u>18,296,125</u>	<u>16,781,604</u>	<u>8,096,682</u>	<u>19,050,155</u>	<u>19,253,853</u>
Business-Type Activities									
Taxes									
Property Taxes	26,784	26,784	26,784	31,542	24,637	25,479	25,498	-	-
Interest Income	120,813	56,379	90,327	252,059	242,545	90,748	22,196	8,213	1,921
Miscellaneous	8,000	8,000	8,000	8,000	8,000	8,000	8,000	153,604	8,749
Transfers - Internal Activity	(104,980)	(103,090)	(103,690)	(102,975)	(103,005)	(103,690)	8,395,000	456,000	570,000
Total Business-Type Activities	<u>50,617</u>	<u>(11,927)</u>	<u>21,421</u>	<u>188,626</u>	<u>172,177</u>	<u>20,537</u>	<u>8,450,694</u>	<u>617,817</u>	<u>580,670</u>
Total Primary Government	<u>15,925,777</u>	<u>15,874,934</u>	<u>17,173,672</u>	<u>20,511,082</u>	<u>18,468,302</u>	<u>16,802,141</u>	<u>16,547,376</u>	<u>19,667,972</u>	<u>19,834,523</u>
Changes in Net Assets									
Governmental Activities	1,049,241	1,903,757	1,405,848	6,848,140	2,699,658	83,904	(7,898,763)	1,537,882	2,252,505
Business-Type Activities	(1,757,154)	(1,123,411)	(1,133,953)	(118,705)	(1,039,088)	(2,750,107)	5,764,242	(1,564,956)	(204,899)
Total Primary Government	<u>(707,913)</u>	<u>780,346</u>	<u>271,895</u>	<u>6,729,435</u>	<u>1,660,570</u>	<u>(2,666,203)</u>	<u>(2,134,521)</u>	<u>(27,074)</u>	<u>2,047,606</u>

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2004.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

	2003	2004	2005	2006
General Fund				
Reserved	\$ 135,163	916,115	774,395	838,445
Unreserved	9,314,620	9,528,874	9,567,686	9,706,124
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	9,449,783	10,444,989	10,342,081	10,544,569
All Other Governmental Funds				
Reserved	916,915	926,948	923,409	945,150
Unreserved, Reported in:				
Special Revenues Funds	1,402,840	429,909	552,921	726,535
Debt Service Funds	90,342	-	-	-
Capital Improvement Funds	239,165	553,721	1,292,885	985,563
TIF Construction Funds	(745,247)	(72,073)	380,723	1,898,884
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Governmental Funds	1,904,015	1,838,505	3,149,938	4,556,132

Data Source: Village Records

The Village implemented GASB 54 in Fiscal Year 2011.

2007	2008	2009	2010	2011	2012
969,572	1,117,762	1,082,056	1,302,726	-	-
10,658,159	10,447,178	9,767,586	1,378,303	-	-
-	-	-	-	956,359	1,021,714
-	-	-	-	642,230	727,166
-	-	-	-	3,213,604	5,988,654
11,627,731	11,564,940	10,849,642	2,681,029	4,812,193	7,737,534
1,909,238	2,018,181	1,903,254	1,699,788	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,433,476	2,843,754	1,779,700	1,349,350	-	-
4,613,664	5,943,715	2,395,970	175,328	-	-
-	-	-	-	10,877	10,025
-	-	-	-	1,322,866	1,102,360
-	-	-	-	1,255,236	1,282,864
-	-	-	-	2,145,345	2,625,343
8,956,378	10,805,650	6,078,924	3,224,466	4,734,324	5,020,592

VILLAGE OF LIBERTYVILLE, ILLINOIS

**General Governmental Revenues By Source - Last Ten Fiscal Years
(In Thousands)
April 30, 2012 (Unaudited)**

Fiscal Year	2003	2004	2005	2006
Taxes	\$ 5,750	5,895	6,301	6,835
Licenses and Permits	1,168	1,324	1,888	1,863
Intergovernmental	10,049	9,802	9,531	10,065
Charges for Services	3,881	4,679	4,795	5,475
Fines and Forfeits	199	200	226	241
Interest	447	252	171	422
Grants	236	-	-	-
Miscellaneous	998	397	386	387
Total	22,728	22,549	23,298	25,288

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

Data Source: Village Records

2007	2008	2009	2010	2011	2012
7,300	7,647	7,924	8,854	11,038	11,177
2,468	2,184	2,256	1,745	1,352	1,508
10,395	10,005	8,717	7,862	8,886	8,786
5,943	6,210	6,262	6,453	6,909	7,608
187	233	330	272	426	600
816	857	386	82	14	6
-	-	-	-	-	-
2,289	361	203	224	546	547
29,398	27,497	26,078	25,492	29,171	30,232

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Governmental Expenditures By Function - Last Ten Fiscal Years (In Thousands) April 30, 2012 (Unaudited)

Function	2003	2004	2005	2006
General Government	\$ 3,117	2,369	2,454	2,465
Community Development	860	1,004	945	1,035
Public Safety	10,358	10,730	10,740	11,944
Public Works	2,948	2,618	2,052	2,084
Parks and Recreation	2,796	2,855	2,659	2,792
Economic Development	-	604	704	124
Capital Outlay	5,483	439	978	1,866
Debt Service				
Principal	1,125	1,170	1,140	1,190
Interest and Fiscal Charges	468	444	320	283
Total	27,155	22,233	21,992	23,783

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

Data Source: Village Records

2007	2008	2009	2010	2011	2012
2,443	2,683	2,739	2,584	2,381	2,546
1,137	1,287	1,315	1,327	1,241	1,311
12,393	12,737	13,095	13,224	13,724	13,741
2,075	2,345	2,190	2,133	2,047	1,988
2,803	2,909	2,807	2,631	2,595	2,540
939	696	5,456	4,780	1,855	2,880
765	1,706	2,546	1,153	968	1,155
1,215	1,240	1,310	195	180	220
246	211	197	93	105	69
24,016	25,814	31,655	28,120	25,096	26,450

VILLAGE OF LIBERTYVILLE, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years

(In Thousands)

April 30, 2012 (Unaudited)

	2003	2004	2005	2006
Revenues				
Taxes	\$ 5,750	5,895	6,301	6,835
Licenses and Permits	1,168	1,324	1,888	1,863
Intergovernmental	10,049	9,802	9,531	10,065
Charges for Services	3,881	4,679	4,795	5,475
Fines and Forfeits	199	200	226	241
Investment Income	447	252	171	422
Grants	236	-	-	-
Miscellaneous	998	397	386	387
Total Revenues	22,728	22,549	23,298	25,288
Expenditures				
General Government	3,117	2,369	2,454	2,465
Community Development	860	1,004	945	1,035
Public Safety	10,358	10,730	10,740	11,944
Public Works	2,948	2,618	2,052	2,084
Parks and Recreation	2,796	2,855	2,659	2,792
Economic Development	-	604	704	124
Capital Outlay	5,483	439	978	1,866
Debt Service				
Principal	1,125	1,170	1,140	1,190
Interest and Fiscal Charges	468	444	320	283
Total Expenditures	27,155	22,233	21,992	23,783
Excess of Revenues Over (Under) Expenditures	(4,427)	316	1,306	1,505
Other Financing Sources (Uses)				
Proceeds from Bonds	-	2,025	-	-
Premium on Debt Issuance				
Payments to Escrow Agent	-	(1,986)	-	-
Transfers In	664	1,676	461	488
Transfers Out	(533)	(1,571)	(358)	(384)
	131	144	103	104
Net Change in Fund Balances	(4,296)	460	1,409	1,609
Debt Service as a Percentage of Noncapital Expenditures	7.35%	7.41%	6.95%	6.72%

Data Source: Village Records

2007	2008	2009	2010	2011	2012
7,300	7,647	7,924	8,854	11,038	11,177
2,468	2,184	2,256	1,745	1,352	1,508
10,395	10,005	8,717	7,862	8,886	8,786
5,943	6,210	6,262	6,453	6,909	7,608
187	233	330	272	426	600
816	857	386	82	14	6
-	-	-	-	-	-
2,289	361	203	224	546	547
29,398	27,497	26,078	25,492	29,171	30,232
2,443	2,683	2,739	2,584	2,381	2,546
1,137	1,287	1,315	1,327	1,241	1,311
12,393	12,737	13,095	13,224	13,724	13,741
2,075	2,345	2,190	2,133	2,047	1,988
2,803	2,909	2,807	2,631	2,595	2,540
939	696	5,456	4,780	1,855	2,880
765	1,706	2,546	1,153	968	1,155
1,215	1,240	1,310	195	180	220
246	211	197	93	105	69
24,016	25,814	31,655	28,120	25,096	26,450
5,382	1,683	(5,577)	(2,628)	4,075	3,782
-	-	1,698	-	470	-
-	-	(1,667)	-	7	-
956	479	487	939	136	132
(853)	(376)	(383)	(9,334)	(592)	(702)
103	103	135	(8,395)	(434)	(570)
5,485	1,786	(5,442)	(11,023)	3,641	3,212
6.28%	6.07%	6.03%	1.27%	1.14%	1.14%

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
April 30, 2012 (Unaudited)**

