

VILLAGE OF LINCOLNWOOD, ILLINOIS



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
APRIL 30, 2012**

VILLAGE OF LINCOLNWOOD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED APRIL 30, 2012

Prepared by:

Finance Department

Robert J. Merkel
Director of Finance

VILLAGE OF LINCOLNWOOD, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Lincolnwood:

- List of Principal Officials
- Organizational Chart
- Transmittal Letter
- Certificate of Achievement for Excellence in Financial Reporting

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

LEGISLATIVE

Village Board of Trustees

Gerald C. Turry, Village President

Lawrence A. Elster, Trustee

Jesal Patel, Sr. Trustee

Thomas Heidtke, Trustee

Renee Sprogis-Marohn, Trustee

Nicholas Leftakes, Trustee

John Swanson, Trustee

Beryl Herman, Village Clerk

APPOINTED OFFICIAL

Charles Greenstein, Village Treasurer

ADMINISTRATIVE

Timothy C. Wiberg, Village Manager

Steven Elrod, Village Attorney

Robert LaMantia, Chief of Police

Michael Hansen, Fire Chief

Timothy M. Clarke, Director of Economic Development

Robert J. Merkel, Director of Finance

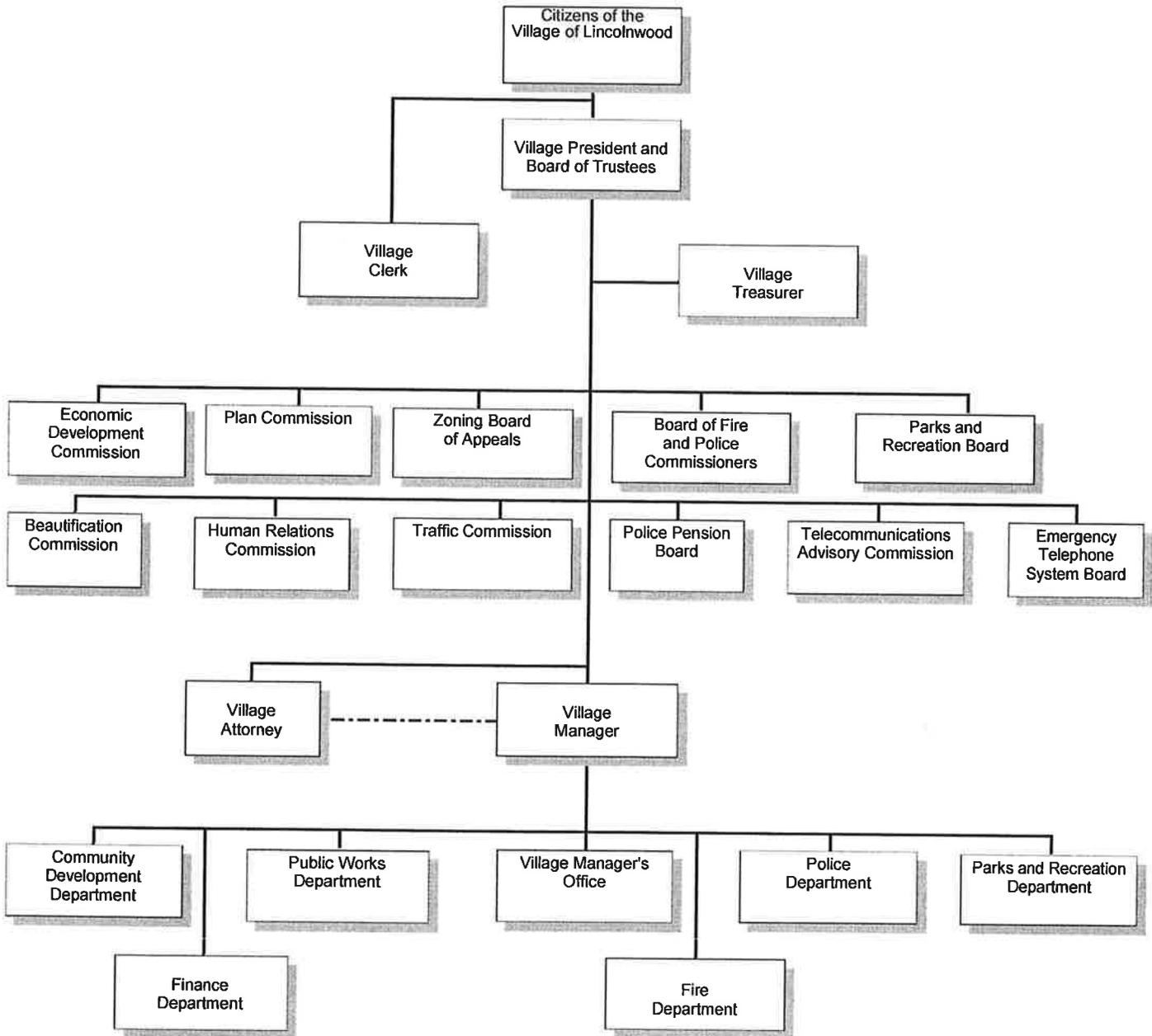
Janice Hincapie, Director of Parks and Recreation

Manuel V. Castaneda, Director of Public Works



Village of Lincolnwood, Illinois

Organizational Chart
April 30, 2012



VILLAGE PRESIDENT
Gerald C. Turry

VILLAGE CLERK
Beryl Herman

VILLAGE MANAGER
Timothy C. Wiberg



TRUSTEES
Lawrence A. Elster
John Swanson
Thomas Heidtke
Nicholas Leftakes
Jesal B. Patel, Sr.
Renee Sprogis-Marohn

September 12, 2012

The Honorable Gerald C. Turry, Village President
Members of the Board of Trustees
Village Manager Timothy C. Wiberg, and
Citizens of the Village of Lincolnwood
Village of Lincolnwood, Illinois

The Comprehensive Annual Financial Report (CAFR) of the Village of Lincolnwood, Illinois for the fiscal year ended April 30, 2012 is hereby respectfully submitted. The report consists of management's representations concerning the finances of the Village of Lincolnwood. Local ordinance and State Statute require the Village to issue an annual report on its financial condition and that the financial statements are audited by an independent firm of licensed certified public accountants. This CAFR complies with these requirements. The certified public accounting firm of Lauterbach & Amen LLP was retained as auditors for fiscal year 2012. They have concluded that there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements for the fiscal year ended April 30, 2012 are fairly presented in conformity with generally accepted accounting principles (GAAP). Their report is presented as the first component of the financial section of this report.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village. All disclosures to enable the reader to gain an understanding of the Village's financial statements have been included. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed to protect the assets of the government from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. The cost of internal controls should not outweigh their benefits. Therefore, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements shall be free from material misstatement. The Village has fully implemented Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for state and local governments, including infrastructure reporting.

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 transmittal letter is designed to complement the information presented here in conjunction with the additional information that is furnished in the MD&A. The Village's MD&A is located following the independent auditor's report.

VILLAGE OF LINCOLNWOOD PROFILE

The Village of Lincolnwood is a home-rule community as defined by the Illinois State Constitution of 1970 and was incorporated in 1911 as Village of Tessville, Illinois. In 1936, Tessville formally became the Village of Lincolnwood. Lincolnwood is a mature community that is home to approximately 13,000 culturally diverse citizens and located 10 miles northwest of downtown Chicago. The Village provides a complete variety of governmental services. Services include police and fire protection, repairs and maintenance of streets and infrastructure, garbage, yard-waste, and recycling services, property inspections and issuing of permits services, recreational and social services, water and sewer services, and other governmental services. The Village is financially responsible for the Lincolnwood Parks & Recreation Department and therefore has been included as an integral part of the basic financial statements of the Village. The Village operates a municipal water system that provides a reliable source of



potable water purchased from the City of Chicago. The Lincolnwood School District # 74 and the Lincolnwood Library are independent legal entities, are not financially dependent on the Village, and are not included in this financial report.

The Village operates under an elected Village Board form of government with the Village President and the Trustees elected at large serving staggering four-year terms. The Village Clerk is also elected. The Village Treasurer, the Village Manager and the Village Attorney are appointed by the Village Board of Trustees. The Village employs approximately 89 full time, 10 regular part-time, and 180 seasonal summer employees in the parks & recreation and public works departments. The Village's police officers are members of the Illinois Fraternal Order of Police (FOP) Labor Council/Lincolnwood Lodge #23 whose collective bargaining agreement expires April 30, 2014. The Village's 911 emergency communication operators are members of the Illinois Fraternal Order of Police (FOP) Labor Council/Lincolnwood Communication Operators whose collective bargaining agreement expires April 30, 2013. The public works department employees of the Village are members of the Local #714 – Affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America whose contract expired April 30, 2012 and is currently under negotiation. All other employees of the Village are not represented by any collective bargaining organization. Since 1990 the Village has contracted with Paramedic Services of Illinois (PSI) which provides fire protection and emergency medical services. The current three year contract with PSI will expire on May 1, 2013.

The Village staff prepares an annual operating budget by fund and department and presents the document to the Village Board for adoption. The budget serves as the foundation for the Village's financial planning and provides the operating tool that directs staffs' use of the Village's resources. The Village also adopts an annual appropriations ordinance as mandated by the Illinois Revised Statutes that provides the legal authority and limits for expenditures. Management may exceed budgeted amounts without formal approval of the Board of Trustees provided the amount expended for a budgeted purpose does not exceed the legally adopted appropriation for budgeted item. Budget-to-actual comparisons are presented in the CAFR.

Relevant Financial Policies

There were no material changes to financial policies during the fiscal year ended April 30, 2012. During the review of the long range financial plan it was discussed that the Village Board would consider available alternate funding for capital improvement projects such as low interest state loans and increasing fund balance reserves to provide resources for capital projects.

SIGNIFICANT ACCOMPLISHMENTS

The Village staff, at the direction of the Village Board, has been involved in the planning and implementation of a number of major projects throughout last year and some will continue into next fiscal year. These projects reflect the Village's commitment to its citizens to ensure they are able to live and work in a desirable community environment. The most significant of these projects follow:

The Village started engineering for the second year of a five year program of replacing all the streetlights in the Village.

The Village started improvements to Centennial Park and the bike path on the Commonwealth Edison right- of- way.

The Village started the construction of the new Promenade in the Village Campus and installed new HVAC equipment in the Police and Fire Building.

The Village completed the first year of a five year program to repair sewers that were identified by sewer televising as needing replacement or repair.

The Village installed new field lighting in Proesel Park. This enables residents' longer use of the Park facilities.

The Village completed partial resurfacing of Pratt Ave. from McCormick Blvd. to Lincoln Ave.

The Village refunded series 2002A and 2002B General Obligation Bonds and reduced debt service payments by \$302,735 over the remaining years of the bonds.

The Village's bond rating increased to Aa1 from Aa3. This was attributed to the Village's financial position and maintaining low debt levels.

FACTORS AFFECTING FINANCIAL CONDITION

The information as presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment from within which the Village operates.

Local Economy. The Village is influenced by a number of economic factors that directs its economy. The Village is recovering from the recent economic downturn at a slow pace that is also reflected in the State and Country economies. There are a number of economic factors that influence the economy of a specific community and various measures are used to gauge the economic outlook. Probably the four most notable and objective measurements are the level of retail sales, the employment level of the community, income levels in the community and the building activity. In Illinois, sales taxes are allocated based on the point-of-sale, which represents the sales in the community. Local sales tax receipts experienced an increase this year as auto sales helped to fuel the increase. The Village's portion of general sales tax receipts is based on a 1% tax rate. The State and County take the balance of 8.25% of the applicable sales tax rate. The sales tax receipts represent total retail sales of approximately \$473,639,000 for fiscal year 2012.

Lincolnwood's average unemployment rate has been consistently lower than the State average. Lincolnwood's median family income of \$79,142 as of the 2010 Census is approximately 20% higher than the median income for the State of Illinois. The Village's 2011 equalized assessed valuation (EAV) experienced a slight decrease from 2010 as values of properties in the Village were reassessed due to the effects of the recent economic downturn.

Building activity increased at a minimal pace in fiscal 2012 as economic growth is continuing at a slow pace. This slow growth could last for a few more years as the economy continues to stabilize. The Village actively encourages economic development and the TIF redevelopment districts have served as catalysts for continued retail growth.

Long-Term Financial Planning. The Village is in the process of reviewing long-range issues and the funding alternatives for major improvements to infrastructure and equipment replacement. The goal of the planning process is to put the Village on firm ground to provide for the planned major upgrades and the continued viability of the infrastructure network.

A tool in managing the long-range planning process of the Village is the Five-Year Capital Improvement Program. This plan outlines the major project improvements and capital expenditures of the Village over the next five years. Over the next five years (2013-2017), it is anticipated that the Village will expend approximately \$35,000,000 in water and sewer, flood control, street, public building, parks and recreation, equipment and other capital improvement projects. In adherence with Village financial policies, staff is constantly seeking public and private grants and other outside sources of revenues to fund these projects. Grants received during the fiscal year ended April 30, 2012 help fund park and water fund improvements and street and sewer repairs.

Cash Management Policies and Practices. The Village's investment policy seeks to minimize credit and market risks to assure safety of principal while maintaining liquidity at a competitive yield. Investments are transacted under the "prudent person" standard with a safety, liquidity, yield, and legal priority covenant. At April 30, 2012 virtually all of the Village's deposits were insured or collateralized. Virtually 100% of the investments of the Village were in the category of lowest risk as defined by GASB Statement No. 3.

Cash which was temporarily idle during the year was invested as permitted by State statute. Short-term cash is placed in the State of Illinois investment pool (Illinois Funds). Cash invested for up to one year is invested in the Illinois Metropolitan Investment Fund (IMET) or at community banks in a secured certificate of deposit (CD).

Village management continues to give priority to local financial institutions whenever possible when placing funds for investment. When placing available funds in CDs the rates are checked to assess which institution is giving the best rate of return at that time. We have seen the rates decrease to .2% for six months to one year investments. It is the Village's position that if banks in the community are competitive then investing locally will benefit all citizens and businesses.

Risk Management. The Village is a member of the Intergovernmental Risk Management Association (IRMA) for virtually 100% of its property/casualty insurance needs. IRMA is an organization of local municipalities that administers a product of self-insurance and commercial insurance coverage. IRMA also provides property/casualty and workers' compensation claim/litigation management services, unemployment claim administration, risk management/loss control consulting and training programs, and a risk information system and financial reporting service for its members.

In addition, various control techniques including safety training for certain high-risk personnel (police, fire and public works) and other Village employees are in place to minimize accident related losses.

The Village is a member of a group of seven municipalities that self-insures the medical and dental benefits for all eligible employees. The Village contributes 87 - 90% and the employee contributes 10 - 13% of the premium to fund the program. Premiums costs have been leveling off after a period of significant increases. This trend has also been widespread in the health care industry. The Village is continuously reviews various programs to control these premiums.

Pension and Other Post employment Benefits. The Village sponsors a single employer defined benefit pension plan for the police officers. The Lincolnwood Police Pension Fund is reviewed each year by the Illinois Department of Insurance and an independent actuary engaged by the Village. The Department of Insurance recommends the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired pensioners on a timely basis. As a matter of financial policy, the Village fully funds each year's annual required contribution to the plan as determined by the Department of Insurance. The unfunded liability is being systematically funded as part of the required annual contribution as calculated by the Department of Insurance.

The Village also provides pension benefits for the non-public safety employees through the statewide plan managed by the Illinois Municipal Retirement Fund (IMRF). Benefit provisions and funding requirements are established by the Illinois State Statutes. Participating (employees) members are required to contribute 4.5% of their annual salary and the Village is required to contribute the remaining amounts necessary to fund the future pensions. The Village's contribution rate for the calendar year 2011 (fiscal year 2012) was 9.87% of the annual salary. The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

Additional information on the Village's pension arrangements can be reviewed in Note 4 in the financial statements. In accordance with GASB Statement No. 27, "Accounting for Pension by State and Local Governmental Employers," the Village determined that there was a pension obligation of \$665,626 for the Police Pension Fund at April 30, 2012, which is the latest available data. The remaining unfunded liability is being systematically funded through June 30, 2040 as part of the annual required contribution calculated by the actuary. There was also a pension obligation of \$123,520 for the Illinois Municipal Retirement fund at April 30, 2012.

Further postemployment benefits are offered to retirees to remain in the Village's medical and dental insurance plan at the current group rates. At year end nine retirees participated in this plan. Participants pay the entire cost of the premium. The Village incurs no current costs by offering this benefit; however, claims by the covered retirees may affect the Village's overall claim experience and thus affect future premium rates. The Village has a minimal post employment benefit obligation of \$45,411 at April 30, 2012.

Additional information on the Village's pension arrangements can be found in Note 4 in the financial statements.

LOCAL INITIATIVES

The Mayor, the Trustees and the staff realize that public service is our mission. To this end the Village has undertaken the following initiatives.

Human Services. The Village provides services that directly affect the personal well being of our citizens. Under the auspices of human services the Village reaches out to those in need of beneficial intervention. A trained counseling professional provides a resource for all residents in need of family or individual counseling. Seniors receive support services such as blood pressure screening, change batteries in the smoke detectors, ambulance service to residents, reverse 911 high speed emergency notification system, and a refund of utility taxes to eligible citizens in financial need.

The police department through the emergency communication center provides to all citizens a reverse 911 high speed emergency notification system. In case of an all out emergency or catastrophe all citizens will be notified by telephone.

The parks & recreation department of the Village facilitates the participation of children, teens, and adults with physical, mental, and emotional disabilities and their families through community recreation agencies. Without these agencies and programs many recreational opportunities would not be available to improve the quality of life for people with disabilities.

These services are provided by the Village free of charge or at a nominal fee to our citizens.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Lincolnwood for its comprehensive annual financial report for the fiscal year ended April 30, 2011. In order to receive this prestigious award, the Village published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

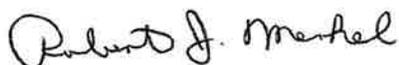
A Certificate of Achievement is valid for a period of one year. We believe that the current comprehensive annual financial report continues to meet the program's requirements, and we will submit the current report to the GFOA for review to determine the eligibility for a continuing certificate.

ACKNOWLEDGEMENTS

The preparation of the comprehensive annual financial report could not have been accomplished without the efficient and dedicated services of the staff of the Finance Department. I would like to express my appreciation to Andrea Hatcher, Accountant and all members of the Finance Department who assisted in the preparation of this report.

I would like to also acknowledge the Mayor, the Board of Trustees, and the Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,



Robert J. Merkel, CPA
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Lincolnwood
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. Danison

President

Jeffrey R. Emmer

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

September 12, 2012

The Honorable Village President
Members of the Board of Trustees
Village of Lincolnwood, 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 Lincolnwood, 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 Lincolnwood, 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 Lincolnwood, 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 Lincolnwood, Illinois' financial statements as a whole. The combining and individual nonmajor fund financial statements and 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 combining and individual nonmajor fund financial statements and 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 LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2012

The Village of Lincolnwood (the Village) Management Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements.

Financial Highlights

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$52,973,528 (*net assets*). Of this amount, \$9,559,610 (*unrestricted net assets*) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net assets increased by \$2,582,765. This reflects the excess of current revenues over current expenses, offset by the systematic and planned consumption of the Village's capital assets that is quantified as depreciation expense. Total depreciation expense for the year was \$2,257,550.
- As of the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$20,676,954, an increase of \$936,865 in comparison with the prior year. Of this amount, \$8,943,723 is available for spending at the Village's discretion (unassigned fund balance). The increase during the current year was primarily due to decreased spending on capital improvement projects that were delayed during the current fiscal year.
- At the end of the current fiscal year, the unassigned fund balance of the General Corporate Fund was \$9,047,480, or 50%, of total General Fund expenditures during the current year.
- The Village's total debt decreased by \$1,483,202 (10.67%) during the current fiscal year. This was mainly due to the Village paying down scheduled principal repayments totaling \$1,583,000.

USING THE FINANCIAL SECTION OF THE COMPREHENSIVE ANNUAL REPORT

The principal focus of local government financial statements in the past has been by fund type data. This method of presentation has been modified to present two differing views of the Village's financial statements. The new financial statements' focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the Village's accountability.

VILLAGE OF LINCOLNWOOD, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)

Government-Wide Financial Statements

The government-wide financial statements (see pages 3-6) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Assets (see pages 3 and 4) is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 5 and 6) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including public safety (police and fire), public works, engineering, culture-recreation and administration. Property taxes, shared state sales and income, and local utility taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewer), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

The Governmental funds (see pages 7-12) are presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Proprietary fund (Water and Sewer Fund) accounts for services that are generally fully supported by user fees (i.e. charges to customers). The Proprietary fund is presented on a total economic resources basis. Proprietary fund statements, like government-wide financial statements, provide both short- and long-term financial information.

The Fund Financial Statements allow the Village to address its Fiduciary fund (Police Pension Trust, see pages 17 and 18). While these funds represent trust responsibilities of the Village, these assets are restricted in purpose and do not represent discretionary assets of the general government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 13-16) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 9 and 12). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide statements).

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Capital Assets

The new statement requires that these assets be valued and reported within the governmental column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful life. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

The following table reflects the condensed Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and Other Assets	\$ 27.4	25.4	2.8	2.6	30.2	28.0
Capital Assets	32.9	32.5	11.6	11.5	44.5	44.0
Total Assets	<u>60.3</u>	<u>57.9</u>	<u>14.4</u>	<u>14.1</u>	<u>74.7</u>	<u>72.0</u>
Other Liabilities	8.4	7.3	1.0	0.4	9.4	7.7
Long-Term Liabilities	7.5	8.8	4.9	5.1	12.4	13.9
Total Liabilities	<u>15.9</u>	<u>16.1</u>	<u>5.9</u>	<u>5.5</u>	<u>21.8</u>	<u>21.6</u>
Net Assets						
Invested in Capital Assets, Net of Debt	25.6	24.0	6.6	6.2	32.2	30.2
Restricted	11.2	0.2	-	0.2	11.2	0.2
Unrestricted	<u>7.6</u>	<u>17.6</u>	<u>1.9</u>	<u>2.2</u>	<u>9.5</u>	<u>19.8</u>
Total Net Assets	<u>\$ 44.4</u>	<u>41.8</u>	<u>8.5</u>	<u>8.6</u>	<u>52.9</u>	<u>50.2</u>

For more detailed information see the Statement of Net Assets (pages 3 and 4).

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

The Village's unrestricted net assets totaled 18% of its net assets at April 30, 2012. Approximately 21% reflects net assets restricted for economic development and highway and street purposes. The remaining 61% reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, and construction in progress), less any debt used to acquire those assets. The Village uses these capital assets to provide service to citizens; consequently, these assets are not available for spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Normal Impacts

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

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

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

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

Spending of Non-borrowed Current Assets on New Capital - which will (a) reduce current assets and increase capital assets, and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

Principal Payment on Debt - which will (a) reduce current assets and reduce long-term debt, and (b) reduce unrestricted net assets and increase investment in capital assets, net of debt.

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

Current Year Impacts

The Village's \$2.6 million increase in combined net assets (which is the Village's bottom line) was the result of the governmental activities net assets increasing by \$2.6 million and the business-type activities net assets having no increase. The governmental activities accounted for 100 % growth in the assets of the Village.

The Village has restricted net assets of \$11.2 million which are used primarily for economic development and highway and street improvements. The remaining balance of unrestricted net assets, \$9.5 million, may be used to meet the Village's ongoing obligations to citizens and creditors. Certain resources (e.g. Special Revenue Funds and Debt Service Funds), are generally used only for the purpose restricted by the specific revenue source.

At the end of the current fiscal year, the Village is able to report positive balances in all categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Changes in Net Assets

The following table shows the revenue and expenses of the governmental and business-type activities for the current and prior year.

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
REVENUES						
Program Revenues:						
Charges for Services	\$ 3.3	3.1	3.5	3.6	6.8	6.7
Capital Grants and Contributions	0.5	0.6	-	-	0.5	0.6
General Revenues:						
Property Taxes	7.6	6.7	-	-	7.6	6.7
Sales, income, and use taxes	8.4	8.3	-	-	8.4	8.3
Other Taxes	2.6	3.0	-	-	2.6	3.0
Other	0.3	0.4	-	-	0.3	0.4
Total Revenues	22.7	22.1	3.5	3.6	26.2	25.7
EXPENSES						
General Government	4.7	4.7	-	-	4.7	4.7
Public Safety	9.3	8.8	-	-	9.3	8.8
Water and Sewer	-	-	3.3	3.3	3.3	3.3
Parks & Recreation	2.6	2.6	-	-	2.6	2.6
Interest Expense	0.3	0.3	-	-	0.3	0.3
Highways and Streets	1.2	1.2	-	-	1.2	1.2
Economic Development	1.2	1.1	-	-	1.2	1.1
Sanitation	1.0	1.0	-	-	1.0	1.0
Total Expenses	20.3	19.7	3.3	3.3	23.6	23.0
Change in Net Assets before Transfers	2.4	2.4	0.2	0.3	2.6	2.7
Transfers	0.2	0.2	(0.2)	(0.2)	-	-
Change in Net Assets	\$ 2.6	2.6	-	0.1	2.6	2.7

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

There are eight basic impacts on revenues and expenses as reflected below.

Normal Impacts

Revenues:

Economic Condition - which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/Decrease in Village Approved Rates - While certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fees, building fees, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) such as state-shared revenue, etc., may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income --The Village's investment portfolio consists mainly of certificates of deposit and government securities. Market conditions may cause interest rates and investment income to fluctuate.

Expenses:

Introduction of New Programs - Within the functional expense categories (Public Safety, Public Works, General Government, etc.), individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel - Changes in service demand may cause the Village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent about 40% of the Village's operating costs.

Salary Increases (annual adjustments/merit) - The ability to attract and retain (employees) resources requires the Village to strive to approach a competitive salary structure in the marketplace.

Inflation - While overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and repair parts. Some functions may experience commodity specific increases.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Current Year Impacts

Governmental Activities

Revenue:

For the fiscal year ended April 30, 2012, revenues from the governmental activities totaled \$22.7 million. Property tax revenue is the Village's largest revenue source, totaling \$7.6 million with sales tax revenues a close second at \$7.2 million. Sales tax receipts had a minimal increase when compared to Fiscal 2011. The Village is experiencing a slow recovery in consumer spending as seen in both our State and National economies. Property tax revenues and sales tax revenues combined with the local utility tax and shared state income tax revenues total \$18.5 million and represents 82% of the total Governmental Funds revenue. Investment income decreased due to minimal rates the Village earned on the certificates of deposit and other investments.

Expenses:

For the fiscal year ended April 30, 2012, expenses for governmental activities totaled \$20.3 million.

The Village invested in capital assets during Fiscal 2012. This investment totaled \$2.1 million less the current year depreciation of \$1.6 million for a net increase in capital assets of \$.5 million.

It is important that the Village provide competitive compensation levels for our employees. Fiscal 2012 expenses included funding an average 2% increase for Village personnel along with minimal increases in medical benefits. Spending on various programs and capital assets was done within the constraints of the availability of revenue received.

Business-type Activities

Revenue:

For the fiscal year ended April 30, 2012, revenues from the business-type activities totaled \$3.5 million. The major revenue source is Charges for Services to operate the Water and Sewer Fund. The water rate charged to residents and businesses within the Village increased in Fiscal 2012 by 15%. The increase was needed to offset the 25% increase by City of Chicago, the Village's supplier of water.

Expenses:

For the fiscal year ended April 30, 2012, expenses for business-type activities totaled \$3.5 million, including depreciation and amortization of \$.6 million. Included therein was an operating transfer to the General Fund of \$0.2 million for the reimbursement of administrative expenses.

The Water and Sewer Fund follows the same strict spending guidelines imposed on the Governmental Funds.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At April 30, 2012, the governmental funds (as presented on the balance sheet on page 16) reported a combined fund balance of \$20.7 million.

General Fund Budgetary Highlights

The 2012 fiscal year budget, as originally approved by the Village Board, was not amended during the current year. Below is a table that reflects the original and final budget and the actual for the revenues and expenditures for the General Fund.

**Table 3: General Fund Budgetary Highlight
(in millions)**

	Original/ Final Budget	Actual
Revenues		
Taxes	\$ 13.1	13.1
Intergovernmental	1.4	1.5
Other	3.2	3.5
Total	<u>17.7</u>	<u>18.1</u>
Expenditures	<u>18.3</u>	<u>18.0</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(0.6)</u>	<u>0.1</u>
Other Financing Sources		
Transfer In	0.3	0.3
Transfer Out	(0.8)	(0.9)
Loan Proceeds	0.2	0.1
	<u>(0.3)</u>	<u>(0.5)</u>
Change in Fund Balance	<u>(0.9)</u>	<u>(0.4)</u>

The General Fund's actual total revenues were \$0.4 million more than the original budget amount, and actual expenditures were \$0.3 million less than the budget amount. Property taxes were \$0.3 million more than budget. State sales and home rule sales taxes were \$0.1 less than budgeted while state income tax revenues were also more than budget by \$0.1 million. The primary expenditure budget variance was in various departments which reported actual expenditures of \$0.3 million under budget.

Other Major Funds Highlights

The Village's Tax major Increment Financing (TIF) Fund experienced an increase of \$1.2 million in fund balance for fiscal year ended April 30, 2012. The TIF started engineering on the second year of the streetlight replacement program.

The Debt Service Fund had a slight increase in fund balance. Local taxes totaling \$1.2 million were allocated to pay the current year's debt service.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Capital Assets

At the end of Fiscal Year 2012, the Village had a combined total of capital assets of \$44.6 million invested in a broad range of capital assets including land, streets, sidewalks, alleys, buildings, vehicles, water mains, storm sewers and sanitary sewer lines. (See Table 4 below).

	Governmental Activities	Business-type Activities	Total
Land	\$ 6.3	0.1	6.4
Buildings	4.9	0.5	5.4
Improvements Other Than Buildings	5.7		5.7
Equipment	0.3	0.5	0.8
Vehicle	1.8		1.8
Waterworks System		10.6	10.6
Infrastructure	13.9	-	13.9
	<u>\$ 32.9</u>	<u>11.7</u>	<u>44.6</u>

The following reconciliation summarizes the changes in Capital Assets which are presented in detail in Note 3.

**Table 5: Change in Capital Assets
(in millions)**

	Governmental Activities	Business-type Activities	Total
Beginning Balance	\$ 32.5	11.5	44.0
Additions:			
Depreciable	2.0	0.8	2.8
Depreciation	(1.6)	(0.6)	(2.2)
Ending Balance	<u>\$ 32.9</u>	<u>11.7</u>	<u>44.6</u>

Debt Outstanding

The Village of Lincolnwood had total long-term debt and loans payable of \$14.2 million as of April 30, 2012. Long-term debt is comprised of general obligation debt, compensated absences to employees, pension and postemployment benefit obligations and loans payable. During the year, \$1.6 million of general obligation debt and loans payable was retired, \$0.1 million in loans payable was received while compensated absences increased by \$33,197. In addition, the net pension obligation decreased \$55,880.

**VILLAGE OF LINCOLNWOOD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

The Village has a legal debt limitation not to exceed 8.625% of the total equalized assessed valuation of the taxable property with the Village boundaries. This means that the total of bonds, notes, warrants or any other type of general obligation issued or outstanding will not be greater than 8.625%. The following types of obligations are not considered in determining the debt limitations: certain revenue bonds, special assessment bonds, special service area bonds, and alternate revenue bonds.

At April 30, 2012, the Village had \$6,425,000 of general obligation bonds outstanding. Under current state statute, the Village's general obligation bonded debt issuances are subject to a legal limitation based on \$693,817,019 of total assessed value of real personal property. As of April 30, 2012, the Village's general obligation bonded debt, applicable to the debt limit of \$53,416,718, was well below the legal limit of \$59,841,718.

As presented above, the Village is well within the existing debt levels and will continue to be so in the future.

Additional information on the Village's long-term bonded debt can be found in the Note 3 to the basic financial statements.

Economic Factors and Next Year's Budget

The Village continues to provide quality government services funded by a tax base that is basically residential. The local and national economies are experiencing slow economic growth. The next few years will be challenging as the Village continues to balance expenditures with the slow growth in revenues while continuing to maintain the current services to our residents and businesses. An additional challenge for the 2013 budget is the funding of the public safety pension. Due to the instability in the current investment market in the value of assets of the Police Pension Fund, the required contribution from the Village has increased dramatically. The Village property tax, sales tax, local utility taxes and the Village's share of the state income tax make a majority of the portion of General Fund revenues. Each of these major revenue sources experienced increases from the prior year. We still expect revenues to remain in a slow growth pattern in the upcoming years as the global economy is still in a slow growth mode.

The Village is also continuing to look for economic development to generate additional sales and real estate tax revenues. There are two large parcels of property within the Village that will see significant development in the next few years.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Robert J. Merkel, Finance Director, Village of Lincolnwood, 6900 N. Lincoln Ave. Lincolnwood, IL 60712.