Tax Levy Year	Residential Property	Farm	Commercial Property
2002	\$ 599,026,637	\$ 141,432	\$ 125,418,130
2003	681,583,331	105,212	137,350,112
2004	736,057,028	118,812	133,554,438
2005	814,448,568	111,334	140,312,336
2006	885,318,045	109,640	156,042,710
2007	944,580,239	115,236	165,025,208
2008	982,088,516	116,705	168,486,530
2009	985,805,551	113,659	170,301,644
2010	949,232,348	115,432	173,402,106
2011	904,438,916	119,502	180,181,416

Data Source: Lake County Tax Extension Division

Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 77,128,250	\$ 801,714,449	\$ 101,917	\$ 801,816,366	0.515
80,107,173	899,145,828	108,939	899,254,767	0.479
84,806,924	954,537,202	121,038	954,658,240	0.474
84,670,218	1,039,542,456	124,585	1,039,667,041	0.451
86,201,916	1,127,672,311	140,056	1,127,812,367	0.435
93,665,242	1,203,385,925	158,762	1,203,544,687	0.429
106,157,054	1,256,848,805	198,871	1,257,047,676	0.434
105,589,232	1,261,810,086	211,583	1,262,021,669	0.436
103,115,145	1,225,865,031	278,056	1,226,143,087	0.466
97,800,339	1,182,540,173	287,224	1,182,827,397	0.497

VILLAGE OF LIBERTYVILLE, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years April 30, 2012 (Unaudited)

	2002	2003	2004	2005
Village of Libertyville				
Corporate	0.095	0.087	0.084	0.079
Street & Bridge	0.065	0.057	0.053	0.048
Fire Protection	0.087	0.078	0.075	0.070
Playgrounds and Recreation	0.033	0.031	0.030	0.029
Parks	0.033	0.031	0.030	0.029
IMRF	0.042	0.038	0.037	0.035
Police Pension	0.072	0.074	0.075	0.076
Firefighters Pension	0.059	0.057	0.055	0.052
Recreation for the Handicapped	0.000	0.000	0.011	0.011
Limited Bonds	0.029	0.026	0.000	0.000
Bonds	0.000	0.000	0.024	0.022
Total Direct Tax Rate	0.515	0.479	0.474	0.451
Overlapping Rates				
Grade School District #70	2.792	2.581	2.499	2.378
High School District #128	2.391	2.359	2.291	2.225
Lake County	0.502	0.490	0.465	0.454
Libertyville Township	0.232	0.060	0.058	0.057
Library	0.247	0.236	0.231	0.225
Other	0.514	0.526	0.516	0.498
Total Direct and Overlapping Tax Rate	7.193	6.731	6.534	6.288
Village's Share of Total Tax Rate	7.16%	7.12%	7.25%	7.17%

Data Source: Office of the County Clerk

Note: Overlapping rates are those of local and county governments that apply to property owners within the Village. Not all overlapping rates apply to all Village property owners.

2006	2007	2008	2009	2010	2011
0.074	0.073	0.072	0.062	0.066	0.072
0.045	0.044	0.044	0.038	0.039	0.045
0.067	0.066	0.064	0.055	0.061	0.067
0.029	0.030	0.030	0.026	0.029	0.031
0.029	0.030	0.030	0.026	0.029	0.031
0.033	0.032	0.032	0.028	0.031	0.031
0.075	0.072	0.078	0.097	0.100	0.104
0.052	0.051	0.056	0.077	0.080	0.083
0.011	0.011	0.011	0.012	0.013	0.014
0.000	0.000	0.000	0.000	0.000	0.000
0.020	0.020	0.017	0.015	0.018	0.019
0.435	0.429	0.434	0.436	0.466	0.497
2.297	2.247	2.278	2.283	2.431	2.518
2.179	2.136	2.163	2.179	2.324	2.399
0.450	0.444	0.453	0.464	0.505	0.554
0.057	0.057	0.058	0.059	0.058	0.060
0.222	0.219	0.222	0.223	0.238	0.254
0.487	0.478	0.481	0.487	0.509	0.539
6.127	6.010	6.089	6.131	6.531	6.821
7.10%	7.14%	7.13%	7.11%	7.14%	7.29%

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Principal Property Tax Payers - Current Year and Nine Years Ago
April 30, 2012 (Unaudited)**

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Advocate Health & Hospital Corp	\$ 27,454,045	1	2.32%	\$ 12,126,167	2	1.51%
Motorola	12,849,965	2	1.09%	18,691,473	1	2.33%
Hollister Incorporated	10,540,426	3	0.89%			
Medline Industries	8,052,645	4	0.68%			
Capmark Finance Inc	6,785,460	5	0.57%			
Manufacturers Life Ins. Co.	6,583,530	6	0.56%	7,935,942	3	0.99%
Bradley Operating Ltd	4,154,830	7	0.35%			
Giannoulis Enterprises	3,883,718	8	0.33%			
Keystone Property Group	3,815,688	9	0.32%			
McShane Constructions	3,596,687	10	0.30%			
Lincoln Atrium Management				7,559,649	4	0.94%
Bre/Technology Way III LLC				5,598,704	5	0.70%
Temperature Equipment Corp				4,788,386	6	0.60%
Marvin F. Poer				3,869,810	7	0.48%
Mass Mutual Life Ins				3,799,054	8	0.47%
Libertyville JV c/o Bradley				3,499,650	9	0.44%
Libertyville Assoc., LLC				2,510,177	10	0.31%
	<u>87,716,994</u>		<u>7.42%</u>	<u>70,379,012</u>		<u>8.78%</u>

Data Source: Office of the Lake County Clerk's

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years (In Thousands)
April 30, 2012 (Unaudited)**

Fiscal Year Ended April 30	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2003	2002	\$ 4,184	\$ 4,146	99.09%	N/A	\$ 4,146	99.09%
2004	2003	4,365	4,279	98.03%	N/A	4,279	98.03%
2005	2004	4,589	4,520	98.50%	N/A	4,520	98.50%
2006	2005	4,766	4,756	99.79%	N/A	4,756	99.79%
2007	2006	4,981	4,904	98.45%	N/A	4,904	98.45%
2008	2007	5,238	5,166	98.63%	N/A	5,166	98.63%
2009	2008	5,456	5,447	99.84%	N/A	5,447	99.84%
2010	2009	5,502	5,497	99.91%	N/A	5,497	99.91%
2011	2010	5,714	5,695	99.67%	N/A	5,695	99.67%
2012	2011	5,879	N/A	N/A	N/A	N/A	N/A

N/A: Currently Not Available

Data Source: Village Records

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years (In Thousands)
April 30, 2012 (Unaudited)**

Fiscal Year Ended April 30	Governmental Activities		General Obligation Bonds
	General Obligation Bonds	Installment Contracts	
2003	\$ 9,615	\$ 353	\$ 29,745
2004	8,485	434	28,225
2005	7,345	361	27,875
2006	6,155	626	26,735
2007	4,940	533	28,560
2008	3,700	292	27,280
2009	2,445	1,235	25,685
2010	2,250	1,110	25,065
2011	2,085	819	24,505
2012	1,865	776	23,890

Data Source: Village's Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
IEPA Loans	Installment Contracts				
\$ 1,902	\$ 159	\$	41,774	4.98%	\$ 2,014
1,761	108		39,013	4.65%	1,881
1,616	108		37,305	4.45%	1,799
1,467	40		35,023	4.18%	1,689
1,313	27		35,373	4.22%	1,705
1,154	76		32,502	3.88%	1,567
991	38		30,394	3.62%	1,465
823	13		29,261	3.49%	1,411
649	-		28,058	3.35%	1,353
471	-	\$	27,002	2.70%	1,329

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Ratios of General Bonded Debt Outstanding to Equalized Assessed Value
and Net General Obligation Bonded Debt per Capita - Last Ten Fiscal Years (In Thousands)
April 30, 2012 (Unaudited)**

Fiscal Year Ended April 30	Gross General Obligation Bonds	Less Amount Available	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
2003	\$ 39,713	\$ 1,007	\$ 38,706	4.83%	\$ 415
2004	37,144	927	36,217	4.03%	365
2005	35,581	923	34,658	3.63%	310
2006	33,516	946	32,570	3.13%	251
2007	34,033	962	33,071	2.93%	192
2008	31,272	974	30,298	2.52%	1,461
2009	29,365	783	28,582	2.27%	1,378
2010	28,425	536	27,889	2.21%	1,345
2011	27,409	509	26,900	2.19%	1,324
2012	26,531	529	26,002	2.20%	1,280

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

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Ratios of Outstanding Debt by Type Schedule for Equalized Assessed Value data (Actual Taxable Value of Property).