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 Fund
 - Fiduciary Fund

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 LINCOLNWOOD, ILLINOIS

Statement of Net Assets
April 30, 2012

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Net Assets
April 30, 2012

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 21,540,939	2,225,706	23,766,645
Receivables - Net of Allowances	5,469,805	511,178	5,980,983
Prepays/Inventories	261,884	69,941	331,825
Total Current Assets	27,272,628	2,806,825	30,079,453
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	6,285,084	96,214	6,381,298
Depreciable Capital Assets	46,089,887	19,293,567	65,383,454
Accumulated Depreciation	(19,473,856)	(7,699,039)	(27,172,895)
	32,901,115	11,690,742	44,591,857
Other Assets			
Long-Term Notes Receivable	150,000	-	150,000
Unamortized Bond Costs	3,891	-	3,891
	153,891	-	153,891
Total Noncurrent Assets	33,055,006	11,690,742	44,745,748
Total Assets	60,327,634	14,497,567	74,825,201

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

	Governmental Activities	Business- Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	2,648,587	749,956	3,398,543
Accrued Payroll	317,049	25,728	342,777
Deposits Payable	53,023	-	53,023
Accrued Interest	98,021	-	98,021
Unearned/Deferred Revenues	3,727,015	-	3,727,015
Current Portion of Long-Term Debt			
Compensated Absences Payable	189,225	12,417	201,642
Loans Payable	62,751	253,881	316,632
General Obligation Bonds Payable	1,340,000	-	1,340,000
Total Current Liabilities	8,435,671	1,041,982	9,477,653
Noncurrent Liabilities			
Net Pension Obligation	789,146	-	789,146
Net Other Post-Employment Benefit Payable	45,411	-	45,411
Compensated Absences Payable	756,901	49,670	806,571
Loans Payable	806,851	4,860,163	5,667,014
General Obligation Bonds Payable - Net	5,065,878	-	5,065,878
Total Noncurrent Liabilities	7,464,187	4,909,833	12,374,020
Total Liabilities	15,899,858	5,951,815	21,851,673
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	25,625,635	6,576,698	32,202,333
Restricted - Economic Development	6,585,882	-	6,585,882
Restricted - Highways and Streets	4,499,253	-	4,499,253
Restricted - Public Safety	103,838	-	103,838
Restricted - Capital Improvements	22,612	-	22,612
Unrestricted	7,590,556	1,969,054	9,559,610
Total Net Assets	44,427,776	8,545,752	52,973,528

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Activities
Year Ended April 30, 2012

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Primary Government				
Governmental Activities				
General Government	\$ 4,708,368	405,802	10,020	-
Public Safety	9,309,941	1,575,783	84,912	-
Highways and Streets	1,264,886	-	10,601	388,795
Sanitation	1,042,760	-	-	-
Economic Development	1,152,237	-	-	-
Culture and Recreation	2,564,548	1,325,542	-	-
Interest Expense	274,942	-	-	-
Total Governmental Activities	20,317,682	3,307,127	105,533	388,795
Business-Type Activities				
Water and Sewer	3,290,392	3,455,950	-	-
	23,608,074	6,763,077	105,533	388,795

- General Revenues
- Taxes
- Property Taxes
- Replacement Taxes
- Sales Taxes
- Income Taxes
- Food and Beverage Taxes
- Use Taxes
- Utility Taxes
- Other Taxes
- Investment Income
- Miscellaneous
- Interfund Activity - Transfers

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		
Primary Government		
Governmental Activities	Business-Type Activities	Total
(4,292,546)	-	(4,292,546)
(7,649,246)	-	(7,649,246)
(865,490)	-	(865,490)
(1,042,760)	-	(1,042,760)
(1,152,237)	-	(1,152,237)
(1,239,006)	-	(1,239,006)
(274,942)	-	(274,942)
(16,516,227)	-	(16,516,227)
-	165,558	165,558
(16,516,227)	165,558	(16,350,669)
7,612,055	-	7,612,055
135,608	-	135,608
7,190,281	-	7,190,281
1,074,719	-	1,074,719
416,414	-	416,414
183,621	-	183,621
1,546,490	-	1,546,490
382,990	-	382,990
196,040	5,971	202,011
189,445	-	189,445
200,000	(200,000)	-
19,127,663	(194,029)	18,933,634
2,611,436	(28,471)	2,582,965
41,816,340	8,574,223	50,390,563
44,427,776	8,545,752	52,973,528

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Governmental Funds - Balance Sheet
April 30, 2012

	<u>General</u>
ASSETS	
Cash and Investments	\$ 9,012,195
Receivables	
Property Taxes	2,553,332
Other Taxes	2,609,278
Accounts	189,728
Due from Other Funds	61,883
Long-Term Notes Receivable	150,000
Prepays	<u>261,884</u>
Total Assets	<u><u>14,838,300</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	1,160,527
Accrued Payroll	311,764
Deposits Payable	53,023
Due to Other Funds	26,607
Unearned/Deferred Revenue	<u>3,727,015</u>
Total Liabilities	<u><u>5,278,936</u></u>
Fund Balances	
Nonspendable	511,884
Restricted	-
Unassigned	<u>9,047,480</u>
Total Fund Balances	<u><u>9,559,364</u></u>
Total Liabilities and Fund Balances	<u><u>14,838,300</u></u>

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

Special Revenue			
Northeast Industrial District Tax Increment Financing	Debt Service	Nonmajor	Totals
6,365,438	9,762	6,153,544	21,540,939
40,878	-	-	2,594,210
-	-	-	2,609,278
3,804	-	72,785	266,317
-	-	143,527	205,410
-	-	-	150,000
-	-	-	261,884
<u>6,410,120</u>	<u>9,762</u>	<u>6,369,856</u>	<u>27,628,038</u>
97,621	-	1,363,832	2,621,980
-	-	5,285	317,049
-	-	-	53,023
-	-	205,410	232,017
-	-	-	3,727,015
<u>97,621</u>	<u>-</u>	<u>1,574,527</u>	<u>6,951,084</u>
-	-	-	511,884
6,312,499	9,762	4,899,086	11,221,347
-	-	(103,757)	8,943,723
<u>6,312,499</u>	<u>9,762</u>	<u>4,795,329</u>	<u>20,676,954</u>
<u>6,410,120</u>	<u>9,762</u>	<u>6,369,856</u>	<u>27,628,038</u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

April 30, 2012

Total Governmental Fund Balances	\$ 20,676,954
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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.	32,901,115
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Unamortized bond issuance costs are not considered to represent a financial resource and therefore, are not reported in the funds.	3,891
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(789,146)
Net Other Post-Employment Benefit Obligation Payable	(45,411)
Compensated Absences Payable	(946,126)
Loan Payable	(869,602)
General Obligation Bonds Payable - Net	(6,405,878)
Accrued Interest Payable	<u>(98,021)</u>

Net Assets of Governmental Activities	<u>44,427,776</u>
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VILLAGE OF LINCOLNWOOD, ILLINOIS

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

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	<u>General</u>
Revenues	
Taxes	\$ 13,147,794
Charges for Services	1,764,893
Licenses and Permits	1,009,122
Intergovernmental	1,489,461
Fines and Forfeits	359,731
Investment Income	159,512
Miscellaneous	189,445
Total Revenues	<u>18,119,958</u>
Expenditures	
Current	
General Government	3,097,643
Public Safety	9,051,421
Highways and Streets	1,070,231
Sanitation	1,042,760
Economic Development	1,137,237
Culture and Recreation	2,100,417
Capital Outlay	522,401
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>18,022,110</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>97,848</u>
Other Financing Sources (Uses)	
Debt Issuance	100,000
Payment to Escrow Agent	-
Premium on Debt Issuance	-
Transfers In	335,000
Transfers Out	<u>(929,655)</u>
	<u>(494,655)</u>
Net Change in Fund Balances	(396,807)
Fund Balances - Beginning	<u>9,956,171</u>
Fund Balances - Ending	<u><u>9,559,364</u></u>

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

Special Revenue	Debt Service	Nonmajor	Totals
Northeast Industrial District Tax Increment Financing			
1,923,851	1,216,044	860,541	17,148,230
-	-	-	1,764,893
-	-	-	1,009,122
10,020	-	562,176	2,061,657
-	-	-	359,731
29,004	-	7,524	196,040
-	-	-	189,445
1,962,875	1,216,044	1,430,241	22,729,118
75,094	-	751,126	3,923,863
-	-	-	9,051,421
-	-	101,139	1,171,370
-	-	-	1,042,760
-	-	-	1,137,237
-	-	-	2,100,417
193,594	-	1,326,051	2,042,046
251,250	1,079,300	-	1,330,550
77,210	274,485	-	351,695
597,148	1,353,785	2,178,316	22,151,359
1,365,727	(137,741)	(748,075)	577,759
1,743,750	2,671,250	-	4,515,000
(1,743,750)	(2,676,250)	-	(4,420,000)
-	64,106	-	64,106
-	87,694	841,961	1,264,655
(130,000)	-	(5,000)	(1,064,655)
(130,000)	146,800	836,961	359,106
1,235,727	9,059	88,886	936,865
5,076,772	703	4,706,443	19,740,089
6,312,499	9,762	4,795,329	20,676,954

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

VILLAGE OF LINCOLNWOOD, 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 \$ 936,865

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	2,057,276
Depreciation Expense	(1,647,219)
Disposals - Net of Accumulated Depreciation	(12,584)

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.

Deductions to Net Pension Obligation Payable	55,880
Additions to Net Other Post-Employment Benefit Obligation Payable	(11,424)
Additions to Compensated Absences Payable	(15,555)
Issuance of Debt	(4,515,000)
Retirement of Debt	5,750,550
Amortization of Bond Related Costs	(22,564)

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.

35,211

Changes in Net Assets of Governmental Activities

2,611,436

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Net Assets - Proprietary Funds - Business-Type Activities
April 30, 2012

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Net Assets - Proprietary Funds - Business-Type Activities
April 30, 2012

	<u>Water and Sewer</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 2,225,706
Receivables - Net of Allowances Accounts	511,178
Inventories	<u>69,941</u>
Total Current Assets	<u>2,806,825</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	96,214
Depreciable Capital Assets	19,293,567
Accumulated Depreciation	<u>(7,699,039)</u>
Total Noncurrent Assets	<u>11,690,742</u>
Total Assets	<u>14,497,567</u>

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

	<u>Water and Sewer</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 749,956
Accrued Payroll	25,728
Compensated Absences Payable	12,417
Loans Payable	<u>253,881</u>
Total Current Liabilities	<u>1,041,982</u>
Noncurrent Liabilities	
Compensated Absences Payable	49,670
Loans Payable	<u>4,860,163</u>
Total Noncurrent Liabilities	<u>4,909,833</u>
Total Liabilities	<u>5,951,815</u>
NET ASSETS	
Invested in Capital Assets - Net of Related Debt	6,576,698
Unrestricted	<u>1,969,054</u>
Total Net Assets	<u><u>8,545,752</u></u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Assets -
Proprietary Funds (Business-Type Activities)
Year Ended April 30, 2012

	<u>Water and Sewer</u>
Operating Revenues	
Charges for Services	\$ 3,399,198
Fines and Forfeitures	<u>56,752</u>
Total Operating Revenues	<u>3,455,950</u>
Operating Expenses	
Cost of Sales and Services	2,547,557
Depreciation	<u>610,331</u>
Total Operating Expenses	<u>3,157,888</u>
Operating Income	<u>298,062</u>
Nonoperating Revenues (Expenses)	
Interest Income	5,971
Interest and Fiscal Charges	<u>(132,504)</u>
	<u>(126,533)</u>
Income Before Transfers	171,529
Transfers Out	<u>(200,000)</u>
Change in Net Assets	(28,471)
Net Assets - Beginning	<u>8,574,223</u>
Net Assets - Ending	<u>8,545,752</u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	<u>Water and Sewer</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 3,474,711
Payments to Employees	(737,865)
Payments to Suppliers	(1,183,766)
	<u>1,553,080</u>
Cash Flows from Noncapital Financing Activities	
Transfers Out	<u>(200,000)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(762,061)
Interest and Fiscal Charges	(132,504)
Payment of Bond Principal	(247,652)
	<u>(1,142,217)</u>
Cash Flows from Investing Activities	
Interest Received	<u>5,971</u>
Net Change in Cash and Cash Equivalents	216,834
Cash and Cash Equivalents - Beginning of Year	<u>2,008,872</u>
Cash and Cash Equivalents - End of Year	<u><u>2,225,706</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income (Loss)	<u>298,062</u>
Adjustments to Reconcile Operating	
Income to Net Income to Net Cash	
Provided by (Used In) Operating Activities:	
Depreciation and Amortization Expense	610,331
(Increase) Decrease in Current Assets	26,345
Increase (Decrease) in Current Liabilities	<u>618,342</u>
Net Cash Provided by Operating Activities	<u><u>1,553,080</u></u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Statement of Net Plan Assets - Pension Trust Fund
April 30, 2012**

	<u>Police Pension</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,533,345
Investments	
U.S. Government and Agency Obligations	7,815,772
Corporate Bonds	2,109,757
Common Stock	3,062,127
Money Market	1,036,396
Equity Mutual Funds	728,550
Accrued Interest	104,523
Due from Other Funds	<u>26,607</u>
NET ASSETS	
Held in Trust for Pension Benefits	<u><u>16,417,077</u></u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Statement of Changes in Net Plan Assets - Pension Trust Fund
Year Ended April 30, 2012

	<u>Police Pension</u>
Additions	
Contributions - Employer	\$ 1,393,004
Contributions - Plan Members	270,588
Total Contributions	<u>1,663,592</u>
Investment Income	
Interest Earned	1,154,412
Net Change in Fair Value	<u>(716,150)</u>
	438,262
Less Investment Expenses	<u>(55,254)</u>
Net Investment Income	<u>383,008</u>
Total Additions	<u>2,046,600</u>
Deductions	
Administration	36,987
Benefits and Refunds	<u>1,630,076</u>
Total Deductions	<u>1,667,063</u>
Change in Net Assets	379,537
Net Assets - Beginning	<u>16,037,540</u>
Net Assets - Ending	<u><u>16,417,077</u></u>

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

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Lincolnwood, Illinois, is a municipal corporation, organized with powers and authorities as established in the Illinois Municipal code (Chapter 65 of the Illinois Compiled Statutes), as is governed by an elected Village President and six member Board of Trustees.

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 Lincolnwood
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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.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board.

The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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. The Village's police, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water and sewer services 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 concentrates 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.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

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. 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 maintains six special revenue funds. The Northeast Industrial District Tax Increment Financing Fund, a major fund, is used to account for resources (restricted real estate taxes) received and expenditures made to promote the objectives of the TIF District.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Governmental Funds – Continued

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 is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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). The Village maintains five nonmajor capital projects funds.

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 fund 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 one major enterprise fund, the Water and Sewer Fund, which is used to account for resources to maintain the Village's water distribution system and combined storm/sanitary sewer system.

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 Pension Fund is used to account for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan. Financing is provided by employee contributions, the Village's contribution and investment income.

Since by definition the assets of the Village's fiduciary fund are being held for the benefit of a third party (other pension participants) and cannot be used to address activities or obligations of the Village, this fund is not incorporated into the government-wide statements.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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.

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. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

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.

VILLAGE OF LINCOLNWOOD, 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

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.

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 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 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.

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 prepays/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepays in both the government-wide and fund financial statements.

VILLAGE OF LINCOLNWOOD, 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

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 occur 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.

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 waterworks and sewerage charges as their major receivables.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 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. 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 basis 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.

VILLAGE OF LINCOLNWOOD, 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

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

Land Improvements	10 - 25 Years
Buildings	35 Years
Vehicles and Equipment	20 -30 Years
Streets, Sidewalks and Alleys	30 Years
Storm and Sanitary Sewers and Water Mains	40 - 50 Years

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.

VILLAGE OF LINCOLNWOOD, 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

Long-Term Obligations – Continued

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.

Unearned/Deferred Revenue

Governmental funds report unearned/deferred 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, fund 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”.

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

All departments of the Village submit requests for appropriation to the Village Administrator so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Annual appropriated budgets are adopted the for general, special revenue, debt service, capital projects, enterprise and pension trust funds.

Budgets are adopted on a basis consistent with generally accepted accounting principles except of the Water and Sewer Fund. The Water and Sewer Fund is adopted on a modified basis in that depreciation is not budgeted and capital outlay and debt principal retirements, if any, are budgeted.

The proposed budget is presented to the governing body for review. The governing body hold public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. The finance director is authorized to transfer budgeted amounts between departments within any fund; however, the governing body must approve any revisions that alter the total expenditures of any fund.

The budget may be amended by the governing body and was not amended during the year.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

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

<u>Fund</u>	<u>Excess</u>
Debt Service	\$ 17,949
Lincoln/Touhy Tax Increment Financing	38,928
Channel Runne Improvement	40,382
Comm Ed ROW Bike Path	4,546
Village Campus Improvement	76,879
Water and Sewer	23,608
Police Pension	114,114

DEFICIT FUND EQUITY

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

<u>Fund</u>	<u>Deficit</u>
Lincoln/Touhy Tax Increment Financing	\$ 103,757

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2012

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 fund. 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 (IMET).

The 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.

The 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 the IMET are valued at the share price, the price for which the investment could be sold.

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.

VILLAGE OF LINCOLNWOOD, 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 \$15,645,143 and the bank balances totaled \$14,115,516. The Village also has \$7,181,999 invested in the Illinois Funds and \$892,128 invested in IMET, which have an average maturity of less than one year to three years.

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 limits its exposure to interest rate risk by primarily investing in investment with maturities of one year or less, except for US. government and agencies obligations.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Village's policy prescribes to the "prudent person" rule which states, "All investments shall be made with sound judgment and extraordinary care by persons of prudence, discretion, and intelligence. The primary objectives of the investment policy shall be safety, liquidity, and return on investment (yield). At year-end, the Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's and the Village's investment in the IMET Convenience Fund was rated AAAf by Standard & Poor's and the 1-3 Year Fund was rated AAf by Standard & Poor's.

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 does not mitigate custodial credit risk. The Village's investment in the Illinois Funds and IMET are noncategorizable. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository 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 does not mitigate custodial credit risk for investments.

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 does not address concentration risk. At year-end, the Village's investment in the Illinois Funds represents more than 5 percent of the total cash and investment portfolio.

VILLAGE OF LINCOLNWOOD, 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

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$1,533,345 and the bank balances totaled \$1,535,915.

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. Treasuries	\$ 5,268,496	1,547,568	1,867,742	1,853,186	-
Federal National Mortgage Association	1,976,431	330,116	1,646,315	-	-
Federal Home Loan Mortgage	570,845	-	570,845	-	-
Money Market	1,036,396	1,036,396	-	-	-
Corporate Bonds	2,109,757	2,109,757	-	-	-
	<u>10,961,925</u>	<u>5,023,837</u>	<u>4,084,902</u>	<u>1,853,186</u>	<u>-</u>

Interest Rate Risk. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonable anticipated operating requirements while providing a reasonable rate to return based on the current market.

Credit Risk. The Fund limits its exposure to credit risk by primarily investing in U.S. Treasury Obligations and other obligations which are rated AA or better by a national rating agency. At year-end, the Fund’s investments in U.S. Agency securities were all rated AAA rated by Standard & Poor’s.

Custodial Credit Risk. The Fund’s investment policy does not mitigate custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

In the case of investments, the Fund limits its exposure to custodial credit risk, the investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third-party custodian and evidenced by safekeeping receipts.