(2) See the Demographic and Economic Statistics Schedule for the Per Capita Income data.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
April 30, 2012 (Unaudited)**

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Libertyville	\$ 2,641,054	100.00%	\$ 2,641,054
Overlapping Debt:			
Libertyville School District #70	14,767,098	91.25%	13,474,977
Hawthorn School District #73	42,883,824	13.97%	5,990,870
Fremont Center School District #79	27,535,000	5.30%	1,459,355
Community High School District #128	26,230,000	36.85%	9,665,755
Mundelein High School District #120	15,664,517	5.47%	856,849
Grayslake High School District #127	41,059,516	0.04%	16,424
Lake County Community College #532	24,350,000	4.66%	1,134,710
Lake County	84,770,000	4.43%	3,755,311
Lake County Forest Preserve District	295,270,000	4.43%	13,080,461
Central Lake County JAWA	18,535,000	16.55%	3,067,543
Fremont Public Library District	5,130,000	3.68%	188,784
Subtotal	596,194,955		52,691,039
Total	598,836,009		55,332,093

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

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Legal Debt Margin - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

	2003	2004	2005	2006
Assessed Valuation	\$ 818,341,666	920,904,542	980,297,159	1,039,667,041
Bonded Debt Limit - 8.625% of Assessed Value	70,581,969	79,428,017	84,550,630	89,671,282
Amount of Debt Applicable to Limit	4,855,001	5,680,000	4,955,000	2,200,000
Legal Debt Margin	65,726,968	73,748,017	79,595,630	87,471,282
Percentage of Legal Debt Margin to Bonded Debt Limit	93.12%	92.85%	94.14%	97.55%

Data Source: Village Records

2007	2008	2009	2010	2011	2012
1,127,812,367	1,203,544,687	1,257,047,676	1,262,021,669	1,226,143,087	1,182,827,397
97,273,817	103,805,729	108,420,362	108,849,369	105,754,841	102,018,863
2,080,000	1,965,000	175,000	75,000	1,615,000	1,460,000
95,193,817	101,840,729	108,245,362	108,774,369	104,139,841	100,558,863
97.86%	98.11%	99.84%	99.93%	98.47%	98.57%

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

Fiscal Year Ended April 30	(1) Population	(1) Personal Income (in Thousands)	(2) Per Capita Personal Income	(1) Median Age	(3) School Enrollment	(4) Unemployment Rate
2003	20,742	\$ 838,516	\$ 40,426	39.2	2,665	3.91%
2004	20,742	838,516	40,426	39.2	2,714	3.64%
2005	20,742	838,516	40,426	39.2	2,656	3.22%
2006	20,742	838,516	40,426	39.2	2,650	2.60%
2007	20,742	838,516	40,426	39.2	2,637	2.50%
2008	20,742	838,516	40,426	39.2	2,576	3.50%
2009	20,742	838,516	40,426	39.2	2,700	5.20%
2010	20,742	838,516	40,426	39.2	2,742	5.60%
2011	20,315	999,823	49,216	43.0	2,507	5.10%
2012	20,315	999,823	49,216	43.0	2,574	N/A

Data Sources:

- (1) U.S. Bureau of the Census
- (2) Local Chamber of Commerce
- (3) School District Administrative Offices - District 70
- (4) IL Dept of Employment Security

N/A: Currently Not Available

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2012 (Unaudited)**

Employer	2012			2003		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Motorola	3,500	1	N/A	4,000	1	N/A
Condell Medical Center	1,812	2	N/A	2,600	2	N/A
Aldridge Electric	650	3	N/A			
Hollister	501	4	N/A	350	8	N/A
Volkswagen Credit	498	5	N/A			
Village of Libertyville	454	6	N/A	187	10	N/A
Lake County	453	7	N/A	515	3	N/A
Libertyville School District No. 70	323	8	N/A	320	9	N/A
Commonwealth Edison	300	9	N/A	400	5	N/A
Brightstar	275	10	N/A			
Solar Corporation				500	4	N/A
Temple Steel				400	6	N/A
Libertyville Comm High School No. 128				400	7	N/A
	<u>8,766</u>		<u>N/A</u>	<u>9,672</u>		<u>N/A</u>

Data Sources: Village Community Development Department Records and U.S. Census Bureau.

N/A: Currently Not Available

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

Function	2003	2004	2005	2006
General Government				
Administration	3	3	3	3
Finance	10	10	9	9
Public Works	33	33	33	33
Police	56.5	56.5	56.5	54.5
Fire	39.5	39.5	39.5	38.5
Community Development	12	12	12	12
Water and Sewer	4	4	4	4
Parks and Recreation	29	29	26	26
Total	187	187	183	180

Data Source: Village Records

2007	2008	2009	2010	2011	2012
3	3	3	3	3	3
9	9	9	9	7	7
33	33	33	33	29	28
58.0	59.0	59.0	59.0	54.0	54.0
33.0	34.0	34.0	34.0	34.0	41.0
13	13	13	13	11	11
4	4	5	5	4	4
24	24	24	24	22	19
177	179	180	180	164	167

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

Function/Program	2003	2004	2005	2006
Public Works				
Forestry				
Number of Parkway Trees Planted	90	48	44	49
Number of Parkway Trees Trimmed	1,300	1,047	1,412	551
Fleet Services				
Number of Vehicles Maintained	111	111	111	111
Number of Equipment Maintained	51	51	51	51
Preventative Maintenance Services	1,150	1,296	1,083	1,207
Public Safety				
Fire				
Number of Fire Calls	1,251	1,282	1,220	N/A
Number of EMS Calls	1,960	1,874	2,014	N/A
Number of Training Hours	7,072	4,782	5,128	5,193
ISO Rating	2	2	2	2
Police				
Part I Crime	395	363	401	368
Calls for Service	25,244	26,820	20,402	20,491
State Tickets Issued	2,350	2,779	2,378	2,591
Parking Tickets Issued	4,907	3,786	5,139	4,226
Community Development				
Number of Building Permits Issued	1,350	1,582	1,284	1,406
Number of Building Inspections	6,363	7,371	7,058	7,103
Highways and Streets				
Sidewalk Replaced (Sq. Ft.)	13,436	12,663	10,115	12,637
Annual Resurfacing Program (\$)	955,000	655,000	870,000	880,000
Crack Sealing (Lbs. Installed)	48,120	10,166	21,360	29,950
Water and Sewer				
Water Main Breaks	14	26	32	28
Hydrants Flushed	801	361	857	1,184
Water Meters Read	7,332	4,200	7,550	7,331
Water Meter Service Requests	4,954	4,550	2,927	2,517
Water Meters Replaced	123	104	128	117
Total Distribution Pumpage (1,000 Gallons)	1,044,398	1,043,247	1,140,013	1,026,566
Average Daily Pumpage (1,000 Gallons)	2,870	2,866	3,121	2,737
Sanitary Sewer Televising (Feet)	20,647	16,177	28,323	1,140
Sanitary Sewer Repairs	-	2	1	1

N/A: Currently Not Available

Data Source: Village Records

2007	2008	2009	2010	2011	2012
-	49	36	1	1	21
836	537	210	125	235	182
109	109	109	107	105	105
51	51	51	64	60	60
1,077	1,207	999	1,139	1,233	1,334
1,171	1,234	1,174	1,294	1,661	N/A
2,243	2,294	2,157	2,307	2,108	N/A
6,084	8,195	7,987	6,324	5,518	N/A
2	2	2	4	4	N/A
395	388	391	377	N/A	N/A
21,695	24,364	24,283	23,117	27,886	14,404
2,740	4,624	3,620	3,294	2,988	1,714
4,315	4,861	4,861	4,574	5,027	2,866
1,366	2,418	1,201	1,171	1,371	1,424
6,741	7,130	5,877	5,436	5,300	6,020
8,562	8,742	10,490	11,884	7,256	6,395
985,000	780,000	1,263,000	805,000	977,492	896,391
-	30,845	22,190	24,480	24,480	-
16	22	31	21	31	17
335	995	421	1,234	1,501	1,300
7,393	7,434	7,465	7,471	7,511	7,523
435	2,485	2,305	3,180	2,902	3,290
70	87	64	62	88	105
99,732	1,088,301	975,624	929,402	953,812	923,989
3,217	2,957	2,672	2,544	2,645	2,523
12,094	17,594	87,504	4,587	905	5,104
-	3	19	14	11	8

VILLAGE OF LIBERTYVILLE, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years April 30, 2012 (Unaudited)

Function/Program	2003	2004	2005	2006
Police				
Stations	1	1	1	1
Patrol Units (1)	12	12	12	12
Patrol Officers	33	31.5	31.5	31.5
Fire Stations	3	3	3	3
Public Works				
Streets (Miles)	80	80	80	80
Sidewalks (Miles)	127.23	128.11	129.63	130.35
Streetlights	1,700	1,700	2,171	2,171
Water and Sewer				
Water Mains (Miles)	111	111	114	126
Fire Hydrants	1,300	1,300	1,300	1,300
Sanitary Sewers (Miles)	94	94	94	94
Manholes	2,231	2,261	2,276	2,297
Storm Sewer (Miles)	93	93	93	93

(1) Marked Police Vehicles

Data Source: Village Records

2007	2008	2009	2010	2011	2012
1	1	1	1	1	1
12	12	12	11	11	11
32.5	32.5	29.0	29.0	29.0	29.0
3	3	3	3	3	3
80	81	81	81	81	81
130.67	131.67	131.67	131.67	131.67	131.67
2,171	2,314	2,318	2,318	2,318	2,318
126	127	127	127	127	127
1,300	1,310	1,311	1,311	1,311	1,311
94	95	95	95	95	95
2,297	2,324	2,324	2,324	2,324	2,324
93	94	94	94	94	94

2012 DISCLOSURE

for

VILLAGE OF LIBERTYVILLE

Lake County, Illinois

CUSIP NUMBER: 531575

Relating to the following Bond Issues:

\$5,290,000 General Obligation Refunding Bonds, Series 2001A

\$2,600,000 General Obligation Refunding Bonds, Series 2001B

\$1,360,000 General Obligation Refunding Bonds, Series 2003B

\$2,435,000 General Obligation Refunding Bonds, Series 2004

\$3,000,000 General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 2006

\$1,710,000 General Obligation Limited Tax Refunding Bonds, Series 2008

\$11,570,000 General Obligation Refunding Alternate Bonds, Series 2010A

\$3,245,000 Taxable General Obligation Refunding Alternate Bonds, Series 2010B

\$3,840,000 General Obligation Refunding Alternate Bonds, Series 2010C

and

\$470,000 General Obligation Refunding Alternate Bonds, Series 2010D

For further information please contact:

**Patricia A. Wesolowski
Director of Finance
Village of Libertyville
118 West Cook Street
Libertyville, Illinois 60048**

Telephone Number: (847) 918-2102

Fax Number: (847) 362-9453

DEBT INFORMATION

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2010 Census 20,315)
		Equalized Assessed	Estimated Actual	
Village EAV of Taxable Property, 2011	\$1,182,827,397	100.00%	33.33%	\$ 58,224.34
Estimated Actual Value, 2011	\$3,548,482,191	300.00%	100.00%	\$174,673.01
Direct Bonded Debt(1)	\$ 25,340,000	2.14%	0.71%	\$ 1,247.35
Less: Self Supporting	(23,880,000)	(2.02%)	(0.67%)	(1,175.49)
Net Direct Bonded Debt	\$ 1,460,000	0.12%	0.04%	\$ 71.87
Overlapping Bonded Debt:(2)				
Schools	\$ 32,598,940	2.76%	0.92%	\$ 1,604.67
All Others	20,092,099	1.70%	0.57%	989.03
Total Overlapping Bonded Debt	\$ 52,691,039	4.45%	1.48%	\$ 2,593.70
Total Net Direct & Overlapping Debt	\$ 54,151,039	4.58%	1.53%	\$ 2,665.57

- Notes: (1) Source: The Village. Excludes installment contracts.
(2) Overlapping bonded debt as of March 23, 2012.

Legal Debt Margin(1)

	8.625% of EAV
2011 Equalized Assessed Valuation.....	\$1,182,827,397
Statutory Debt Limitation (8.625% of EAV).....	\$ 102,018,863

General Obligation Bonded Debt	
Series 2001A(2)	\$ 375,000
Series 2004(2)	1,875,000
Series 2006(2)	2,675,000
Series 2008	1,460,000
Series 2010A(2)	11,570,000
Series 2010B(2)	3,245,000
Series 2010C(2)	3,800,000
Series 2010D(2)	340,000
Total General Obligation Bonded Debt.....	\$ 25,340,000

Less: Alternate Revenue Source Bonds	
Series 2001A(2)	\$ (375,000)
Series 2004(2)	(1,875,000)
Series 2006(2)	(2,675,000)
Series 2010A(2)	(11,570,000)
Series 2010B(2)	(3,245,000)
Series 2010C(2)	(3,800,000)
Series 2010D(2)	(340,000)
Total Alternate Bonds(2)	\$(23,880,000)
Net Applicable General Obligation Bonds.....	\$ 1,460,000

<u>Other Debt</u>	
Installment Contracts (As of May 1, 2012).....	\$ 776,054
Total Other Debt	\$ 776,054
Total Applicable Debt	\$ 2,236,054
Legal Debt Margin	\$ 99,782,809

- Notes: (1) Source: The Village.
(2) General obligation alternate revenue source bonds under Illinois Statutes, do not count against the overall 8.625% of EAV debt limit for general obligation bonded debt so long as the debt service levy for such bonds is abated annually and not extended.

**General Obligation Bonded Debt(1)
(Principal Only)**

Year	Series 2001A(2) (5-1)	Series 2004(2) (12-15)	Series 2006(2) (5-1)	Series 2008(3) (12-15)	Series 2010A(2) (12-15)	Series 2010B(2) (12-15)	Series 2010C(2) (12-15)
2012	\$ 0	\$ 165,000	\$ 0	\$ 160,000	\$ 0	\$ 0	\$ 60,000
2013	375,000	180,000	95,000	165,000	0	0	50,000
2014	0	195,000	230,000	170,000	75,000	170,000	490,000
2015	0	195,000	240,000	180,000	75,000	175,000	505,000
2016	0	210,000	250,000	185,000	75,000	180,000	510,000
2017	0	215,000	260,000	190,000	75,000	190,000	525,000
2018	0	225,000	275,000	205,000	75,000	200,000	540,000
2019	0	240,000	290,000	205,000	75,000	210,000	550,000
2020	0	250,000	300,000	0	75,000	220,000	570,000
2021	0	0	315,000	0	830,000	230,000	0
2022	0	0	330,000	0	860,000	240,000	0
2023	0	0	0	0	895,000	255,000	0
2024	0	0	0	0	935,000	270,000	0
2025	0	0	0	0	970,000	285,000	0
2026	0	0	0	0	1,015,000	300,000	0
2027	0	0	0	0	1,055,000	320,000	0
2028	0	0	0	0	1,435,000	0	0
2029	0	0	0	0	1,500,000	0	0
2030	0	0	0	0	1,550,000	0	0
Total	\$375,000	\$1,875,000	\$2,675,000	\$1,460,000	\$11,570,000	\$3,245,000	\$3,800,000

Year	Series 2010D(2) (5-1)	Total Outstanding	Cumulative Retirement		Debt Service Tax Levies Payable from Property Taxes	
			Amount	Percent	Year	Amount
2012	\$ 0	\$ 475,000	\$ 475,000	1.87%	2011	\$229,845
2013	65,000	930,000	1,405,000	5.54%	2012	226,970
2014	70,000	1,400,000	2,805,000	11.07%	2013	228,755
2015	70,000	1,440,000	4,245,000	16.75%	2014	229,845
2016	70,000	1,480,000	5,725,000	22.59%	2015	230,308
2017	65,000	1,520,000	7,245,000	28.59%	2016	230,040
2018	0	1,520,000	8,765,000	34.59%	2017	234,120
2019	0	1,570,000	10,335,000	40.79%	2018	227,255
2020	0	1,415,000	11,750,000	46.37%		
2021	0	1,375,000	13,125,000	51.80%		
2022	0	1,430,000	14,555,000	57.44%		
2023	0	1,150,000	15,705,000	61.98%		
2024	0	1,205,000	16,910,000	66.73%		
2025	0	1,255,000	18,165,000	71.69%		
2026	0	1,315,000	19,480,000	76.87%		
2027	0	1,375,000	20,855,000	82.30%		
2028	0	1,435,000	22,290,000	87.96%		
2029	0	1,500,000	23,790,000	93.88%		
2030	0	1,550,000	25,340,000	100.00%		
Total	\$340,000	\$25,340,000				

- Notes: (1) Source: The Village. Excludes \$776,054 of installment contracts as of May 1, 2012 and \$470,743 of an Illinois EPA Loan payable from the Waterworks and Sewerage Fund.
- (2) Alternate Revenue Source Bonds. Sources of revenues are sales taxes, recreational facility and waterworks and sewerage fund revenues.
- (3) Limited Tax Bonds.

Debt Ratios and Per Capita Debt - Last Ten Sales(1)

Village Issue		Ratio to Estimated Actual Value				Per Capita(2)		
		Direct Debt		Direct & Overlapping Debt		Direct & Overlapping		
Sale Date	Amount	Including Self-Supporting	Excluding Self-Supporting	Including Self-Supporting	Excluding Self-Supporting	Including Self-Supporting	Excluding Self-Supporting	Estimated True Value
May 8, 2001	\$20,000,000	1.78%	0.12%	4.08%	2.42%	\$4,217.66	\$2,506.16	\$103,336.05
October 23, 2001	7,895,000(3)	1.95%	0.12%	4.16%	2.33%	4,302.05	2,413.85	103,336.05
October 28, 2003	2,025,000(3)	1.57%	0.10%	3.44%	1.97%	4,074.38	2,328.89	118,360.09
May 11, 2004	2,435,000	1.53%	0.10%	3.34%	1.91%	3,949.22	2,260.38	118,360.09
July 25, 2006	3,000,000	1.13%	0.07%	2.56%	1.50%	3,229.61	2,257.59	150,371.28
December 9, 2008	1,710,000	0.78%	0.05%	2.16%	1.44%	3,764.46	2,499.15	174,073.57
March 9, 2010	11,570,000	0.72%	0.05%	2.09%	1.41%	3,805.25	2,571.28	181,811.93
March 9, 2010	3,245,000	0.72%	0.05%	2.09%	1.41%	3,805.25	2,571.28	181,811.93
October 12, 2010(3)	3,840,000	0.71%	0.05%	2.11%	1.44%	3,845.58	2,629.69	182,531.34
October 12, 2010(3)	470,000	0.71%	0.05%	2.11%	1.44%	3,845.58	2,629.69	182,531.34

- Notes: (1) Source: Village's 2010 Comprehensive Annual Financial Report. Information derived from prior Official Statements.
 (2) Based on Census available at the time of issuance. 1990 Census - 19,174; 2000 - Census 20,742.
 (3) Final issue amounts were adjusted.