VILLAGE OF LINCOLNWOOD, 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

Concentration Risk. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. No financial institution, except any securities custodians of the Fund, shall hold more than 10% of the Fund's portfolio at any time. In addition to the securities and fair values listed above, the Fund also has \$728,550 invested in mutual funds and \$3,062,127 invested in common stock. At year end, the Fund has over 5% of net plan assets invested in U.S. Treasuries (32%), Common Stock (19%), Corporate Bonds (13%), FNMA (12%) and Money Markets (6%).

PROPERTY TAXES

Property taxes for 2011 tax levy attach as an enforceable lien on January 1, 2012, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1, 2012 and November 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.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 6,285,084	-	-	6,285,084
Depreciable Capital Assets				
Parks and Improvements	9,030,717	581,846	-	9,612,563
Buildings	9,469,210	470,612	-	9,939,822
Equipment and Furniture	1,494,100	167,187	-	1,661,287
Vehicles and Heavy Equipment	4,398,686	124,096	225,274	4,297,508
Streets, Sidewalks and Alleys	19,865,172	713,535	-	20,578,707
	<u>44,257,885</u>	<u>2,057,276</u>	<u>225,274</u>	<u>46,089,887</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

	Beginning Balances	Increases	Decreases	Ending Balances
Less Accumulated Depreciation				
Parks and Improvements	\$ 3,506,345	411,898	-	3,918,243
Buildings	4,747,877	258,188	-	5,006,065
Equipment and Furniture	1,270,902	111,601	-	1,382,503
Vehicles and Heavy Equipment	2,456,140	224,953	212,690	2,468,403
Streets, Sidewalks and Alleys	6,058,063	640,579	-	6,698,642
	<u>18,039,327</u>	<u>1,647,219</u>	<u>212,690</u>	<u>19,473,856</u>
 Total Net Depreciable Capital Assets	 <u>26,218,558</u>	 <u>410,057</u>	 <u>12,584</u>	 <u>26,616,031</u>
 Total Net Capital Assets	 <u><u>32,503,642</u></u>	 <u><u>410,057</u></u>	 <u><u>12,584</u></u>	 <u><u>32,901,115</u></u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 844,809
Public Safety	285,680
Highways and Streets	52,599
Culture and Recreation	<u>464,131</u>
	<u><u>1,647,219</u></u>

VILLAGE OF LINCOLNWOOD, 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
Nondepreciable Capital Assets				
Land	\$ 96,214	-	-	96,214
Depreciable Capital Assets				
Buildings and Structures	692,615	-	-	692,615
Waterworks System	16,936,691	568,985	-	17,505,676
Equipment and Vehicles	1,090,212	193,076	188,012	1,095,276
	<u>18,719,518</u>	<u>762,061</u>	<u>188,012</u>	<u>19,293,567</u>
Less Accumulated Depreciation				
Buildings and Structures	183,466	28,944	-	212,410
Waterworks System	6,426,804	528,297	-	6,955,101
Equipment and Vehicles	666,450	53,090	188,012	531,528
	<u>7,276,720</u>	<u>610,331</u>	<u>188,012</u>	<u>7,699,039</u>
Total Net Depreciable Capital Assets	<u>11,442,798</u>	<u>151,730</u>	<u>-</u>	<u>11,594,528</u>
Total Net Capital Assets	<u>11,539,012</u>	<u>151,730</u>	<u>-</u>	<u>11,690,742</u>

Depreciation expense was charged to the business-type activities as follows:

Water and Sewer	<u>\$ 610,331</u>
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VILLAGE OF LINCOLNWOOD, 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:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 61,883
Nonmajor Governmental	Nonmajor Governmental	143,527
Police Pension	General	<u>26,607</u>
		<u><u>232,017</u></u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Northeast Industrial District	\$ 130,000
	Tax Increment Financing	
General	Water and Sewer	200,000
General	Nonmajor Governmental	5,000
Debt Service	General	87,694
Nonmajor Governmental	General	<u>841,961</u>
		<u><u>1,264,655</u></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.

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Loans Payable

Loans payable are utilized to acquire capital equipment. Loans payable currently outstanding are as follows:

Issue	Fund Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Finance Authority Loan Payable of 2009 due in annual payments of \$12,500, non-interest bearing through May 9, 2029.	General	\$ 237,500	-	12,500	225,000
Oshkosh Capital Loan Payable of 2010 due in annual payments of \$75,193, including interest at 4.00% through August 13, 2020.	General	592,652	-	48,050	544,602
Loan Payable of 2012 due in annual payments of \$34,431 to \$36,627, including interest at 3.25% through July 20, 2015.	Debt Service	-	100,000	-	100,000
		<u>830,152</u>	<u>100,000</u>	<u>60,550</u>	<u>869,602</u>

General Obligation Bonds

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

Issue	Fund Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2002A - Due in annual installments of \$285,000 to \$430,000 plus interest at 3.20% to 4.00% through December 1, 2017.	Northeast Industrial District TIF Debt Service	\$ 1,998,750	-	1,747,500	-
		666,250	-	251,250	-
			-	582,500	-
			-	83,750	-

* Refunded

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Retired by	Beginning Balances	Issuances	Retirements	Ending Balances	
General Obligation Bonds of 2002A - Due in annual installments of \$285,000 to \$430,000 plus interest at 3.20% to 4.00% through December 1, 2017.	Northeast Industrial			1,747,500 *		
	District TIF Debt	\$ 1,998,750	-	251,250	-	
	Service				582,500 *	
			666,250	-	83,750	-
General Obligation Park Bonds of 2002B - Due in annual installments of \$250,000 to \$385,000 plus interest at 3.60% to 4.00%, through December 1, 2017.	Debt			2,090,000 *		
	Service	2,390,000	-	300,000	-	
General Obligation Refunding Bonds of 2004 - Due in annual installments of \$60,000 to \$690,000 plus interest at 2.00% to 3.20%, through December 1, 2014.	Debt					
	Service	2,645,000	-	635,000	2,010,000	
General Obligation Refunding Bonds of 2011A - Due in annual installments of \$365,000 to \$410,000 plus interest at 2.00%, through December 1, 2017.	Northeast Industrial					
	District TIF Debt	-	1,743,750	-	1,743,750	
	Service	-	581,250	-	581,250	
General Obligation Refunding Bonds of 2011B - Due in annual installments of \$325,000 to \$370,000 plus interest at 2.00%, through December 1, 2017.	Debt					
	Service	-	2,090,000	-	2,090,000	
		<u>7,700,000</u>	<u>4,415,000</u>	<u>5,690,000</u>	<u>6,425,000</u>	

* Refunded

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Illinois Environmental Protection Agency (IEPA) Loans Payable

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

Issue	Fund Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Water Pollution Control Revolving Fund Loan Payable of 2008 due in semi-annual payments of \$87,660 to \$187,731, plus interest at 2.5% through June 17, 2028.	Water and Sewer	\$ 5,361,696	-	247,652	5,114,044

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					
Compensated Absences	\$ 930,571	248,198	232,643	946,126	189,225
Net Pension Obligation	845,026	-	55,880	789,146	-
Net Other Post-Employment Benefit Obligation	33,987	11,424	-	45,411	-
Loans Payable	830,152	100,000	60,550	869,602	62,751
General Obligation Bonds Payable	7,700,000	4,415,000	5,690,000	6,425,000	1,340,000
Less: Loss on Refunding	(37,871)	-	(18,749)	(19,122)	-
	<u>10,301,865</u>	<u>4,774,622</u>	<u>6,020,324</u>	<u>9,056,163</u>	<u>1,591,976</u>
Business-Type Activities					
Compensated Absences	44,445	28,753	11,111	62,087	12,417
IEPA Loans Payable	5,361,696	-	247,652	5,114,044	253,881
	<u>5,406,141</u>	<u>28,753</u>	<u>258,763</u>	<u>5,176,131</u>	<u>266,298</u>

VILLAGE OF LINCOLNWOOD, 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

For governmental activities, the General Fund makes payments on the compensated absences, the net pension obligation and the net other post-employment benefit obligation. Payments on the loans payable are being made by the General Fund. The Northeast Industrial District TIF and the Debt Service Funds make payments on the general obligation bonds payable.

For business-type activities, the Water and Sewer Fund makes payments on the compensated absences and the IEPA loans payable.

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				Business-Type Activities	
	Loans Payable		General Obligation Bonds Payable		IEPA Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$ 62,751	24,942	1,340,000	157,348	253,881	126,275
2014	98,386	25,936	1,380,000	117,015	260,269	119,887
2015	100,792	22,431	1,420,000	81,182	266,816	113,340
2016	103,309	18,815	745,000	45,700	273,528	106,628
2017	72,609	15,084	760,000	30,800	280,409	99,747
2018	75,362	12,331	780,000	15,600	287,463	92,693
2019	78,241	9,452	-	-	294,695	85,461
2020	81,252	6,441	-	-	302,108	78,048
2021	84,400	3,293	-	-	309,708	70,448
2022	12,500	-	-	-	317,500	62,656
2023	12,500	-	-	-	325,486	54,670
2024	12,500	-	-	-	333,674	46,482
2025	12,500	-	-	-	342,068	38,088
2026	12,500	-	-	-	350,674	29,482
2027	12,500	-	-	-	359,495	20,661
2028	12,500	-	-	-	368,539	11,617
2029	12,500	-	-	-	187,731	2,347
2030	12,500	-	-	-	-	-
Total	869,602	138,725	6,425,000	447,645	5,114,044	1,158,530

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Defeased Debt

In the current year, the Village issued \$2,330,000 par value General Obligation Refunding Bonds of 2011A and \$2,090,000 par value General Obligation Refunding Bonds of 2011B to refund \$2,330,000 of the General Obligation Bonds of 2002A and \$2,090,000 of the General Obligation Bonds of 2002B. The Village defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that 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 government's basic financial statements. Through this refunding, the Village reduced its total debt service by \$312,636 and obtained an economic gain of \$302,735.

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 \$1,370,000 remain outstanding as of the date of this report.

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."

Assessed Valuation - 2011	<u>\$ 693,817,019</u>
Legal Debt Limit - 8.625% of Assessed Value	59,841,718
Amount of Debt Applicable to Limit	<u>(6,425,000)</u>
Legal Debt Margin	<u>53,416,718</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET ASSETS/FUND BALANCES CLASSIFICATIONS

Fund Balance Classifications

The Village implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the fiscal year ended April 30, 2012. In the governmental funds financial statements, the Village first utilizes restricted resources to finance qualifying activities, then committed, assigned and unassigned fund balance.

Minimum Fund Balance Policy. The Villages policy manual states that the General Fund should maintain a minimum unrestricted fund balance equal 25 to 35 percent of budgeted operating revenues. Fund balances in excess of said levels may be used for the purchase of new or replacement capital equipment.

	General	Special Revenue Northeast Industrial District Tax Increment Financing	Debt Service	Nonmajor	Totals
Fund Balances					
Nonspendable					
Notes Receivable	\$ 250,000	-	-	-	250,000
Prepays	261,884	-	-	-	261,884
	511,884	-	-	-	511,884
Restricted					
Economic Development	-	6,312,499	-	273,383	6,585,882
Debt Service	-	-	9,762	-	9,762
Highways and Streets	-	-	-	4,499,253	4,499,253
Public Safety	-	-	-	103,838	103,838
Capital Improvements	-	-	-	22,612	22,612
	-	6,312,499	9,762	4,899,086	11,221,347
Unassigned	9,047,480	-	-	(103,757)	8,943,723
Total Fund Balances	9,559,364	6,312,499	9,762	4,795,329	20,676,954

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET ASSETS/FUND BALANCES CLASSIFICATIONS – 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	\$ 32,901,115
Less Capital Related Debt:	
Illinois Finance Authority Loan Payable of 2009	(225,000)
Oshkosh Capital Loan Payable	(544,602)
Loan Payable of 2012	(100,000)
General Obligation Refunding Bonds of 2004	(2,010,000)
General Obligation Refunding Bonds of 2011A	(2,325,000)
General Obligation Refunding Bonds of 2011B	(2,090,000)
Deferred Loss on Refunding	<u>19,122</u>
Investment in Capital Assets - Net of Related Debt	<u>25,625,635</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	11,690,742
Less Capital Related Debt:	
IEPA Loan Payable of 2008	<u>(5,114,044)</u>
Investment in Capital Assets - Net of Related Debt	<u>6,576,698</u>

NOTE 4 – OTHER INFORMATION

CONTINGENT LIABILITIES

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 LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES – Continued

Solid Waste Agency of Northern Cook County (SWANCC)

The City's contract with the Solid Waste Agency of Northern Cook County (SWANCC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through participation in the public entity risk pool Intergovernmental Risk Management Agency (IRMA). Settled claims from these risks have not exceeded the pool's limit of coverage in any year since the Village became a member in 1989. The Village retains the risk on the first \$10,000 loss per occurrence, and also for losses above the pool's \$10,000,000 coverage limit. At fiscal year end, the Village determined there were no probable unpaid claims for which it retained risk, and, as such, did not record a claims liability.

Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/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.

The Village's payments to IRMA are displayed on the financial statements as expenses in the Liability Insurance Fund. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level. 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 the Agency 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. 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.

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

North Suburban Employee’s Benefit Cooperative

The Village participates in the North Suburban Employee’s Benefit Cooperative (NSEBC), an agency of municipalities created to finance and administer health and life insurance benefits for its members. Each municipality appoints one representative to serve on the Board of Directors. The Board determines the general government policies which include approval of the annual budget.

COMMITMENTS

Intergovernmental Agreement

Under an Intergovernmental Agreement entered into in September of 1997, the Village agreed to provide a development benefit from the Northeast Industrial TIF District to the Lincolnwood Elementary School District #74. The benefit paid is attributable to any revenues received by the Village for any new development occurring within the Northeast TIF District. The payment is made each year until the TIF District closes and there is no limit to the amount paid to the School District. The Village paid the School District \$369,386 in the current fiscal year. The payment has been recorded as an expenditure of the General Fund.

Construction Commitments

The Village has entered into contracts for construction projects as follows:

	<u>Remaining Commitment</u>
Channel Runne	\$ 340,267
Promenade	<u>402,877</u>
	<u>743,144</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC), which consists of twenty-three municipalities. SWANCC is a municipal joint action agency, established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWANCC is empowered under the Act to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is reported as a nonequity proprietary joint venture.

The twenty-three members of SWANCC and their percentage shares as of April 30, 2012 are as follows:

	<u>Percent Share</u>
Village of Arlington Heights	9.97 %
Village of Barrington	1.54
Village of Buffalo Grove	6.42
Village of Elk Grove Village	4.99
City of Evanston	6.96
Village of Glencoe	1.32
Village of Glenview	4.75
Village of Hoffman Estates	4.36
Village of Inverness	1.09
Village of Kenilworth	0.84
Village of Lincolnwood	1.70
Village of Morton Grove	2.82
Village of Mount Prospect	7.78
Village of Niles	3.14
Village of Palatine	11.04
City of Park Ridge	5.70
City of Prospect Heights	1.78
City of Rolling Meadows	4.03
Village of Skokie	7.46
Village of South Barrington	0.69
Village of Wheeling	4.51
Village of Wilmette	3.97
Village of Winnetka	3.14
	<u>100.00 %</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

These percentage shares are subject to change in future years based on the population of the municipalities. The members form a contiguous geographic service area, which is located northwest of downtown Chicago.

SWANCC is governed by a Board of Directors, which consists of one appointed Mayor or President from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

Summary of financial positions as of April 30, 2011:

Current Assets	\$ 6,843,409	Current Liabilities	\$ 5,164,235
Noncurrent Assets		Long-Term Liabilities	<u>4,788,844</u>
Capital Assets	11,228,739	Total Liabilities	<u>9,953,079</u>
Other Assets	<u>66,091</u>	Net Assets	<u>8,185,160</u>
Total Assets	<u>18,138,239</u>		

Summary of revenues, expenses and changes in net assets for the year ended April 30, 2011:

Operating Revenues	\$ 329,737
Operating Expenses	<u>242,615</u>
Change in Net Assets	87,122
Net Assets - Beginning	<u>8,098,038</u>
Net Assets - Ending	<u>8,185,160</u>

Complete financial statements for SWANCC can be obtained from the Agency's administrative office at 1616 East Golf Road, Des Plaines, Illinois 60016.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2012

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Solid Waste Disposal System. The Village is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), and the Sheriff's Law Enforcement Program (SLEP), which are both defined benefit agent multiple-employer public employee retirement systems administered by the IMRF; and the Police Pension Plan, which is a single-employer, pension plan. A copy of the Police Pension Plan report may be obtained by writing to the Village at 6900 North Lincoln Avenue, Lincolnwood, Illinois 60712. IMRF and SLEP 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 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 LINCOLNWOOD, 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

Illinois Municipal Retirement System

All employees (other than those covered by the Police plan) 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 ½ 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 contribution rate for calendar year 2011 used by the employer was 9.04 percent of annual covered payroll. For calendar year 2011, the employer annual required contribution rate was 11.17 percent and the employer contribution rate used by the employer was 9.87 percent of annual covered payroll.

Sheriff's Law Enforcement Personnel

Sheriff's Law Enforcement Program (SLEP), having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earning rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits.

These benefit provisions and all other requirements are established by State statutes. SLEP members are required to contribute 7.50% of their annual salary to SLEP. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer annual required contribution rate for calendar year 2011 was 12.88 percent.

VILLAGE OF LINCOLNWOOD, 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

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 April 30, 2011 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	27
Nonvested	<u>5</u>
	<u>62</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees 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 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 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 LINCOLNWOOD, 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

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.