Statement of Overlapping Debt(1)
(As of March 23,2012)

	Percent of Village's 2011 Real Property In Taxing Body	Bonds Outstanding	Applicable to District	
			Percent(2)	Amount
Schools:				
School District No. 70	80.76%	\$ 14,767,098	91.25%	\$13,474,977
School District No. 73	15.51%	42,883,824	13.97%	5,990,870
School District No. 79	3.73%	27,535,000	5.30%	1,459,355
High School District No. 120	6.46%	15,664,517	5.47%	856,849
High School District No. 127	0.03%	41,059,516	0.04%	16,424
High School District No. 128	93.50%	26,230,000	36.85%	9,665,755
Community College District No. 532	100.00%	24,350,000	4.66%	1,134,710
Total Schools				\$32,598,940
Others:				
Lake County(3)	100.00%	\$ 84,770,000	4.43%	\$ 3,755,311
Lake County Forest Preserve District	100.00%	295,270,000	4.43%	13,080,461
Central Lake County Joint Action Water Agency	100.00%	18,535,000	16.55%	3,067,543
Fremont Public Library	3.73%	5,130,000	3.68%	188,784
Total Others				\$20,092,099
Total Overlapping Debt				\$52,691,039

- Notes: (1) Source: Lake County.
(2) Based on 2010 Equalized Assessed Valuations, the most recent available.

PROPERTY ASSESSMENT AND TAX INFORMATION

Village Equalized Assessed Valuations(1)

By Property Class	Levy Years					Increase 2007 to 2011	Percent Of Total	
	2007	2008	2009	2010	2011		2007	2011
Residential	\$ 944,580,239	\$ 982,088,516	\$ 985,805,551	\$ 949,232,348	\$ 904,438,916	(4.25%)	78.48%	76.46%
Farm	115,236	116,705	113,659	115,432	119,502	3.70%	0.01%	0.01%
Commercial	165,025,208	168,486,530	170,301,644	173,402,106	180,181,416	9.18%	13.71%	15.23%
Industrial	93,665,242	106,157,054	105,589,232	103,115,145	97,800,339	4.41%	7.78%	8.27%
Railroad	158,762	198,871	211,583	278,056	287,224	80.91%	0.01%	0.02%
Total	\$1,203,544,687	\$1,257,047,676	\$1,262,021,669	\$1,226,143,087	\$1,182,827,397		100.00%	100.00%
Percent change +(-)	6.71%(2)	4.45%	0.40%	(2.84%)	(3.53%)			
Gross Value	\$1,252,896,805	\$1,310,019,812	\$1,317,414,944	\$1,280,743,411	\$1,233,718,516			
Less: Exemptions	49,352,118	52,972,136	55,393,275	54,600,324	50,891,119			
Net EAV	\$1,203,544,687	\$1,257,047,676	\$1,262,021,669	\$1,226,143,087	\$1,182,827,397			
TIF Value	34,457,112	37,021,792	40,140,011	40,592,672	40,291,855			
Total for All Taxing Purposes	\$1,238,001,799	\$1,294,069,468	\$1,302,161,680	\$1,266,735,759	\$1,223,119,252			

- Notes: (1) Source: Lake County Clerk.
(2) Percentage based on 2006 EAV of \$1,127,812,367.

Representative Tax Rates
Per \$100 of Equalized Assessed Valuation(1)

	Levy Years					Maximum Allowable	Unused Margin
	2007	2008	2009	2010	2011		
Corporate	\$0.0730	\$0.0720	\$0.0620	\$0.0660	\$0.0720	\$0.4380	83.56%
Street and Bridge	0.0440	0.0440	0.0380	0.0390	0.0450	0.1000	55.00%
Fire Protection	0.0660	0.0640	0.0550	0.0610	0.0670	0.6000	88.83%
Playgrounds and Recreation	0.0300	0.0300	0.0260	0.0290	0.0310	0.2000	84.50%
Parks	0.0300	0.0300	0.0260	0.0290	0.0310	0.0750	58.67%
IMRF	0.0320	0.0320	0.0280	0.0310	0.0310	No Limit	
Police Pension	0.0720	0.0780	0.0970	0.1000	0.1040	No Limit	
Firefighters Pension	0.0510	0.0560	0.0770	0.0800	0.0830	No Limit	
Recreation for the Handicapped	0.0110	0.0110	0.0120	0.0130	0.0140	0.0400	65.00%
Limited Bonds	0.0000	0.0000	0.0000	0.0000	0.0000	No Limit	
Bonds	0.0200	0.0170	0.0150	0.0180	0.0190	No Limit	
Total Village Rate	\$0.4290	\$0.4340	\$0.4360	\$0.4660	\$0.4970		
Lake County	0.4440	0.4530	0.4640	0.5050	0.5540		
Lake County Forest Preserve District	0.2010	0.1990	0.2000	0.1980	0.2010		
Libertyville Township - Road and Bridge	0.0430	0.0440	0.0450	0.0480	0.0510		
Libertyville Township	0.0570	0.0580	0.0590	0.0580	0.0600		
Cook Memorial Library District	0.2190	0.2220	0.2230	0.2380	0.2540		
Central Lake County Joint Action Water Agency	0.0420	0.0420	0.0420	0.0450	0.0470		
School District Number 70	2.2470	2.2780	2.2830	2.4310	2.5180		
High School District Number 128	2.1360	2.1630	2.1790	2.3240	2.3990		
Community College District Number 532	0.1920	0.1960	0.2000	0.2180	0.2400		
Total(2)	\$6.0100	\$6.0890	\$6.1310	\$6.5310	\$6.8210		
Village as a percent of Total	7.1%	7.1%	7.1%	7.1%	7.3%		

Notes: (1) Source: Lake County Clerk.
(2) Representative tax rates for Libertyville Township Tax Code Number 38 which represents 74.05% of the Village's 2011 Equalized Assessed Valuation.

Village Tax Extensions and Collections(1)

Levy Year	Coll. Year	Taxes Extended	Taxes Collected	
			Amount	Percent
2006	2007	\$4,907,276	\$4,898,073	99.81%
2007	2008	5,166,109	5,165,702	99.99%
2008	2009	5,455,587	5,446,999	99.84%
2009	2010	5,502,414	5,497,267	99.91%
2010	2011	5,713,827	5,694,647	99.66%
2011	2012	5,878,652	-----In collection-----	

Note: (1) Source: Lake County Treasurer.

Principal Village Taxpayers(1)

Taxpayer Name	Business/Service	2011 EAV(2)	Percent of Village
Advocate Health & Hospital Corp.	Health Services	\$27,454,045	2.32%
Motorola Inc.	Portable and Cellular Mobile Telephones	12,849,965	1.09%
Hollister Incorporated	Corporate HQ and Health Care Products	10,540,426	0.89%
Medline Industries	Real Property	8,052,645	0.68%
Capmark Finance Inc.	Financial Services	6,785,460	0.57%
Manufacturers Life Insurance Co.	Insurance Company	6,583,530	0.56%
Bradley Operating Ltd.	Shopping Center	4,154,830	0.35%
Giannoulis Enterprises	Real Property	3,883,718	0.33%
Keystone Property Group	Real Property	3,815,688	0.32%
MC Shane Constructions	Real Property	3,596,687	0.30%
Total		\$87,716,994	
Ten largest as a percent of the Village's 2011 EAV (\$1,182,827,397)			7.42%

Notes: (1) Source: Lake County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2011 EAV is the most current available.

FINANCIAL INFORMATION

Statement of Activities Governmental Activities

	Audited Year Ended April 30				
	2008	2009	2010	2011	2012
Governmental Activities(1):					
General Government	\$ 1,124,658	\$ 1,201,044	\$ 896,549	\$ 1,332,571	\$ 1,649,045
Community Development	(986,902)	(929,977)	(1,033,507)	(982,252)	(898,398)
Public Safety	(9,801,185)	(10,158,962)	(10,092,603)	(10,485,175)	(10,115,030)
Public Works	(3,143,784)	(3,088,681)	(3,463,143)	(2,950,640)	(3,176,001)
Parks and Recreation	(1,900,209)	(1,876,013)	(1,728,911)	(1,613,922)	(1,485,687)
Economic Development	(695,858)	(1,651,999)	(487,576)	(2,708,857)	(2,917,982)
Interest of Long-Term Debt	(193,187)	(193,112)	(86,254)	(103,998)	(57,295)
Total Governmental Activities	<u>\$(15,596,467)</u>	<u>\$(16,697,700)</u>	<u>\$(15,995,445)</u>	<u>\$(17,512,273)</u>	<u>\$(17,001,348)</u>
General Revenues:					
Taxes:					
Property Taxes	\$ 7,199,409	\$ 7,519,390	\$ 8,003,971	\$ 8,265,208	\$ 8,675,085
Other Taxes	447,149	404,664	849,687	2,772,708	2,501,968
Intergovernmental					
Sales and Use Taxes	7,304,853	6,086,067	5,649,260	6,084,335	6,143,233
Income Taxes	1,909,785	1,889,000	1,600,904	1,664,499	1,736,561
Other	85,138	183,490	78,270	159,300	213,390
Interest Income	885,382	391,979	85,192	14,115	7,061
Miscellaneous	361,404	203,324	224,398	545,990	546,555
Transfers - Internal Activity	103,005	103,690	(8,395,000)	(456,000)	(570,000)
Total General Revenue	<u>\$ 18,296,125</u>	<u>\$ 16,781,604</u>	<u>\$ 8,096,682</u>	<u>\$ 19,050,155</u>	<u>\$ 19,253,853</u>
Change in Net Assets	\$ 2,699,658	\$ 83,904	\$ (7,898,763)	\$ 1,537,882	\$ 2,252,505
Net Assets Beginning	<u>164,563,965</u>	<u>167,263,623</u>	<u>167,347,527</u>	<u>159,448,764</u>	<u>160,986,646</u>
Net Assets Ending	<u><u>\$167,263,623</u></u>	<u><u>\$167,347,527</u></u>	<u><u>\$159,448,764</u></u>	<u><u>\$160,986,646</u></u>	<u><u>\$163,239,151</u></u>

Note: (1) Expenses less Program Revenues for Charges for Services and Capital Grants/Contributions.

**Statement of Revenues and Expenditures
General Fund**

	Audited Year Ended April 30				
	2008	2009	2010	2011	2012
REVENUES:					
Taxes	\$ 5,396,947	\$ 5,622,728	\$ 6,388,321	\$ 8,392,243	\$ 8,308,730
Licenses and Permits	1,221,835	1,609,199	1,250,180	860,846	868,427
Intergovernmental	8,487,357	7,549,932	7,328,434	7,908,134	8,093,184
Charges for Services	5,606,483	5,655,327	5,855,837	6,327,328	6,987,375
Fines and Forfeits	232,859	330,028	271,978	426,114	600,493
Interest	539,367	276,815	65,358	5,765	3,179
Miscellaneous	218,612	193,738	207,940	483,088	507,205
Total Revenues	<u>\$21,703,460</u>	<u>\$21,237,767</u>	<u>\$21,368,048</u>	<u>\$24,403,518</u>	<u>\$25,368,593</u>
EXPENDITURES:					
Current:					
General Government	\$ 2,408,271	\$ 2,465,902	\$ 2,321,630	\$ 2,155,051	\$ 2,237,568
Community Development	1,286,825	1,315,490	1,327,110	1,241,044	1,311,039
Public Safety	12,737,445	13,094,666	13,224,141	13,723,552	13,741,615
Public Works	2,344,969	2,190,399	2,133,158	2,046,389	1,987,732
Parks and Recreation	2,908,741	2,806,608	2,630,622	2,595,318	2,540,298
Total Expenditures	<u>\$21,686,251</u>	<u>\$21,873,065</u>	<u>\$21,636,661</u>	<u>\$21,761,354</u>	<u>\$21,818,252</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 17,209	\$ (635,298)	\$ (268,613)	\$ 2,642,164	\$ 3,550,341
Other Financing Sources (Uses)					
Transfers In	\$ 0	\$ 0	\$ 550,000	\$ 0	\$ 0
Transfers Out	(80,000)	(80,000)	(8,450,000)	(511,000)	(625,000)
Total Other Financing Sources (Uses)	<u>\$ (80,000)</u>	<u>\$ (80,000)</u>	<u>\$(7,900,000)</u>	<u>\$ (511,000)</u>	<u>\$ (625,000)</u>
Net Change in Fund Balances	\$ (62,791)	\$ (715,298)	\$(8,168,613)	\$ 2,131,164	\$ 2,925,341
Fund Balances - Beginning	<u>11,627,731</u>	<u>11,564,940</u>	<u>10,849,642</u>	<u>2,681,029</u>	<u>4,812,193</u>
Fund Balances - Ending	<u>\$11,564,940</u>	<u>\$10,849,642</u>	<u>\$ 2,681,029</u>	<u>\$ 4,812,193</u>	<u>\$ 7,737,534</u>

**Budget and Actual
General Fund**

	Budget 2012	Actual Fiscal Year 2012
REVENUES:		
Property Taxes	\$ 5,800,130	\$ 5,806,762
Other Taxes	2,367,000	2,501,968
Sales Taxes	5,715,000	5,833,012
Income Tax	1,659,000	1,736,561
Other Intergovernmental Revenue	363,500	523,611
Building Permits.....	500,000	602,055
Fines and Penalties.....	388,000	600,493
Libertyville Fire Protection District.....	2,437,070	2,452,104
Recreation Fees.....	1,169,500	1,172,253
Parking Fees	6,000	5,594
Interest Income.....	1,500	3,179
Transfers In	0	0
Other Revenues	3,408,000	4,131,001
Total General Fund Revenues	<u>\$23,814,700</u>	<u>\$25,368,593</u>
EXPENDITURES:		
Administration	\$ 1,169,375	\$ 1,166,613
Engineering	216,255	215,175
Highways & Bridges.....	1,354,640	1,330,786
Snow Removal and Ice Control.....	279,000	258,078
Refuse and Recycling.....	148,905	141,744
Planning	479,560	479,436
Building	694,945	685,490
Economic Development.....	154,360	146,113
Police	7,195,055	7,093,871
Fire	6,309,085	6,312,141
Parks	1,269,480	1,230,738
Recreation	834,670	860,793
Swimming Pool Operations.....	350,940	325,915
Riverside Park Golf Course.....	130,120	122,852
Senior Programs.....	51,470	51,311
Emergency Management Agency.....	34,800	34,486
Legislative Boards and Committees.....	99,205	98,447
Legal	319,700	495,200
Central Business District.....	29,900	17,327
Community Organizations/Activities	195,200	185,440
Public Buildings.....	68,495	58,456
Emergency Telephone System.....	321,120	301,117
Hotel/Motel Tax.....	169,900	164,774
Other Expenditures.....	44,000	41,949
Total Expenditures.....	<u>\$21,920,180</u>	<u>\$21,818,252</u>
Transfers Out	0	(625,000)
Excess of Income over Expenses	\$ 1,894,520	\$ 2,925,341

**Statement of Net Assets
Governmental Activities**

	Audited as of April 30				
	2008	2009	2010	2011	2012
ASSETS:					
Current Assets					
Cash and Investments	\$ 17,714,305	\$ 12,276,234	\$ 5,037,763	\$ 8,714,380	\$ 12,245,551
Receivables - Net	9,866,989	10,032,866	10,633,966	11,483,694	11,765,835
Internal Balances	4,400,729	6,386,325	0	0	0
Prepaid Items/Inventory	794,849	703,834	825,326	1,005,074	1,072,593
Total Current Assets	\$ 32,776,872	\$ 29,399,259	\$ 16,497,055	\$ 21,203,148	\$ 25,083,979
Capital Assets					
Land	\$ 98,301,694	\$ 98,301,694	\$ 98,301,694	\$ 98,301,694	\$ 98,301,694
Infrastructure	74,799,074	81,252,919	86,697,840	86,812,591	87,929,042
Buildings and Improvements	16,989,687	17,110,295	17,110,295	17,110,295	17,110,295
Machinery and Equipment	6,624,440	7,319,170	7,583,198	7,604,143	7,810,213
Total Capital Assets	\$196,714,895	\$203,984,078	\$209,693,027	\$209,828,723	\$211,151,244
Less: Accumulated Depreciation	(46,593,439)	(48,466,345)	(51,290,978)	(54,133,959)	(56,877,765)
Total Capital Assets	\$150,121,456	\$155,517,733	\$158,402,049	\$155,694,764	\$154,273,479
Other Assets - Net Pension Asset	0	0	12,631	42,237	135,832
Total Assets	\$182,898,328	\$184,916,992	\$174,911,735	\$176,940,149	\$179,493,290
LIABILITIES:					
Current Liabilities					
Accounts Payable	\$ 726,611	\$ 2,152,877	\$ 462,229	\$ 505,073	\$ 638,580
Accrued Payroll	534,305	561,795	546,670	528,863	556,945
Deposits Payable	812,227	981,472	469,308	753,536	813,288
Interest Payable	62,760	35,723	28,581	34,873	23,219
Unearned Revenues	7,698,984	8,145,141	8,371,529	8,746,368	8,982,916
Current Portion of Long Term Debt	1,826,933	941,725	890,250	909,982	1,012,237
Total Current Liabilities	\$ 11,661,820	\$ 12,818,733	\$ 10,768,567	\$ 11,478,695	\$ 12,027,185
Noncurrent Liabilities:					
Net Pension Obligation	\$ 116,141	\$ 85,467	\$ 32,022	\$ 82,031	\$ 0
Net Other Post-Employment Benefit Obligation....	0	128,800	263,858	423,017	558,686
Compensated Absences Payable	1,353,602	1,438,180	1,543,370	1,580,695	1,631,561
Installment Contract Payable	113,142	848,285	785,154	524,065	396,707
General Obligation Bonds Payable	2,390,000	2,250,000	2,070,000	1,865,000	1,640,000
Total Noncurrent Liabilities	\$ 3,972,885	\$ 4,750,732	\$ 4,694,404	\$ 4,474,808	\$ 4,226,954
Total Liabilities	\$ 15,634,705	\$ 17,569,465	\$ 15,462,971	\$ 15,953,503	\$ 16,254,139
NET ASSETS:					
Invested in Capital Assets - Net of					
Related Debt	\$146,045,939	\$151,837,268	\$155,042,487	\$152,790,891	\$151,632,425
Restricted - Special Revenues	427,485	477,791	0	0	0
Restricted - Debt Service	911,288	747,415	507,799	509,297	528,983
Restricted - General Government	0	0	72,380	148,457	250,164
Restricted - Public Safety	0	0	384,741	422,498	455,709
Restricted - Economic Development	0	0	71,916	71,275	97,822
Unrestricted	19,878,911	14,285,053	3,369,441	7,044,228	10,274,048
Total Net Assets	\$167,263,623	\$167,347,527	\$159,448,764	\$160,986,646	\$163,239,151