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% of net plan assets invested in U.S. Treasuries (32%), Common Stock (19%), Corporate Bonds (13%), FNMA (12%) and Money Markets (6%). 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 LINCOLNWOOD, 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

There is no net pension obligation for the SLEP plan. The amount of the pension liability for IMRF and the Police Pension Plan is as follows:

	<u>IMRF</u>	<u>Police Pension</u>	<u>Totals</u>
Annual Required Contribution	\$ 401,504	1,292,463	1,693,967
Interest on Net Pension Obligation	4,911	52,276	57,187
Adjustment to Annual Required Contribution	<u>(12,278)</u>	<u>(32,909)</u>	<u>(45,187)</u>
Annual Pension Cost	394,137	1,311,830	1,705,967
Actual Contribution	<u>368,843</u>	<u>1,393,004</u>	<u>1,761,847</u>
Increase to the NPO	25,294	(81,174)	(55,880)
NPO Beginning of Year	<u>98,226</u>	<u>746,800</u>	<u>845,026</u>
NPO End of Year	<u>123,520</u>	<u>665,626</u>	<u>789,146</u>

VILLAGE OF LINCOLNWOOD, 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 annual pension cost for the current year and related plan information is as follows:

	IMRF	SLEP	Police Pension
Contribution Rates			
Employer	9.87%	12.88%	45.51%
Employee	4.50%	4.50%	9.91%
Actuarial Valuation Date	12/31/2011	12/31/2011	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 Open Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	30 Years	29 Years
Asset Valuation Method	5-Year Smoothed Market	5-Year Smoothed Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.50% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	.4 to 10.0%	5.00%
Inflation Rate Included	4.00%	4.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF LINCOLNWOOD, 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.

	Fiscal Year	IMRF	SLEP	Police Pension
Annual Pension Cost (APC)	2010	\$ 312,006	\$ -	\$ 1,013,410
	2011	394,250	-	1,167,876
	2012	401,504	13,032	1,311,830
Actual Contributions	2010	287,046	-	1,196,105
	2011	307,515	-	1,204,927
	2012	368,843	13,032	1,393,004
Percentage of APC Contributed	2010	92.00%	-	118.03%
	2011	78.00%	-	103.17%
	2012	91.87%	100.00%	106.19%
Net Pension Obligation	2010	26,103	-	771,640
	2011	98,226	-	746,800
	2012	123,520	-	665,626

VILLAGE OF LINCOLNWOOD, 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:

	IMRF	SLEP	Police Pension
Actuarial Valuation Date	12/31/11	12/31/11	04/30/11
Percent Funded	82.17%	0.00%	48.34%
Actuarial Accrued Liability for Benefits	\$10,638,277	\$0	\$33,179,807
Actuarial Value of Assets	\$8,741,584	(\$79,609)	\$16,037,540
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$1,896,693)	(\$79,609)	(\$17,142,267)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$3,589,439	\$0	\$2,647,745
Ratio of UAAL to Covered Payroll	52.84%	0.00%	647.43%

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 LINCOLNWOOD, 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. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

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 \$64,232. Active employees do not contribute to the plan until retirement.

At April 30, 2012, the date of the most recent actuarial report, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	3
Active Employees	<u>85</u>
Total	<u>88</u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF LINCOLNWOOD, 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:

	<u>OPEB</u>
Annual Required Contribution	\$ 11,198
Interest on the NOPEBO	1,359
Adjustment to the ARC	<u>(1,133)</u>
Annual OPEB Cost	11,424
Actual Contribution	<u>-</u>
Increase in the NOPEBO	11,424
NOPEBO - Beginning of Year	<u>33,987</u>
NOPEBO - End of Year	<u><u>45,411</u></u>

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.

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 OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 11,385	\$ -	0.00%	\$ 22,602
2011	17,746	6,361	36.00%	33,987
2012	11,424	-	0.00%	45,411

VILLAGE OF LINCOLNWOOD, 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, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 233,715
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	233,715
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	6,237,184
UAAL as a Percentage of Covered Payroll	3.75%

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 (including a 3% inflation assumption) and an annual healthcare cost trend rate of 8.0%, with an ultimate rate of 6.0%. 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
 - Sheriff's Law Enforcement Plan
 - Police Pension Fund
 - Other Post-Employment Benefit Plan

- **Budgetary Comparison Schedules**
 - General Fund
 - Northeast Industrial District Tax Increment Financing – Special Revenue Fund

Notes to the Required Supplementary Information

- Budgetary information – budgets are adopted on a basis consistent with generally accepted accounting principles

VILLAGE OF LINCOLNWOOD, ILLINOIS

Illinois Municipal Retirement Fund

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

Funding Progress

Actuarial Valuation 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	\$ 7,303,796	\$ 7,221,766	101.14%	\$ (82,030)	\$ 3,183,221	(2.58%)
2007	7,959,045	7,838,928	101.53%	(120,117)	3,508,955	(3.42%)
2008	6,487,156	8,383,186	77.38%	1,896,030	3,631,154	52.22%
2009	7,336,828	9,043,959	81.12%	1,707,131	3,508,013	48.66%
2010	7,959,274	9,532,759	83.49%	1,573,485	3,443,234	45.70%
2011	8,741,584	10,638,277	82.17%	1,896,693	3,589,439	52.84%

Employer Contributions

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 377,530	\$ 377,530	100.00%
2008	400,723	400,723	100.00%
2009	298,844	298,844	100.00%
2010	287,046	312,006	92.00%
2011	307,515	394,250	78.00%
2012	368,843	401,504	91.87%

VILLAGE OF LINCOLNWOOD, ILLINOIS

Sheriff's Law Enforcement Personnel Fund

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

Funding Progress

Actuarial Valuation 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	\$ (81,548)	\$ -	0.00%	\$ 81,548	\$ -	0.00%
2007	(65,999)	-	0.00%	65,999	-	0.00%
2008	(125,177)	-	0.00%	125,177	-	0.00%
2009	(108,246)	-	0.00%	108,246	-	0.00%
2010	(110,149)	-	0.00%	110,149	-	0.00%
2011	(79,609)	-	0.00%	79,609	-	0.00%

Employer Contributions

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 11,721	\$ 11,721	100.00%
2008	12,061	12,061	100.00%
2009	10,683	10,683	100.00%
2010	10,770	10,770	100.00%
2011	11,844	11,844	100.00%
2012	13,032	13,032	100.00%

VILLAGE OF LINCOLNWOOD, ILLINOIS

Police Pension Fund

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

Funding Progress

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation April 30	Actuarial Value of Plan Assets	Actuarial Liability (AAL) - Entry Age	Funded Ratio (1) ÷ (2)	Unfunded (Overfunded) Actuarial Liability (2) - (1)	Annual Covered Payroll	Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
2006	\$ 12,910,448	\$ 26,069,976	49.52%	\$ 13,159,528	\$ 2,442,396	538.80%
2007	13,768,308	27,480,519	50.10%	13,712,211	2,486,031	551.57%
2008	14,516,353	28,616,339	50.73%	14,099,986	2,436,354	578.73%
2009	14,242,039	29,879,079	47.67%	15,637,040	2,529,769	618.12%
2010	15,182,164	31,916,549	47.57%	16,734,385	2,693,358	621.32%
2011	16,037,540	33,179,807	48.34%	17,142,267	2,647,745	647.43%

Employer Contributions

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 866,020	\$ 874,768	99.00%
2008	947,635	926,329	102.30%
2009	1,048,262	1,014,774	103.30%
2010	1,196,105	1,047,377	114.20%
2011	1,204,927	1,180,144	102.10%
2012	1,393,004	1,292,463	107.78%

VILLAGE OF LINCOLNWOOD, 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 Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial 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	-	122,152	0.00%	122,152	6,067,508	2.01%
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	-	233,715	0.00%	233,715	6,237,184	3.75%

Employer Contributions

Year Ended April 30	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ N/A	\$ N/A	N/A
2008	N/A	N/A	N/A
2009	-	11,217	0.00%
2010	-	11,385	0.00%
2011	6,295	17,559	35.85%
2012	-	11,198	0.00%

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

VILLAGE OF LINCOLNWOOD, 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	\$ 13,110,067	13,110,067	13,147,794
Charges for Services	1,738,451	1,738,451	1,764,893
Licenses and Permits	944,972	944,972	1,009,122
Intergovernmental	1,399,000	1,399,000	1,489,461
Fines and Forfeitures	262,600	262,600	359,731
Investment Income	80,700	80,700	159,512
Miscellaneous	190,648	190,648	189,445
Total Revenues	<u>17,726,438</u>	<u>17,726,438</u>	<u>18,119,958</u>
Expenditures			
Current			
General Government	3,300,136	3,300,136	3,097,643
Public Safety	8,859,036	8,859,036	9,051,421
Highways and Streets	1,069,892	1,069,892	1,070,231
Sanitation	1,061,589	1,061,589	1,042,760
Economic Development	1,191,216	1,191,216	1,137,237
Culture and Recreation	2,165,577	2,165,577	2,100,417
Capital Outlay	655,792	655,792	522,401
Total Expenditures	<u>18,303,238</u>	<u>18,303,238</u>	<u>18,022,110</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(576,800)</u>	<u>(576,800)</u>	<u>97,848</u>
Other Financing Sources (Uses)			
Debt Issuance	160,500	160,500	100,000
Transfers In	335,000	335,000	335,000
Transfers Out	(859,794)	(859,794)	(929,655)
	<u>(364,294)</u>	<u>(364,294)</u>	<u>(494,655)</u>
Net Change in Fund Balance	<u>(941,094)</u>	<u>(941,094)</u>	<u>(396,807)</u>
Fund Balance - Beginning			<u>9,956,171</u>
Fund Balance - Ending			<u>9,559,364</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Northeast Industrial District Tax Increment Financing - 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			
Taxes			
Local Taxes	\$ 2,010,000	2,010,000	1,923,851
Intergovernmental			
Grants	-	-	10,020
Interest	40,000	40,000	29,004
Total Revenues	<u>2,050,000</u>	<u>2,050,000</u>	<u>1,962,875</u>
Expenditures			
Current			
General Government	173,700	173,700	75,094
Capital Outlay	179,000	179,000	193,594
Debt Service			
Principal Retirement	251,250	251,250	251,250
Interest and Fiscal Charges	77,210	77,210	77,210
Total Expenditures	<u>681,160</u>	<u>681,160</u>	<u>597,148</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,368,840</u>	<u>1,368,840</u>	<u>1,365,727</u>
Other Financing Sources (Uses)			
Debt Issuance	-	-	1,743,750
Payment to Escrow Agent	-	-	(1,743,750)
Transfers Out	(148,319)	(148,319)	(130,000)
	<u>(148,319)</u>	<u>(148,319)</u>	<u>(130,000)</u>
Net Change in Fund Balance	<u>1,220,521</u>	<u>1,220,521</u>	1,235,727
Fund Balance - Beginning			<u>5,076,772</u>
Fund Balance - Ending			<u>6,312,499</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
 - General Fund
 - Debt Service Fund

- Combining Statements – Nonmajor Governmental Funds
 - Combining Balance Sheet
 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

- Budgetary Comparison Schedules – Nonmajor Governmental Funds
 - Motor Fuel Tax – Special Revenue Fund
 - E-911 – Special Revenue Fund
 - Touhy/Lawndale Tax Increment Financing – Special Revenue Fund
 - Transportation Improvement – Special Revenue Fund
 - Lincoln/Touhy Tax Increment Financing – Special Revenue Fund
 - Touhy/Crawford Business Area Improvement – Capital Projects Fund
 - Channel Runne Improvement – Capital Projects Fund
 - Comm Ed ROW Bike Path – Capital Projects Fund
 - Pratt Avenue Resurfacing – Capital Projects Fund
 - Village Campus Improvement – Capital Projects Fund

- Budgetary Comparison Schedule – Enterprise Fund
 - Water and Sewer Fund

- Budgetary Comparison Schedule – Fiduciary Fund
 - Police Pension – Pension Trust Fund

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 FUNDS

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Northeast Industrial District Tax Increment Financing Fund

The Northeast Industrial District Tax Increment Financing Fund is used to account for resources (restricted real estate taxes) received and expenditures made to promote the objectives of the TIF District.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for resources to maintain traffic signal lighting in the Village and for services performed by the Village for upkeep of IDOT street within the Village limits

E-911 Fund

The E-911 Fund is used to account for resources for the emergency communications operation that receives calls from the public for emergency service requests.

Touhy/Lawndale Tax Increment Financing Fund

The Touhy/Lawndale Tax Increment Financing Fund is used to account for resources generated from the properties within the Touhy/Lawndale Tax Increment Financing District.

Transportation Improvement Fund

The Transportation Improvement Fund is used to account for resources to improve the transportation systems in the Village.

Lincoln/Touhy Tax Increment Financing Fund

The Lincoln/Touhy Tax Increment Financing Fund is used to account for resources generated from the properties within the Lincoln/Touhy Tax Increment Financing District.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DEBT SERVICE FUND

Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

CAPITAL PROJECTS FUNDS

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.

Touhy/Crawford Business Area Improvement Fund

The Touhy/Crawford Business Area Improvement Fund is used to account for resources to complete capital improvements to the area in and around the Touhy/Crawford Business District.

Channel Runne Improvement Fund

The Channel Runne Improvement Fund is used to account for resources to complete capital improvements in the Channel Runne Park.

Comm Ed ROW Bike Path Fund

The Comm Ed ROW Bike Path Fund is used to account for a grant and other sources to construct a bike path in the utility right-of-way.

Pratt Avenue Resurfacing Fund

The Pratt Avenue Resurfacing Fund is used to account for a grant and other sources and costs to resurface Pratt Avenue through the Village.

Village Campus Improvement Fund

The Village Campus Improvement Fund is used to account for resources to complete capital improvements to Village owned properties.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUND

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 fund is a non-major fund.

Water and Sewer Fund

The Water and Sewer Fund is used to account for resources to maintain the Village's water distribution system and combined storm/sanitary sewer system.

TRUST FUND

PENSION TRUST FUND

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.