**Balance Sheet
General Fund**

Audited as of April 30

	2008	2009	2010	2011	2012
ASSETS:					
Cash and Investments	\$ 6,031,808	\$ 3,065,404	\$ 828,327	\$ 2,574,845	\$ 5,409,470
Receivables - Net of Allowances:					
Property Taxes	4,971,403	5,287,186	5,357,242	5,536,555	5,697,872
Other Taxes	1,582,618	1,378,634	1,335,239	1,444,676	1,419,274
Accounts	528,017	671,057	1,111,389	1,460,653	1,504,176
Accrued Interest	52,269	40,052	440	0	0
Due From Other Funds	4,400,729	6,387,528	0	0	0
Prepaid Items	690,277	604,265	773,689	956,359	1,021,714
Total Assets	<u>\$18,257,121</u>	<u>\$17,434,126</u>	<u>\$9,406,326</u>	<u>\$11,973,088</u>	<u>\$15,052,506</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 394,973	\$ 277,193	\$ 375,341	\$ 395,085	\$ 336,286
Accrued Payroll	513,578	538,742	530,587	509,439	534,980
Deposits Payable	812,227	480,160	462,127	719,816	745,834
Due to Other Funds	0	1,203	0	0	0
Deferred Revenues	4,971,403	5,287,186	5,357,242	5,536,555	5,697,872
Total Liabilities	<u>\$ 6,692,181</u>	<u>\$ 6,584,484</u>	<u>\$6,725,297</u>	<u>\$ 7,160,895</u>	<u>\$ 7,314,972</u>
Fund Balances:					
Reserved - Prepaid Items	\$ 690,277	\$ 604,265	\$ 773,689	\$ 0	\$ 0
Reserved - Special Revenues	427,485	477,791	529,037	0	0
Nonspendable	0	0	0	956,359	1,021,714
Restricted	0	0	0	642,230	803,695
Unreserved	10,447,178	9,767,586	1,378,303	3,213,604	5,912,125
Total Fund Balances	<u>\$11,564,940</u>	<u>\$10,849,642</u>	<u>\$2,681,029</u>	<u>\$ 4,812,193</u>	<u>\$ 7,737,534</u>
Total Liabilities and Fund Balances	<u>\$18,257,121</u>	<u>\$17,434,126</u>	<u>\$9,406,326</u>	<u>\$11,973,088</u>	<u>\$15,052,506</u>

Fund Balances and Summary of Revenues, Excess Revenues and Fund Balances
Fiscal Years Ended April 30

	Actual					Fiscal Year Ended April 30, 2012			
	2008	2009	2010	2011	2012	Revenues Including Transfers	Revenues	Over (Under)	Fund
						Property Taxes	Total	Expenditures	Balance
Government Fund Types									
General Fund	\$11,564,940	\$10,849,642	\$ 2,681,029	\$ 4,812,193	\$ 7,737,534	\$5,181,762	\$25,368,593	\$3,550,341	\$ 7,737,534
Special Revenue Funds									
Foreign Fire Ins. Tax	0	0	0	0	0	0	0	0	0
Motor Fuel Tax	0	0	0	0	0	0	0	0	0
Commuter Parking	999,083	1,071,383	1,163,408	1,266,113	1,292,889	0	335,593	26,776	1,292,889
911 Emergency Telephone	0	0	0	0	0	0	0	0	0
Timber Creek SSA	0	0	0	0	0	0	0	0	0
Hotel/Motel Tax	0	0	0	0	0	0	0	0	0
Lucerne At Interlaken SSA	0	0	0	0	0	0	0	0	0
Total Special Revenue Funds	\$ 999,083	\$ 1,071,383	\$ 1,163,408	\$ 1,266,113	\$ 1,292,889	\$ 0	\$ 335,593	\$ 26,776	\$ 1,292,889
Debt Service Funds	\$ 974,048	\$ 783,138	\$ 536,380	\$ 544,170	\$ 552,202	\$ 219,811	\$ 220,061	\$ (68,888)	\$ 552,202
Capital Projects Funds									
(Total Including TIF)	8,832,519	4,224,403	1,524,678	2,924,041	3,175,501	2,648,512	4,307,813	273,380	3,175,501
Total Governmental Funds	\$22,370,590	\$16,928,566	\$ 5,905,495	\$ 9,546,517	\$12,758,126	\$8,050,085	\$30,232,060	\$3,781,609	\$12,758,126
Proprietary and Fiduciary Fund Types									
Enterprise Funds									
Waterworks and Sewerage	\$25,332,621	\$23,646,149	\$22,207,725	\$21,120,109	\$21,091,537	\$ 0	\$ 7,275,241	\$ 3,017	\$21,091,537
Sports Complex	(7,630,883)	(8,694,516)	(1,491,850)	(1,969,190)	(2,145,517)	0	2,544,891	26,317	(2,145,517)
Internal Service Funds									
Vehicle Maintenance and Repair	3,038,629	3,011,074	3,010,197	3,122,131	3,107,818	0	1,331,220	(3,544)	3,107,818
Technology Equipment and Replacement	(246,644)	(127,809)	(35,334)	93,859	193,718	0	387,998	(43,391)	193,718
Wireless Equipment and Replacement	0	0	0	0	0	0	0	0	0
Pension Fund Trusts									
Police Pension	18,718,139	16,285,997	19,422,120	21,735,881	22,561,584	0	1,572,126	2,458,748	22,561,584
Firefighter's Pension	16,289,710	13,904,320	16,428,151	18,198,771	18,691,193	0	1,293,056	1,619,468	18,691,193
Total Proprietary and Fiduciary	\$55,501,572	\$48,025,215	\$59,541,009	\$62,301,561	\$63,500,333	\$ 0	\$14,404,532	\$4,060,615	\$63,500,333
Total All Funds (Memo Only)	\$77,872,162	\$64,953,781	\$65,446,504	\$71,848,078	\$76,258,459	\$8,050,085	\$44,636,592	\$7,842,224	\$76,258,459
Cash and Investments at April 30:									
General Fund	\$ 6,031,808	\$ 3,065,404	\$ 828,327	\$ 2,574,845	\$ 5,409,470				
Special Revenue Funds	991,108	1,068,315	1,156,215	1,260,937	1,293,173				
Debt Service Funds	771,173	783,138	536,680	544,170	552,202				
Capital Project Funds	8,938,081	6,395,480	1,450,947	2,894,695	3,354,557				
Subtotal (Governmental)	\$16,732,170	\$11,312,337	\$ 3,972,169	\$ 7,274,647	\$10,609,402				
Enterprise Funds	5,713,503	4,421,806	2,619,459	1,306,689	1,433,274				
Internal Service Funds	982,135	963,897	1,065,594	1,439,733	1,636,149				
Pension Funds	34,620,820	29,971,391	35,748,919	39,769,811	41,121,039				
Total All Funds	\$58,048,628	\$46,669,431	\$43,406,141	\$49,790,880	\$54,799,864				

THE WATERWORKS AND SEWERAGE SYSTEM

Rates and Charges

Rates Per 1,000 Gallons

	Effective					
	July 1, 2003	June 1, 2006	January 1, 2009	May 1, 2010	November 1, 2010	May 1, 2011
Minimum - First 4,000 Gallons:						
Water	\$21.32	\$22.20	\$22.70	\$23.96	\$24.84	\$26.00
Sewer	14.40	14.80	15.30	15.75	16.27	18.40
Over 4,000 Gallons:						
Water	\$ 4.18	\$ 4.40	\$ 4.50	\$ 4.79	\$ 5.01	\$ 5.30
Sewer	2.50	2.60	2.70	2.80	2.93	3.45

Major System Users (As of April 30, 2012)

Name	Dollars Billed	Gallons Used (1,000 Gallons)
Advocate Condell Medical Center	\$190,775	18,700
Motorola	148,665	17,294
KAMW Acquisition	134,080	15,317
Winchester House	81,948	9,359
US Gypsum	67,746	7,736
Libertyville High School	60,956	6,960
Elcor/Spring Meadows	56,319	6,430
Zeller Plastik	53,484	6,106
Capital Fitness	44,516	4,449
Americana Healthcare	44,401	4,972
Total	<u>\$882,891</u>	<u>97,323</u>

**Waterworks and Sewerage Fund
Statement of Net Assets**

	Audited as of April 30				
	2008	2009	2010	2011	2012
ASSETS:					
Cash and Investments	\$ 5,713,503	\$ 4,421,806	\$ 2,568,119	\$ 1,306,689	\$ 1,433,274
Receivables - Net of Allowances					
Property Taxes	25,479	25,479	25,498	1,069,992	0
Accounts	979,478	926,017	919,831	0	1,087,967
Accrued Interest	27,734	5,681	474	0	0
Due From Other Funds	951,273	951,273	951,273	1,043,909	1,085,459
Prepaid Expenses	66,470	72,124	86,961	71,870	66,243
Total	<u>\$ 7,763,937</u>	<u>\$ 6,402,380</u>	<u>\$ 4,552,156</u>	<u>\$ 3,492,460</u>	<u>\$ 3,672,943</u>
Capital Assets:					
Land	\$ 2,272,080	\$ 2,272,080	\$ 2,272,080	\$ 2,272,080	\$ 2,272,080
Buildings and Improvements	14,140,793	14,179,893	14,179,893	14,179,893	14,179,893
Machinery and Equipment	1,684,716	1,720,581	1,720,581	1,720,581	1,720,581
Waterworks System	14,234,524	14,252,524	14,634,678	14,634,678	14,677,598
Sewerage System	14,484,256	14,497,756	15,086,599	15,514,105	15,553,036
Total	<u>\$ 46,816,369</u>	<u>\$ 46,922,834</u>	<u>\$ 47,893,831</u>	<u>\$ 48,321,337</u>	<u>\$ 48,403,188</u>
Accumulated Depreciation	<u>(22,034,570)</u>	<u>(23,110,956)</u>	<u>(24,187,250)</u>	<u>(25,255,280)</u>	<u>(26,300,196)</u>
Net Capital Assets	<u>\$ 24,781,799</u>	<u>\$ 23,811,878</u>	<u>\$ 23,706,581</u>	<u>\$ 23,066,057</u>	<u>\$ 22,102,992</u>
Total Assets	<u>\$ 32,545,736</u>	<u>\$ 30,214,258</u>	<u>\$ 28,258,737</u>	<u>\$ 26,558,517</u>	<u>\$ 25,775,935</u>
LIABILITIES:					
Current Liabilities					
Accounts Payable	\$ 391,766	\$ 247,748	\$ 278,565	\$ 287,075	\$ 254,813
Retainage Payable	0	0	0	0	0
Accrued Payroll	76,275	82,086	71,564	69,527	74,437
Deposits Payable	41,035	49,775	101,988	87,301	70,420
Accrued Interest Payable	107,170	99,153	90,952	82,002	72,725
Unearned Revenues	152,981	159,284	173,448	200,918	88,000
Compensated Absences Payable	63,805	69,279	59,620	49,750	51,251
Interest Payable - Bonds	0	0	0	0	0
Interest Payable - IEPA Loan	0	0	0	0	0
IEPA Loans Payable	163,315	168,276	173,388	178,655	196,898
General Obligation Bonds Payable	385,000	385,000	405,000	420,000	440,000
Total Current Liabilities	<u>\$ 1,381,347</u>	<u>\$ 1,260,601</u>	<u>\$ 1,354,525</u>	<u>\$ 1,375,228</u>	<u>\$ 1,248,544</u>
Noncurrent Liabilities					
Compensated Absences Payable	\$ 255,219	\$ 277,118	\$ 238,480	\$ 198,999	\$ 205,004
IEPA Loans Payable	991,060	822,785	649,397	470,742	273,845
General Obligation Bonds Payable	4,610,000	4,225,000	3,820,000	3,400,000	2,960,000
Unamortized Bond Discount	(24,511)	(17,395)	(11,390)	(6,561)	(2,995)
Total Noncurrent Liabilities	<u>\$ 5,831,768</u>	<u>\$ 5,307,508</u>	<u>\$ 4,696,487</u>	<u>\$ 4,063,180</u>	<u>\$ 3,435,854</u>
Total Liabilities	<u>\$ 7,213,115</u>	<u>\$ 6,568,109</u>	<u>\$ 6,051,012</u>	<u>\$ 5,438,408</u>	<u>\$ 4,684,398</u>
NET ASSETS:					
Invested in Capital Assets					
- Net of Available Debt	\$ 18,656,935	\$ 18,228,212	\$ 18,670,186	\$ 18,603,221	\$ 18,235,244
Unrestricted	6,675,686	5,417,937	3,537,539	2,516,888	2,856,293
Total Net Assets	<u>\$ 25,332,621</u>	<u>\$ 23,646,149</u>	<u>\$ 22,207,725</u>	<u>\$ 21,120,109</u>	<u>\$ 21,091,537</u>

**Waterworks and Sewerage Fund
Revenues and Expenditures**

Audited Year Ended April 30

	2008	2009	2010	2011	2012
OPERATING REVENUES:					
Charges for Services:					
Water Sales	\$ 3,888,951	\$ 3,685,770	\$ 3,630,771	\$ 4,099,623	\$ 4,371,774
Sewer Service Charges	2,154,127	1,979,874	2,006,198	2,648,667	2,855,758
Sewer Process Fees	0	0	0	0	0
Damage to Village Property	(4,858)	0	0	0	0
Meters and Readouts	14,350	38,936	29,836	8,914	19,622
Miscellaneous	1,699	5,851	52,677	24,921	28,087
Total Charges for Service	<u>\$ 6,054,269</u>	<u>\$ 5,710,431</u>	<u>\$ 5,719,482</u>	<u>\$ 6,782,125</u>	<u>\$ 7,275,241</u>
OPERATING EXPENSES:					
Water Operations	\$ 3,677,387	\$ 3,563,090	\$ 3,578,704	\$ 3,649,585	\$ 3,620,138
Sewer Operations	731,650	824,529	801,039	936,155	1,283,970
Wastewater Treatment Plant	1,258,659	1,229,766	1,177,274	1,177,865	1,224,143
Water and Sewer Capital Improvements	395,215	652,610	418,983	1,007,505	99,056
Depreciation and Amortization	1,061,826	1,083,502	1,082,299	1,068,030	1,044,917
Total Operating Expenses	<u>\$ 7,124,737</u>	<u>\$ 7,353,497</u>	<u>\$ 7,058,299</u>	<u>\$ 7,839,140</u>	<u>\$ 7,272,224</u>
Operating Income (Loss)	\$(1,070,468)	\$(1,643,066)	\$(1,338,817)	\$(1,057,015)	\$ 3,017
Nonoperating Revenues (Expenses):					
Interest Income	\$ 242,545	\$ 90,748	\$ 22,196	\$ 8,213	\$ 1,921
Connection Fees	207,459	126,790	46,935	124,218	120,500
Property Tax	24,637	25,479	25,498	0	0
Other Income	8,000	8,000	8,000	23,038	8,749
Interest and Fiscal Charges	(249,323)	(222,233)	(202,236)	(186,070)	(162,759)
Loss on Disposal of Fixed Assets	0	0	0	0	0
Total Non Operating Revenues (Expenses) ..	<u>\$ 233,318</u>	<u>\$ 28,784</u>	<u>\$ (99,607)</u>	<u>\$ (30,601)</u>	<u>\$ (31,589)</u>
Income (Loss) Before Contributions and Transfers	\$ (837,150)	\$(1,614,282)	\$(1,438,424)	\$(1,087,616)	\$ (28,572)
Transfers Out, net	(103,005)	(103,690)	0	0	0
Capital Contributions	829,396	31,500	0	0	0
Change in Net Assets	<u>\$ (110,759)</u>	<u>\$ (1,686,472)</u>	<u>\$ (1,438,424)</u>	<u>\$ (1,087,616)</u>	<u>\$ (28,572)</u>
Net Assets - Beginning	25,443,380	25,332,621	23,646,149	22,207,725	21,120,109
Net Assets - Ending	<u>\$25,332,621</u>	<u>\$23,646,149</u>	<u>\$22,207,725</u>	<u>\$21,120,109</u>	<u>\$21,091,537</u>

**Coverage
Waterworks and Sewerage Fund**

Fiscal Year	Net Available For Debt Service(2)	Debt Service(1)			Coverage	Available for Subordinate Obligation	Subordinate Obligation EPA	
		Series 2001A	Series 2006	Total			Loan	Coverage
2012.....	\$1,269,411	\$380,288	\$ 200,433	\$ 580,720	2.19X	\$688,691	\$196,897	3.50X
2013.....	1,269,411	390,938	201,833	592,770	2.14X	676,641	196,898	3.44X
2014.....	1,269,411	0	333,033	333,033	3.81X	936,379	196,898	4.76X
2015.....	1,269,411	0	333,833	333,833	3.80X	935,579	98,450	9.50X
2016.....	1,269,411	0	334,113	334,113	3.80X	935,299	0	
2017.....	1,269,411	0	333,863	333,863	3.80X	935,549	0	
2018.....	1,269,411	0	338,138	338,138	3.75X	931,274	0	
2019.....	1,269,411	0	341,725	341,725	3.71X	927,686	0	
2020.....	1,269,411	0	339,690	339,690	3.74X	929,721	0	
2021.....	1,269,411	0	342,090	342,090	3.71X	927,321	0	
2022.....	1,269,411	0	343,860	343,860	3.69X	925,551	0	
Total.....		\$771,225	\$3,442,608	\$4,213,833			\$689,143	

- Notes: (1) For debt service including the May 1 principal and interest due.
(2) Source: The Village's 2012 Comprehensive Annual Financial Report. This amount includes \$7,275,241 total charges for service less \$6,005,830 total operating expenses not including \$99,056 of capital improvements and \$1,044,917 of depreciation and amortization, plus \$1,921 of interest income and \$120,500 of connection fees.