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 4,893,000	4,893,000	5,169,726
State Sales Tax	4,490,000	4,490,000	4,346,433
Home Rule Sales Tax	1,560,067	1,560,067	1,627,804
Food and Beverage Tax	400,000	400,000	416,414
Auto Rental Tax	10,000	10,000	12,596
Foreign Fire Insurance Tax	27,000	27,000	28,331
Utility Taxes - Electric	660,000	660,000	603,463
Utility Taxes - Natural Gas	410,000	410,000	310,000
Telecommunications Tax	660,000	660,000	633,027
	<u>13,110,067</u>	<u>13,110,067</u>	<u>13,147,794</u>
Charges for Services			
Accident Report Fee	5,000	5,000	8,716
Alarm Service Fee	28,000	28,000	11,140
Ambulance and EMS Fee	350,000	350,000	344,138
Filing and Variance Fee	12,000	12,000	8,850
Landscape Waste Program Sales	1,200	1,200	533
Parks and Recreation	1,279,951	1,279,951	1,325,542
Police Special Detail Fee	28,000	28,000	29,286
Tree Replacement Sales	2,000	2,000	-
Elevator Inspection Fee	7,500	7,500	13,505
Other Charges for Services	24,800	24,800	23,183
	<u>1,738,451</u>	<u>1,738,451</u>	<u>1,764,893</u>
Licenses and Permits			
Vehicle Licenses	351,450	351,450	348,271
Business Licenses	116,703	116,703	125,221
Liquor Licenses	31,760	31,760	36,028
Building Permits	294,075	294,075	309,944
Franchise Fees	124,000	124,000	168,077
Licenses and Permits - Other	26,984	26,984	21,581
	<u>944,972</u>	<u>944,972</u>	<u>1,009,122</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Intergovernmental			
State Income Tax	\$ 940,000	940,000	1,074,719
Personal Property Replacement Tax	130,000	130,000	135,608
State Use Tax	140,000	140,000	183,621
State Grants	189,000	189,000	95,513
	<u>1,399,000</u>	<u>1,399,000</u>	<u>1,489,461</u>
Fines and Forfeitures			
Late Payment Penalty	6,000	6,000	6,820
NSF Check Charge	600	600	175
Circuit Court Fines	65,000	65,000	58,510
Court Cost Liens and Fees	18,000	18,000	68,944
Parking Ticket Fines	75,000	75,000	65,768
Red Light Camera Fines	60,000	60,000	121,225
False Alarm Fines	18,000	18,000	27,916
Building Code Violation Fines	20,000	20,000	10,373
	<u>262,600</u>	<u>262,600</u>	<u>359,731</u>
Investment Income	<u>80,700</u>	<u>80,700</u>	<u>159,512</u>
Miscellaneous			
Rent - Telecommunications Antenna Site Lease	46,500	46,500	53,561
Rent - Parking Lot	45,000	45,000	45,000
Reimbursements	65,590	65,590	49,188
Donations	558	558	4,923
Miscellaneous	33,000	33,000	36,773
	<u>190,648</u>	<u>190,648</u>	<u>189,445</u>
Total Revenues	<u><u>17,726,438</u></u>	<u><u>17,726,438</u></u>	<u><u>18,119,958</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government			
Village President and Board of Trustees			
Personal Services	\$ 62,879	62,879	62,775
Contractual Services	43,350	43,350	39,674
Commodities	11,625	11,625	9,911
	<u>117,854</u>	<u>117,854</u>	<u>112,360</u>
Village Clerk			
Personal Services	8,852	8,852	8,883
Contractual Services	8,460	8,460	10,054
Commodities	500	500	-
	<u>17,812</u>	<u>17,812</u>	<u>18,937</u>
Board of Fire and Police Commissioners			
Contractual Services	7,235	7,235	3,302
Commodities	3,050	3,050	1,968
	<u>10,285</u>	<u>10,285</u>	<u>5,270</u>
Human Relations Commission			
Contractual Services	200	200	306
Commodities	1,600	1,600	1,751
	<u>1,800</u>	<u>1,800</u>	<u>2,057</u>
Parks and Recreation Board			
Contractual Services	1,000	1,000	105
Commodities	1,720	1,720	1,932
	<u>2,720</u>	<u>2,720</u>	<u>2,037</u>
Beautification Committee			
Contractual Services	2,500	2,500	-
Commodities	2,500	2,500	2,815
	<u>5,000</u>	<u>5,000</u>	<u>2,815</u>
Village Administrator			
Personal Services	607,148	607,148	571,580
Contractual Services	37,430	37,430	37,704
Commodities	29,384	29,384	29,543
	<u>673,962</u>	<u>673,962</u>	<u>638,827</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Finance Department			
Personal Services	\$ 750,005	750,005	487,044
Contractual Services	120,700	120,700	352,166
Commodities	45,300	45,300	36,217
	<u>916,005</u>	<u>916,005</u>	<u>875,427</u>
Engineering			
Contractual Services	75,000	75,000	35,358
Legal Department			
Contractual Services	277,000	277,000	261,992
Information Services			
Personal Services	8,852	8,852	5,869
Contractual Services	181,418	181,418	162,888
Commodities	101,970	101,970	105,728
	<u>292,240</u>	<u>292,240</u>	<u>274,485</u>
Public Works Department			
Personal Services	337,494	337,494	319,751
Contractual Services	18,276	18,276	20,737
Commodities	17,299	17,299	11,946
	<u>373,069</u>	<u>373,069</u>	<u>352,434</u>
Vehicle Maintenance Division			
Personal Services	211,591	211,591	184,101
Contractual Services	3,090	3,090	1,387
Commodities	20,618	20,618	19,631
	<u>235,299</u>	<u>235,299</u>	<u>205,119</u>
Building Maintenance Division			
Personal Services	110,551	110,551	98,812
Contractual Services	131,191	131,191	165,224
Commodities	60,348	60,348	46,489
	<u>302,090</u>	<u>302,090</u>	<u>310,525</u>
 Total General Government	 <u>3,300,136</u>	 <u>3,300,136</u>	 <u>3,097,643</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Public Safety			
Police Department			
Personal Services	\$ 5,722,880	5,722,880	5,852,327
Contractual Services	193,205	193,205	198,144
Commodities	113,965	113,965	134,336
	<u>6,030,050</u>	<u>6,030,050</u>	<u>6,184,807</u>
Fire Department			
Personal Services	72,735	72,735	71,831
Contractual Services	2,672,801	2,672,801	2,708,312
Commodities	83,450	83,450	86,471
	<u>2,828,986</u>	<u>2,828,986</u>	<u>2,866,614</u>
Total Public Safety	<u>8,859,036</u>	<u>8,859,036</u>	<u>9,051,421</u>
Highways and Streets			
Street Maintenance Division			
Personal Services	649,967	649,967	638,076
Contractual Services	117,334	117,334	115,509
Commodities	302,591	302,591	316,646
	<u>1,069,892</u>	<u>1,069,892</u>	<u>1,070,231</u>
Total Highways and Streets	<u>1,069,892</u>	<u>1,069,892</u>	<u>1,070,231</u>
Sanitation			
Contractual Services	<u>1,061,589</u>	<u>1,061,589</u>	<u>1,042,760</u>
Economic Development			
Community Development Department			
Personal Services	389,219	389,219	397,159
Contractual Services	233,626	233,626	207,500
Commodities	568,371	568,371	532,578
	<u>1,191,216</u>	<u>1,191,216</u>	<u>1,137,237</u>
Total Economic Development	<u>1,191,216</u>	<u>1,191,216</u>	<u>1,137,237</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Culture and Recreation			
Parks and Recreation Department			
Personal Services	\$ 1,449,398	1,449,398	1,437,089
Contractual Services	410,853	410,853	256,421
Commodities	305,326	305,326	406,907
Total Culture and Recreation	2,165,577	2,165,577	2,100,417
Capital Outlay			
General Government			
Information Services	152,892	152,892	154,133
Public Safety			
Police Department	89,000	89,000	119,280
Fire Department	148,400	148,400	64,260
Sanitation	45,000	45,000	-
Culture and Recreation			
Parks and Recreation Department	220,500	220,500	184,728
Total Capital Outlay	655,792	655,792	522,401
Total Expenditures	18,303,238	18,303,238	18,022,110

VILLAGE OF LINCOLNWOOD, 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			
Local Taxes	\$ 1,216,042	1,216,042	1,216,044
Expenditures			
Debt service			
Principal Retirement	1,138,544	1,138,544	1,079,300
Interest and Fiscal Charges	197,292	197,292	274,485
Total Expenditures	1,335,836	1,335,836	1,353,785
Excess (Deficiency) of Revenues Over (Under) Expenditures	(119,794)	(119,794)	(137,741)
Other Financing Sources (Uses)			
Debt Issuance	-	-	2,671,250
Payment to Escrow Agent	-	-	(2,676,250)
Premium on Debt Issuance	-	-	64,106
Transfers In	119,794	119,794	87,694
	119,794	119,794	146,800
Net Change in Fund Balance	-	-	9,059
Fund Balance - Beginning			703
Fund Balance - Ending			9,762

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
April 30, 2012

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and Investments	\$ 5,037,503	1,116,041	6,153,544
Receivables			
Accounts	72,785	-	72,785
Due from Other Funds	-	143,527	143,527
Total Assets	<u>5,110,288</u>	<u>1,259,568</u>	<u>6,369,856</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	126,876	1,236,956	1,363,832
Accrued Payroll	5,285	-	5,285
Due to Other Funds	205,410	-	205,410
Total Liabilities	<u>337,571</u>	<u>1,236,956</u>	<u>1,574,527</u>
Fund Balances			
Restricted	4,876,474	22,612	4,899,086
Unassigned	(103,757)	-	(103,757)
Total Fund Balances	<u>4,772,717</u>	<u>22,612</u>	<u>4,795,329</u>
Total Liabilities and Fund Balances	<u>5,110,288</u>	<u>1,259,568</u>	<u>6,369,856</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2012

	Special Revenue	Capital Projects	Totals
Revenues			
Taxes	\$ 860,541	-	860,541
Intergovernmental	542,330	19,846	562,176
Interest	7,524	-	7,524
Total Revenues	<u>1,410,395</u>	<u>19,846</u>	<u>1,430,241</u>
Expenditures			
General Government	751,126	-	751,126
Highways and Streets	101,139	-	101,139
Capital Outlay	1,245	1,324,806	1,326,051
Total Expenditures	<u>853,510</u>	<u>1,324,806</u>	<u>2,178,316</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>556,885</u>	<u>(1,304,960)</u>	<u>(748,075)</u>
Other Financing Sources (Uses)			
Transfers In	-	841,961	841,961
Transfers Out	(5,000)	-	(5,000)
	<u>(5,000)</u>	<u>841,961</u>	<u>836,961</u>
Net Change in Fund Balances	551,885	(462,999)	88,886
Fund Balances - Beginning	<u>4,220,832</u>	<u>485,611</u>	<u>4,706,443</u>
Fund Balances - Ending	<u><u>4,772,717</u></u>	<u><u>22,612</u></u>	<u><u>4,795,329</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2012

	<u>Motor Fuel Tax</u>
ASSETS	
Cash and Investments	\$ 2,673,803
Receivables	
Accounts	<u>24,442</u>
Total Assets	<u><u>2,698,245</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	6,164
Accrued Payroll	-
Due to Other Funds	-
Total Liabilities	<u>6,164</u>
Fund Balances	
Restricted	2,692,081
Unassigned	-
Total Fund Balances	<u>2,692,081</u>
Total Liabilities and Fund Balances	<u><u>2,698,245</u></u>

E-911	Touhy/ Lawndale Tax Increment Financing	Transportation Improvement	Lincoln/ Touhy Tax Increment Financing	Totals
91,352	296,437	1,975,911	-	5,037,503
20,337	-	28,006	-	72,785
111,689	296,437	2,003,917	-	5,110,288
2,566	-	53,218	64,928	126,876
5,285	-	-	-	5,285
-	23,054	143,527	38,829	205,410
7,851	23,054	196,745	103,757	337,571
103,838	273,383	1,807,172	-	4,876,474
-	-	-	(103,757)	(103,757)
103,838	273,383	1,807,172	(103,757)	4,772,717
111,689	296,437	2,003,917	-	5,110,288

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2012

	<u>Motor Fuel Tax</u>
Revenues	
Taxes	\$ -
Intergovernmental	368,949
Interest	2,055
Total Revenues	<u>371,004</u>
Expenditures	
General Government	-
Highways and Streets	42,075
Capital Outlay	
Total Expenditures	<u>42,075</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	328,929
Other Financing (Uses)	
Transfers Out	<u>-</u>
Net Change in Fund Balances	328,929
Fund Balances - Beginning	<u>2,363,152</u>
Fund Balances - Ending	<u><u>2,692,081</u></u>

E-911	Touhy/ Lawndale Tax Increment Financing	Transportation Improvement	Lincoln/ Touhy Tax Increment Financing	Totals
-	518,478	342,063	-	860,541
173,381	-	-	-	542,330
739	91	4,639	-	7,524
174,120	518,569	346,702	-	1,410,395
221,265	464,933	-	64,928	751,126
-	-	59,064	-	101,139
1,245	-	-	-	1,245
222,510	464,933	59,064	64,928	853,510
(48,390)	53,636	287,638	(64,928)	556,885
-	(5,000)	-	-	(5,000)
(48,390)	48,636	287,638	(64,928)	551,885
152,228	224,747	1,519,534	(38,829)	4,220,832
103,838	273,383	1,807,172	(103,757)	4,772,717

VILLAGE OF LINCOLNWOOD, ILLINOIS

Motor Fuel Tax - 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			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 310,000	310,000	315,278
Grants	140,300	140,300	53,671
Interest	7,000	7,000	2,055
Total Revenues	<u>457,300</u>	<u>457,300</u>	371,004
Expenditures			
Highways and Streets	<u>76,640</u>	<u>76,640</u>	42,075
Net Change in Fund Balance	<u>380,660</u>	<u>380,660</u>	328,929
Fund Balance - Beginning			<u>2,363,152</u>
Fund Balance - Ending			<u>2,692,081</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

E-911 - 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			
Intergovernmental	\$ 182,000	182,000	173,381
Interest	3,000	3,000	739
Total Revenues	<u>185,000</u>	<u>185,000</u>	<u>174,120</u>
Expenditures			
General Government	246,357	246,357	221,265
Capital Outlay	4,400	4,400	1,245
Total Expenditures	<u>250,757</u>	<u>250,757</u>	<u>222,510</u>
Net Change in Fund Balance	<u>(65,757)</u>	<u>(65,757)</u>	(48,390)
Fund Balance - Beginning			<u>152,228</u>
Fund Balance - Ending			<u>103,838</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Touhy/Lawndale Tax Increment Financing - 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			
Taxes			
Local Taxes	\$ 600,000	600,000	518,478
Interest	500	500	91
Total Revenues	600,500	600,500	518,569
Expenditures			
General Government	602,000	602,000	464,933
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,500)	(1,500)	53,636
Other Financing (Uses)			
Transfers Out	(5,000)	(5,000)	(5,000)
Net Change in Fund Balance	<u>(6,500)</u>	<u>(6,500)</u>	48,636
Fund Balance - Beginning			<u>224,747</u>
Fund Balance - Ending			<u><u>273,383</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Transportation Improvement - 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			
Taxes			
Local Taxes	\$ 365,000	365,000	342,063
Interest	5,000	5,000	4,639
Total Revenues	<u>370,000</u>	<u>370,000</u>	<u>346,702</u>
Expenditures			
Highways and Streets	<u>1,228,083</u>	<u>1,228,083</u>	<u>59,064</u>
Net Change in Fund Balance	<u>(858,083)</u>	<u>(858,083)</u>	287,638
Fund Balance - Beginning			<u>1,519,534</u>
Fund Balance - Ending			<u><u>1,807,172</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Lincoln/Touhy Tax Increment Financing - 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			
Taxes	\$ 26,000	26,000	-
Expenditures			
General Government	26,000	26,000	64,928
Net Change in Fund Balance	<u>-</u>	<u>-</u>	(64,928)
Fund Balance - Beginning			<u>(38,829)</u>
Fund Balance - Ending			<u>(103,757)</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

**Combining Balance Sheet
April 30, 2012**

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet

April 30, 2012

	Touhy/ Crawford Business Area Improvement
ASSETS	
Cash and Investments	\$ 336,654
Due from Other Funds	<u>143,527</u>
Total Assets	<u><u>480,181</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	462,079
Fund Balances	
Restricted	<u>18,102</u>
Total Liabilities and Fund Balances	<u><u>480,181</u></u>

Channel Runne Improvement	Comm Ed ROW Bike Path	Pratt Avenue Resurfacing	Village Campus Improvement	Totals
338,159	6,609	4,510	430,109	1,116,041
-	-	-	-	143,527
338,159	6,609	4,510	430,109	1,259,568
338,159	6,609	-	430,109	1,236,956
-	-	4,510	-	22,612
338,159	6,609	4,510	430,109	1,259,568

VILLAGE OF LINCOLNWOOD, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2012

	<u>Touhy/ Crawford Business Area Improvement</u>
Revenues	
Intergovernmental	\$ -
Expenditures	
Capital Outlay	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
Other Financing Sources	
Transfers In	<u>-</u>
Net Change in Fund Balances	-
Fund Balances - Beginning	<u>18,102</u>
Fund Balances - Ending	<u><u>18,102</u></u>

Channel Runne Improvement	Comm Ed ROW Bike Path	Pratt Avenue Resurfacing	Village Campus Improvement	Totals
-	19,846	-	-	19,846
340,382	44,546	462,999	476,879	1,324,806
(340,382)	(24,700)	(462,999)	(476,879)	(1,304,960)
340,382	24,700	-	476,879	841,961
-	-	(462,999)	-	(462,999)
-	-	467,509	-	485,611
-	-	4,510	-	22,612

VILLAGE OF LINCOLNWOOD, ILLINOIS

Touhy/Crawford Business Area 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			
Interest	\$ -	-	-
Expenditures			
Capital Outlay	-	-	-
Net Change in Fund Balance	<u>-</u>	<u>-</u>	-
Fund Balance - Beginning			<u>18,102</u>
Fund Balance - Ending			<u>18,102</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Channel Runne 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			
Intergovernmental	\$ -	-	-
Expenditures			
Capital Outlay			
Contractual Services	300,000	300,000	340,382
Excess (Deficiency) of Revenues Over (Under) Expenditures	(300,000)	(300,000)	(340,382)
Other Financing Sources			
Transfers In	300,000	300,000	340,382
Net Change in Fund Balance	<u>-</u>	<u>-</u>	-
Fund Balance - Beginning			<u>-</u>
Fund Balance - Ending			<u><u>-</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Comm Ed ROW Bike Path - 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			
Intergovernmental			
State Grants	\$ -	-	19,846
Expenditures			
Capital Outlay			
Contractual Services	40,000	40,000	44,546
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,000)	(40,000)	(24,700)
Other Financing Sources			
Transfers In	40,000	40,000	24,700
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning			-
Fund Balance - Ending			-

VILLAGE OF LINCOLNWOOD, ILLINOIS

Pratt Avenue Resurfacing - 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			
Intergovernmental			
State Grants	\$ 533,000	533,000	-
Expenditures			
Capital Outlay	551,319	551,319	462,999
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,319)	(18,319)	(462,999)
Other Financing Sources			
Transfers In	18,319	18,319	-
Net Change in Fund Balance	-	-	(462,999)
Fund Balance - Beginning			467,509
Fund Balance - Ending			4,510

VILLAGE OF LINCOLNWOOD, ILLINOIS

Village Campus 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			
Intergovernmental	\$ -	-	-
Expenditures			
Capital Outlay	400,000	400,000	476,879
Excess (Deficiency) of Revenues Over (Under) Expenditures	(400,000)	(400,000)	(476,879)
Other Financing Sources			
Transfers In	400,000	400,000	476,879
Net Change in Fund Balance	<u>-</u>	<u>-</u>	-
Fund Balance - Beginning			<u>-</u>
Fund Balance - Ending			<u><u>-</u></u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Water and Sewer - 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	\$ 3,517,000	3,517,000	3,399,198
Fines and Forfeitures	25,000	25,000	56,752
Total Operating Revenues	<u>3,542,000</u>	<u>3,542,000</u>	<u>3,455,950</u>
Operating Expenses			
Cost of Sales and Services			
Personal Services	737,919	737,919	759,172
Contractual	355,804	355,804	278,029
Commodities	1,430,226	1,430,226	1,510,356
Capital Outlay	710,683	710,683	762,061
Less Capital Assets Capitalized	(710,683)	(710,683)	(762,061)
Debt Service			
Principal Payments	247,652	247,652	247,652
Less Principal Payments Capitalized	(247,652)	(247,652)	(247,652)
Depreciation	-	-	610,331
Total Operating Expenses	<u>2,523,949</u>	<u>2,523,949</u>	<u>3,157,888</u>
Operating Income	<u>1,018,051</u>	<u>1,018,051</u>	<u>298,062</u>
Nonoperating Revenues (Expenses)			
Grant Income	240,000	240,000	-
Interest Income	5,000	5,000	5,971
Interest and Fiscal Charges	(132,504)	(132,504)	(132,504)
	<u>112,496</u>	<u>112,496</u>	<u>(126,533)</u>
Income Before Transfers	<u>1,130,547</u>	<u>1,130,547</u>	<u>171,529</u>
Transfers Out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>
Change in Net Assets	<u>930,547</u>	<u>930,547</u>	<u>(28,471)</u>
Net Assets - Beginning			<u>8,574,223</u>
Net Assets - Ending			<u>8,545,752</u>

VILLAGE OF LINCOLNWOOD, 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	\$ 1,282,289	1,282,289	1,393,004
Contributions - Plan Members	256,911	256,911	270,588
Total Contributions	1,539,200	1,539,200	1,663,592
Investment Income			
Interest Earned	300,000	300,000	1,154,412
Net Change in Fair Value	-	-	(716,150)
	300,000	300,000	438,262
Less Investment Expenses	(50,000)	(50,000)	(55,254)
Net Investment Income	250,000	250,000	383,008
Total Additions	1,789,200	1,789,200	2,046,600
Deductions			
Administration	55,975	55,975	36,987
Benefits and Refunds	1,496,974	1,496,974	1,630,076
Total Deductions	1,552,949	1,552,949	1,667,063
Change in Net Assets	236,251	236,251	379,537
Net Assets - Beginning			16,037,540
Net Assets - Ending			16,417,077

SUPPLEMENTAL SCHEDULES

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**Illinois Finance Authority Loan Payable of 2009
April 30, 2012**

Date of Issue	May 9, 2009
Date of Maturity	May 9, 2029
Authorized Issue	\$250,000
Interest Rate	Non-Interest Bearing
Principal Maturity Date	May 9
Payable at	Office of the State Fire Marshal

CURRENT AND FUTURE PRINCIPAL REQUIREMENTS

<u>Fiscal Year Ending April 30</u>	<u>Principal</u>
2013	\$ 12,500
2014	12,500
2015	12,500
2016	12,500
2017	12,500
2018	12,500
2019	12,500
2020	12,500
2021	12,500
2022	12,500
2023	12,500
2024	12,500
2025	12,500
2026	12,500
2027	12,500
2028	12,500
2029	12,500
2030	12,500
	<u>225,000</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**Oshkosh Capital Loan Payable of 2010
April 30, 2012**

Date of Issue	August 13, 2010
Date of Maturity	August 13, 2020
Authorized Issue	\$592,652
Interest Rate	4.00%
Principal Maturity Date	August 13
Payable at	Oshkosh Capital

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending April 30	Principal	Interest	Totals
2013	\$ 50,251	24,942	75,193
2014	52,552	22,641	75,193
2015	54,959	20,234	75,193
2016	57,476	17,717	75,193
2017	60,109	15,084	75,193
2018	62,862	12,331	75,193
2019	65,741	9,452	75,193
2020	68,752	6,441	75,193
2021	71,900	3,293	75,193
	<u>544,602</u>	<u>132,135</u>	<u>676,737</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**Loan Payable of 2012
April 30, 2012**

Date of Issue	July 20, 2012
Date of Maturity	July 20, 2015
Authorized Issue	\$100,000
Interest Rate	3.25%
Principal Maturity Date	July 20
Payable at	Republic Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending April 30			
	Principal	Interest	Totals
2013	\$ -	-	-
2014	33,334	3,295	36,629
2015	33,333	2,197	35,530
2016	33,333	1,098	34,431
	<u>100,000</u>	<u>6,590</u>	<u>106,590</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

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

Date of Issue	February 11, 2004
Date of Maturity	December 1, 2014
Authorized Issue	\$5,230,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 3.20%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	J. P. Morgan Trust Company

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending April 30			
	Principal	Interest	Totals
2013	\$ 650,000	61,690	711,690
2014	670,000	42,515	712,515
2015	690,000	20,882	710,882
	<u>2,010,000</u>	<u>125,087</u>	<u>2,135,087</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2011A
April 30, 2012**

Date of Issue	November 1, 2011
Date of Maturity	December 1, 2017
Authorized Issue	\$2,325,000
Denomination of Bonds	\$5,000
Interest Rate	2.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank, N.A.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending April 30	Principal	Interest	Totals
2013	\$ 365,000	50,375	415,375
2014	375,000	39,200	414,200
2015	385,000	31,700	416,700
2016	390,000	24,000	414,000
2017	400,000	16,200	416,200
2018	410,000	8,200	418,200
	2,325,000	169,675	2,494,675

Note: Repayment of these bonds comes 25% from the Debt Service Fund and 75% from the Northeast Industrial District Tax Increment Financing Fund.

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2011B
April 30, 2012**

Date of Issue	November 1, 2011
Date of Maturity	December 1, 2017
Authorized Issue	\$2,090,000
Denomination of Bonds	\$5,000
Interest Rate	2.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank, N.A.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending April 30	Principal	Interest	Totals
2013	\$ 325,000	45,283	370,283
2014	335,000	35,300	370,300
2015	345,000	28,600	373,600
2016	355,000	21,700	376,700
2017	360,000	14,600	374,600
2018	370,000	7,400	377,400
	<u>2,090,000</u>	<u>152,883</u>	<u>2,242,883</u>

VILLAGE OF LINCOLNWOOD, ILLINOIS

Long-Term Debt Requirements

**Illinois Environmental Protection Agency Loan Payable of 2008
April 30, 2012**

Date of Issue	December 17, 2008
Date of Maturity	June 17, 2028
Authorized Issue	\$5,718,966
Interest Rate	2.50%
Principal Maturity Date	June 17 and December 17
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending April 30			
	Principal	Interest	Totals
2013	\$ 253,881	126,275	380,156
2014	260,269	119,887	380,156
2015	266,816	113,340	380,156
2016	273,528	106,628	380,156
2017	280,409	99,747	380,156
2018	287,463	92,693	380,156
2019	294,695	85,461	380,156
2020	302,108	78,048	380,156
2021	309,708	70,448	380,156
2022	317,500	62,656	380,156
2023	325,486	54,670	380,156
2024	333,674	46,482	380,156
2025	342,068	38,088	380,156
2026	350,674	29,482	380,156
2027	359,495	20,661	380,156
2028	368,539	11,617	380,156
2029	187,731	2,347	190,078
	<u>5,114,044</u>	<u>1,158,530</u>	<u>6,272,574</u>

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 government'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 LINCOLNWOOD, ILLINOIS

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

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	2004	2005
Governmental Activities		
Invested in Capital Assets - Net of Related Debt	\$ 472,505	14,709,012
Restricted	4,025,495	2,956,530
Unrestricted	6,049,103	5,881,790
	<u>10,547,103</u>	<u>23,547,332</u>
Business-Type Activities		
Invested in Capital Assets - Net of Related Debt	6,472,260	6,141,607
Restricted	-	-
Unrestricted	1,685,281	2,172,384
	<u>8,157,541</u>	<u>8,313,991</u>
Primary Government		
Invested in Capital Assets - Net of Related Debt	6,944,765	20,850,619
Restricted	4,025,495	2,956,530
Unrestricted	7,734,384	8,054,174
	<u>18,704,644</u>	<u>31,861,323</u>

* Accrual Basis of Accounting

Data Source: Village Records

The Village implemented GASB No. 34 for the fiscal year ended April 30, 2004.

2006	2007	2008	2009	2010	2011	2012
15,779,615	17,044,916	19,075,136	20,057,662	21,129,264	24,011,361	25,625,635
4,622,786	6,301,033	6,052,311	7,642,939	8,516,994	7,664,671	11,211,585
6,857,236	7,986,055	8,921,742	9,054,630	9,618,838	10,140,308	7,590,556
27,259,637	31,332,004	34,049,189	36,755,231	39,265,096	41,816,340	44,427,776
6,055,461	6,254,185	7,859,971	7,998,375	7,097,003	6,177,316	6,576,698
-	-	-	-	-	240,000	-
2,507,933	2,251,419	832,538	990,528	1,387,413	2,156,907	1,969,054
8,563,394	8,505,604	8,692,509	8,988,903	8,484,416	8,574,223	8,545,752
21,835,076	23,299,101	26,935,107	28,056,037	28,226,267	30,188,677	32,202,333
4,622,786	6,301,033	6,052,311	7,642,939	8,516,994	7,904,671	11,211,585
9,365,169	10,237,474	9,754,280	10,045,158	11,006,251	12,297,215	9,559,610
35,823,031	39,837,608	42,741,698	45,744,134	47,749,512	50,390,563	52,973,528

VILLAGE OF LINCOLNWOOD, 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	\$ 5,434,190	7,070,015	7,618,900	7,942,459	8,310,374	7,717,680	8,543,683	8,368,482	8,425,153
Public Safety	7,657,712	7,759,681	8,375,529	8,751,570	9,515,472	9,396,466	8,743,302	8,854,696	9,309,941
Public Works	2,135,702	1,703,425	1,930,369	2,060,518	2,266,360	2,141,803	2,092,928	2,182,058	2,307,646
Interest on Long-Term Debt	788,193	708,575	650,115	573,106	485,310	427,695	369,448	345,551	274,942
Total Governmental Activities Expenses	16,015,797	17,241,696	18,574,913	19,327,653	20,577,516	19,683,644	19,749,361	19,750,787	20,317,682
Business-Type Activities									
Water and Sewer	1,894,812	1,836,144	2,222,548	2,259,393	2,258,816	2,188,047	3,010,490	3,317,525	3,290,392
Total Business-Type Activities Expenses	1,894,812	1,836,144	2,222,548	2,259,393	2,258,816	2,188,047	3,010,490	3,317,525	3,290,392
Total Primary Government Expenses	17,910,609	19,077,840	20,797,461	21,587,046	22,836,332	21,871,691	22,759,851	23,068,312	23,608,074
Program Revenues									
Governmental Activities									
Charges for Services									
General Government	1,100,682	1,297,115	1,387,635	1,529,905	1,660,102	1,813,687	1,859,319	2,023,209	1,731,344
Public Safety	748,241	1,313,735	1,356,398	1,385,084	965,460	1,087,079	917,706	1,065,490	1,575,783
Public Works	91,131	44,643	56,254	40,844	3,792	4,605	2,858	733	-
Operating Grants/Contributions	300,000	25,000	50,000	166,000	751,563	304,282	80,817	602,356	105,533
Capital Grants/Contributions	-	-	-	-	-	-	-	-	388,795
Total Governmental Activities Program Revenues	2,240,054	2,680,493	2,850,287	3,121,833	3,380,917	3,209,653	2,860,700	3,691,788	3,801,455
Business-Type Activities									
Charges for Services									
Water and Sewer	2,178,542	2,114,570	2,514,420	2,181,794	2,474,138	2,508,912	2,639,221	3,576,490	3,455,950
Total Business-Type Activities Program Revenues	2,178,542	2,114,570	2,514,420	2,181,794	2,474,138	2,508,912	2,639,221	3,576,490	3,455,950
Total Primary Government Program Revenues	4,418,596	4,795,063	5,364,707	5,303,627	5,855,055	5,718,565	5,499,921	7,268,278	7,257,405
Net (Expense) Revenue									
Governmental Activities	(13,775,743)	(14,561,203)	(15,724,626)	(16,205,820)	(17,196,599)	(16,473,991)	(16,888,661)	(16,058,999)	(16,516,227)
Business-Type Activities	283,730	278,426	291,872	(77,599)	215,322	320,865	(371,269)	258,965	165,558
Total Primary Government Net (Expense) Revenue	(13,492,013)	(14,282,777)	(15,432,754)	(16,283,419)	(16,981,277)	(16,153,126)	(17,259,930)	(15,800,034)	(16,350,669)

	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenues and Other Changes in Net Assets									
Governmental Activities									
Taxes									
Property	\$ 5,495,407	5,607,664	7,328,180	6,682,802	6,688,546	6,960,014	8,124,554	6,699,698	7,612,055
Utility	1,702,141	1,758,236	1,890,680	1,694,638	1,766,707	1,682,754	1,595,804	1,601,218	1,546,490
Intergovernmental - Unrestricted									
State Sales, Income Taxes and Use Taxes	6,814,434	8,288,144	8,852,947	9,705,050	9,545,382	9,072,290	8,099,811	8,681,973	8,448,621
Replacement Taxes	92,886	108,805	139,695	155,270	171,151	150,040	124,581	153,684	135,608
Other	1,275,441	523,338	509,584	927,833	575,230	507,724	866,145	872,480	799,404
Interest	128,266	137,519	315,365	630,637	584,477	222,002	200,209	238,760	196,040
Miscellaneous	259,028	240,424	250,480	331,957	432,291	435,209	212,422	187,430	189,445
Transfers	150,000	150,000	150,000	150,000	150,000	150,000	175,000	175,000	200,000
Total Governmental Activities	15,917,603	16,814,130	19,436,931	20,278,187	19,913,784	19,180,033	19,398,526	18,610,243	19,127,663
Business-Type Activities									
Interest	1,261	28,024	107,531	169,809	121,583	125,529	41,782	5,842	5,971
Transfers	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(175,000)	(175,000)	(200,000)
Total Business-Type Activities	(148,739)	(121,976)	(42,469)	19,809	(28,417)	(24,471)	(133,218)	(169,158)	(194,029)
Total Primary Government General Revenue	15,768,864	16,692,154	19,394,462	20,297,996	19,885,367	19,155,562	19,265,308	18,441,085	18,933,634
Changes in Net Assets									
Governmental Activities	2,141,860	2,252,927	3,712,305	4,072,367	2,717,185	2,706,042	2,509,865	2,551,244	2,611,436
Business-Type Activities	134,991	156,450	249,403	(57,790)	186,905	296,394	(504,487)	89,807	(28,471)
Total Primary Government	2,276,851	2,409,377	3,961,708	4,014,577	2,904,090	3,002,436	2,005,378	2,641,051	2,582,965

* Accrual Basis of Accounting

Data Source: Village Records

The Village implemented GASB No. 34 for the fiscal year ended April 30, 2004.

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	2003	2004	2005
General Fund			
Reserved	\$ 70,942	48,518	20,883
Unreserved	5,364,712	5,503,935	6,543,177
Nonspendable	-	-	-
Unassigned	-	-	-
Total General Fund	<u>5,435,654</u>	<u>5,552,453</u>	<u>6,564,060</u>
All Other Governmental Funds			
Reserved	8,376,297	4,025,495	2,956,530
Unreserved, Reported in,			
Special Revenue Funds	-	210,470	251,524
Debt Service Funds	3,991,143	827,126	-
Capital Projects Funds	(144,033)	1,144,188	724,896
Restricted	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	<u>12,223,407</u>	<u>6,207,279</u>	<u>3,932,950</u>

* Modified Accrual Basis of Accounting

Data Source: Village Records

The Village implemented GASB No. 54 for the fiscal year ended April 30, 2012.

2006	2007	2008	2009	2010	2011	2012
14,055	2,407	2,407	625	400,625	150,478	-
8,003,553	8,868,659	9,272,816	9,158,204	8,914,733	9,805,693	-
-	-	-	-	-	-	511,884
-	-	-	-	-	-	9,047,480
8,017,608	8,871,066	9,275,223	9,158,829	9,315,358	9,956,171	9,559,364
4,622,786	6,301,033	6,052,311	7,642,939	8,516,994	7,664,671	-
618,119	1,072,217	1,409,348	1,778,703	2,084,554	1,632,933	-
1,959	5,428	6,629	-	453	703	-
-	1,213	9,244	17,842	18,102	485,611	-
-	-	-	-	-	-	11,221,347
-	-	-	-	-	-	(103,757)
5,242,864	7,379,891	7,477,532	9,439,484	10,620,103	9,783,918	11,117,590

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	2003	2004	2005
Revenues			
Taxes	\$ 14,036,339	15,422,077	16,310,842
Licenses, Permits and Fees	947,869	803,036	1,222,967
Intergovernmental	1,026,798	461,047	185,495
Charges for Services	836,000	873,738	1,136,004
Fines and Forfeitures	262,096	168,959	207,832
Interest	152,072	128,266	137,519
Miscellaneous	380,505	150,534	143,964
Total Revenues	17,641,679	18,007,657	19,344,623
Expenditures			
Current			
General Government	2,475,173	3,021,975	3,830,112
Public Safety	6,812,604	7,371,249	7,657,924
Public Works	932,554	1,159,042	884,101
Culture and Recreation	1,680,709	1,794,614	1,708,065
Sanitation	884,113	824,084	831,213
Economic Development	130,634	192,531	607,945
Capital Outlay	3,944,744	7,578,674	3,049,157
Debt Service			
Principal Retirement	1,099,338	1,413,890	1,538,672
Interest and Fiscal Charges	540,951	867,014	650,153
Total Expenditures	18,500,820	24,223,073	20,757,342
Excess (Deficiency) of Revenues Over (Under) Expenditures	(859,141)	(6,215,416)	(1,412,719)
Other Financing Sources (Uses)			
Debt Issuance	9,021,862	58,623	-
Transfers In	2,142,816	10,269,025	4,395,892
Transfers Out	(1,992,816)	(10,119,025)	(4,245,892)
Total Other Financing Sources (Uses)	9,171,862	208,623	150,000
Net Change in Fund Balances	8,312,721	(6,006,793)	(1,262,719)
Debt Service as a Percentage of Noncapital Expenditures	11.30%	13.70%	12.40%

* Modified Accrual Basis of Accounting

Data Source: Village Records

2006	2007	2008	2009	2010	2011	2012
18,752,520	19,276,245	19,220,739	18,798,722	18,837,235	18,036,316	17,148,230
1,133,783	1,082,324	973,929	983,497	922,356	1,007,370	1,009,122
273,847	605,242	544,027	301,604	166,993	667,400	2,061,657
1,266,843	1,408,827	1,458,500	1,563,533	1,654,481	1,789,585	1,764,893
215,016	213,138	189,514	183,904	176,706	265,214	359,731
315,365	630,637	575,803	213,404	200,209	238,758	196,040
181,260	33,607	195,026	195,022	129,033	135,559	189,445
22,138,634	23,250,020	23,157,538	22,239,686	22,087,013	22,140,202	22,729,118
3,862,274	3,770,594	3,974,785	3,709,003	3,889,439	3,825,017	3,858,935
8,133,617	8,673,850	9,325,358	9,068,488	8,668,806	9,489,960	9,051,421
962,417	1,224,594	1,266,245	1,131,520	1,141,803	1,873,033	1,171,370
1,885,454	1,984,619	2,071,540	2,086,397	2,064,504	2,142,897	2,100,417
881,787	910,548	917,168	956,426	1,006,848	1,000,832	1,042,760
789,831	804,893	872,154	940,667	1,415,550	1,105,001	1,137,237
573,321	405,038	2,058,126	336,409	1,449,975	2,111,785	2,106,974
1,818,700	2,088,232	1,850,000	1,905,000	1,190,000	1,242,500	1,330,550
617,761	547,167	470,364	410,218	347,940	312,201	351,695
19,525,162	20,409,535	22,805,740	20,544,128	21,174,865	23,103,226	22,151,359
2,613,472	2,840,485	351,798	1,695,558	912,148	(963,024)	577,759
-	-	-	-	250,000	592,652	159,106
1,015,129	449,038	1,055,240	418,279	310,000	422,094	1,264,655
(865,129)	(299,038)	(905,240)	(268,279)	(135,000)	(247,094)	(1,064,655)
150,000	150,000	150,000	150,000	425,000	767,652	359,106
2,763,472	2,990,485	501,798	1,845,558	1,337,148	(195,372)	936,865
12.90%	13.20%	11.20%	11.40%	7.90%	8.10%	8.37%

VILLAGE OF LINCOLNWOOD, ILLINOIS

Sales Tax by Category - Last Ten Calendar Years
April 30, 2012 (Unaudited)

	2011		2010		2009		2008	
	Amount	% Change from Previous Year						
General Merchandise	\$ 281,587	(19.3%)	\$ 349,013	(2.4%)	\$ 357,635	(7.7%)	\$ 387,343	(13.6%)
Food	388,828	14.3%	340,290	0.2%	339,654	(3.8%)	352,895	7.5%
Drinking and Eating Places	388,243	3.5%	375,025	(1.4%)	380,518	(9.4%)	420,113	2.9%
Apparel	232,302	(4.9%)	244,264	0.6%	242,758	(11.5%)	274,233	(14.5%)
Furniture, Households and Radio	67,414	(9.6%)	74,594	(2.2%)	76,302	(17.4%)	92,403	(8.4%)
Lumber, Building and Hardware	213,529	(6.6%)	228,726	(2.6%)	234,730	(15.2%)	276,899	(13.8%)
Automotive Filing Stations	2,384,220	14.6%	2,080,078	14.0%	1,824,494	(17.1%)	2,201,509	(13.0%)
Drugs and Other Retail	407,778	16.9%	348,743	(0.6%)	350,756	(6.7%)	375,877	(9.1%)
Agriculture and Extractive Manufacturers	238,146	(35.3%)	367,963	(0.5%)	369,838	(13.6%)	428,148	(1.2%)
	<u>134,346</u>	(19.3%)	<u>166,420</u>	17.1%	<u>142,106</u>	(12.0%)	<u>161,443</u>	21.6%
	<u>4,736,393</u>	3.5%	<u>4,575,116</u>	5.9%	<u>4,318,791</u>	(13.1%)	<u>4,970,863</u>	(8.6%)
Village Statutory Allocated Sales Tax Rate	<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>	

Note: Sales Tax information for the calendar year 2011 is the most current available.

Data Source: Illinois Department of Revenue

2007		2006		2005		2004		2003		2002	
Amount	% Change from Previous Year										
\$ 448,526	10.1%	\$ 407,383	(2.4%)	\$ 417,277	1.4%	\$ 411,606	(0.4%)	\$ 413,454	31.3%	\$ 314,814	(28.9%)
328,219	1.7%	322,803	(1.6%)	328,186	(1.4%)	332,905	2.1%	326,141	(1.3%)	330,545	9.2%
408,198	0.9%	404,746	(5.7%)	429,011	8.3%	396,302	5.2%	376,852	6.8%	352,938	(4.7%)
320,828	(2.4%)	328,715	(3.0%)	338,721	0.9%	335,787	1.5%	330,947	(6.4%)	353,678	13.5%
100,831	5.2%	95,852	(6.7%)	102,710	(14.3%)	119,906	(37.9%)	193,192	1.4%	190,504	36.8%
321,215	(13.8%)	372,716	5.2%	354,179	(9.5%)	391,149	1,649.1%	22,363	0.0%	-	0.0%
2,530,231	(8.2%)	2,754,935	17.5%	2,345,277	5.3%	2,226,225	(2.3%)	2,279,710	17.1%	1,947,002	(6.7%)
413,424	(0.6%)	415,789	3.1%	403,161	(2.1%)	411,791	1.8%	404,388	2.0%	396,392	(0.2%)
433,155	2.8%	421,297	(1.6%)	428,228	4.5%	409,975	(9.2%)	451,438	(21.5%)	575,238	5.7%
132,776	17.1%	113,343	5.8%	107,086	45.8%	73,458	61.1%	45,593	(9.5%)	50,380	(10.5%)
<u>5,437,403</u>	<u>(3.6%)</u>	<u>5,637,579</u>	<u>7.3%</u>	<u>5,253,836</u>	<u>2.8%</u>	<u>5,109,104</u>	<u>5.5%</u>	<u>4,844,078</u>	<u>7.4%</u>	<u>4,511,491</u>	<u>(3.0%)</u>
<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>	

VILLAGE OF LINCOLNWOOD, ILLINOIS

Home Rule Sales Tax by Category - Last Ten Calendar Years
April 30, 2012 (Unaudited)

	2011		2010		2009		2008	
	Amount	% Change from Previous Year						
General Merchandise	\$ 270,834	(22.4%)	\$ 349,013	(2.4%)	\$ 357,635	(7.7%)	\$ 387,343	(13.6%)
Food	188,624	63.3%	115,542	26.2%	91,548	2.4%	89,392	6.4%
Drinking and Eating Places	386,324	3.5%	373,285	(1.3%)	378,311	(9.5%)	417,838	3.0%
Apparel	232,285	(4.9%)	244,246	0.7%	242,561	(11.5%)	274,140	(14.5%)
Furniture, Households and Radio	67,414	(9.6%)	74,592	(2.2%)	76,305	(17.6%)	92,642	(8.1%)
Lumber, Building and Hardware	213,421	(6.4%)	228,116	(2.3%)	233,600	(15.2%)	275,450	(14.2%)
Automotive Filing Stations	431,588	52.8%	282,472	2.4%	275,854	(23.4%)	360,287	8.1%
Drugs and Other Retail	277,149	13.8%	243,535	16.3%	209,486	(11.6%)	236,960	(14.2%)
Agriculture and Extractive Manufacturers	208,091	(33.6%)	313,544	(10.6%)	350,667	(15.3%)	413,990	(0.9%)
	133,396	(13.4%)	154,123	17.0%	131,713	(14.3%)	153,676	23.3%
	<u>2,409,126</u>	1.3%	<u>2,378,468</u>	1.3%	<u>2,347,680</u>	(13.1%)	<u>2,701,718</u>	(4.6%)
Village Home Rule Sales Tax Rate	<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>		<u>1.00%</u>	

Note: Sales Tax information for the calendar year 2011 is the most current available.

Data Source: Illinois Department of Revenue

2007		2006		2005		2004		2003		2002	
Amount	% Change from Previous Year										
\$ 448,322	10.3%	\$ 406,461	30.1%	\$ 312,305	1.3%	\$ 308,281	16.6%	\$ 264,344	67.9%	\$ 157,402	(28.9%)
84,035	4.5%	80,451	32.5%	60,715	(0.3%)	60,888	28.1%	47,540	27.9%	37,177	9.2%
405,782	1.1%	401,322	26.2%	317,956	8.6%	292,876	26.8%	230,958	33.1%	173,552	(4.7%)
320,751	(2.2%)	328,066	29.2%	254,011	1.2%	251,035	20.1%	209,043	18.2%	176,804	13.5%
100,830	7.5%	93,836	21.8%	77,028	(14.2%)	89,796	(25.5%)	120,542	26.6%	95,227	36.8%
321,061	(13.8%)	372,645	40.3%	265,635	(9.5%)	293,362	1,761.1%	15,763	0.0%	-	0.0%
333,171	(3.2%)	344,231	35.8%	253,549	15.8%	218,955	31.3%	166,801	36.8%	121,970	(6.7%)
276,254	(4.7%)	289,832	31.1%	221,009	(4.1%)	230,494	19.4%	193,037	26.0%	153,224	(0.2%)
417,766	2.6%	407,266	29.5%	314,385	4.9%	299,821	10.7%	270,842	(3.5%)	280,752	5.7%
124,618	16.5%	106,928	41.6%	75,536	47.2%	51,332	117.5%	23,597	3.9%	22,701	(10.5%)
<u>2,832,590</u>	0.1%	<u>2,831,038</u>	31.5%	<u>2,152,129</u>	2.6%	<u>2,096,840</u>	35.9%	<u>1,542,467</u>	26.6%	<u>1,218,809</u>	(3.0%)
<u>1.00%</u>		<u>0.75%</u>									

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2002	\$ 331,014	\$ 100	\$ 132,006	\$ 90,274	\$ 26,353	\$ 527,041	0.799
2003	320,674	58	127,963	103,719	26,305	526,109	0.820
2004	389,784	76	185,445	72,563	19,968	627,900	0.700
2005	418,689	72	170,461	99,733	19,948	669,007	0.679
2006	417,718	72	170,066	99,023	19,422	667,457	0.704
2007	575,648	128	189,630	84,606	27,833	822,179	0.586
2008	588,860	136	194,846	86,963	-	870,805	0.576
2009	596,660	49	183,818	76,573	-	857,100	0.585
2010	514,583	130	181,926	82,205	57	778,787	0.661
2011	N/A	N/A	N/A	N/A	N/A	693,817	0.753

Data Source: Office of the County Clerk

Property in the Village is reassessed every three years.

N/A - Information is not available.

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	2002	2003	2004
Village Direct Rates			
General	0.565	0.487	0.403
Police Pension	0.122	0.139	0.133
Special Recreation	-	-	-
Playgrounds and Recreation	0.112	0.194	0.164
Total Direct Rates	0.799	0.820	0.700
Overlapping Rates			
Lincolnwood Public Library	0.332	0.388	0.335
School District #74	2.911	3.109	2.752
High School District #219	1.776	2.090	2.013
Oakton Community College District #535	0.179	0.186	0.161
Niles Township	0.033	0.033	0.030
Niles Township General Assistance	0.003	0.003	0.003
North Shore Mosquito Abatement District	0.009	0.009	0.008
County of Cook	0.534	0.489	0.471
Cook County Health Facilities	0.156	0.141	0.122
Forest Preserve District of Cook County	0.061	0.059	0.060
Cook County Consolidated Elections	-	0.029	-
Cook County Public Safety	-	-	-
Suburban Cook County T.B. Sanitarium District	0.006	0.004	0.001
Metro Water Reclamation District of Greater Chicago	0.371	0.361	0.347
Total Overlapping Rates	6.371	6.901	6.303
Total Direct and Overlapping Rates	7.170	7.721	7.003

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value

2005	2006	2007	2008	2009	2010	2011
0.388	0.403	0.332	0.327	0.328	0.366	0.395
0.137	0.146	0.128	0.130	0.137	0.165	0.210
-	-	-	0.013	0.013	0.015	0.016
0.154	0.155	0.126	0.106	0.107	0.115	0.132
0.679	0.704	0.586	0.576	0.585	0.661	0.753
0.323	0.339	0.285	0.280	0.286	0.289	0.330
2.697	2.807	2.348	2.313	2.363	2.666	3.034
2.007	2.374	2.114	2.120	2.267	2.538	2.904
0.158	0.166	0.141	0.140	0.140	0.160	0.196
0.029	0.031	0.027	0.027	0.029	0.032	0.037
0.002	0.003	0.003	0.003	0.003	0.004	0.005
0.008	0.009	0.008	0.008	0.008	0.009	0.010
0.421	0.395	0.186	0.224	0.203	0.228	0.223
0.112	0.105	0.093	0.086	0.086	0.082	0.078
0.060	0.057	0.053	0.051	0.049	0.051	0.058
0.014	-	0.012	-	0.021	-	0.025
-	-	0.167	0.105	-	0.113	0.161
0.005	0.005	-	-	0.105	-	-
0.315	0.284	0.263	0.252	0.261	0.274	0.320
6.151	6.575	5.700	5.609	5.821	6.446	7.381
6.830	7.279	6.286	6.185	6.406	7.107	8.134

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal 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
Simon Properties	\$ 40,842,368	1	5.24%	\$ 23,396,713	1	4.70%
Grossinger Properties	13,040,547	2	1.68%	8,544,440	2	1.72%
Puig Holding Co.	11,831,127	3	1.52%			
WHL Lincolnwood LLC	9,207,218	4	1.18%			
Lowes Companies	8,026,593	5	1.03%			
Lincolnwood Properties	6,357,410	6	0.82%			
MCRIL LLC	6,236,993	7	0.80%			
Loeber Motors Corp.	5,736,882	8	0.74%			
Bryn Mawr County Club	5,606,010	9	0.72%			
Imperial Realty Co.	5,230,375	10	0.67%			
Centerpoint Properties				8,084,355	3	1.62%
United Equitable				6,104,150	4	1.23%
Imperial Realty				5,914,372	5	1.19%
Senior Lifestyle Corp.				5,843,792	6	1.17%
Village Resorts/KM Ventures				5,205,541	7	1.05%
McRae's				5,154,931	8	1.04%
Loeber Motors Corp.				4,445,651	9	0.89%
First Industrial				4,325,519	10	0.87%
	<u>112,115,523</u>		<u>14.40%</u>	<u>77,019,464</u>		<u>15.48%</u>

Data Source: Office of the County Clerk and Assessor's Office

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

Fiscal Year	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	\$ 4,211,065	\$ -	0.00%	\$ 4,164,505	\$ 4,164,505	98.89%
2004	2003	4,314,090	-	0.00%	4,274,264	4,274,264	99.08%
2005	2004	4,395,203	-	0.00%	4,346,143	4,346,143	98.88%
2006	2005	4,542,380	-	0.00%	4,477,807	4,477,807	98.58%
2007	2006	4,698,899	4,640,292	98.75%	-	4,640,292	98.75%
2008	2007	4,817,971	-	0.00%	4,729,420	4,729,420	98.16%
2009	2008	5,008,652	-	0.00%	4,942,904	4,942,904	98.69%
2010	2009	5,014,344	2,379,592	47.46%	2,526,706	4,906,298	97.85%
2011	2010	5,148,487	2,653,434	51.54%	2,456,162	5,109,596	99.24%
2012	2011	5,224,442	2,657,978	50.88%	-	2,657,978	50.88%

Data Source: Office of the County Clerk

Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

Fiscal Year	Governmental Activities			Business-Type	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Loan Payable	Special Service Area Bonds	IEPA Loan Payable			
2003	\$ 1,010,000	\$ -	\$ -	\$ -	\$ 1,010,000	0.23%	\$ 82
2004	1,413,890	-	-	-	1,413,890	0.32%	114
2005	17,365,000	-	416,933	-	17,781,933	4.01%	1,439
2006	15,650,000	-	313,233	-	15,963,233	3.60%	1,292
2007	13,875,000	-	-	-	13,875,000	3.13%	1,123
2008	12,025,000	-	-	1,992,021	14,017,021	3.16%	1,134
2009	10,120,000	-	-	4,371,277	14,491,277	3.27%	1,173
2010	8,930,000	250,000	-	4,992,058	14,172,058	3.19%	1,147
2011	7,700,000	830,152	-	5,361,696	13,891,848	2.83%	1,103
2012	6,425,000	869,602	-	5,114,044	12,408,646	2.53%	986

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.

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2003	\$ 1,010,000	\$ -	\$ 1,010,000	0.19%	\$ 82
2004	1,413,890	-	1,413,890	0.27%	114
2005	17,365,000	-	17,365,000	2.77%	1,405
2006	15,650,000	-	15,650,000	2.34%	1,266
2007	13,875,000	-	13,875,000	2.08%	1,123
2008	12,025,000	-	12,025,000	1.46%	973
2009	10,120,000	-	10,120,000	1.16%	819
2010	8,930,000	-	8,930,000	1.04%	723
2011	7,700,000	-	7,700,000	0.99%	612
2012	6,425,000	-	6,425,000	0.93%	510

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

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village*	Village's Share of Debt
Village - Payable from Property Taxes	\$ 6,425,000	100.000%	\$ 6,425,000
Overlapping Debt			
Cook County - Including Forest Preserve	3,804,145,000	0.458%	17,422,984
Metropolitan Water Reclamation District	2,446,220,030 (1)	0.467%	11,423,848
School District #74	4,675,000	100.000%	4,675,000
School District #219	160,438,952 (2)	16.279%	26,117,857
Oakton Community College #535	27,245,000	3.009%	819,802
Total Overlapping Debt	6,442,723,982		60,459,491
Total Direct and Overlapping Debt	6,449,148,982		66,884,491

Data Source: Cook County Tax Extension Department

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

Notes:

(1) Includes Illinois EPA Revolving Loan Bonds

(2) Includes original principal and interest amounts of outstanding General Obligation Capital Appreciation Bonds

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>
Issuing Body			
DIRECT (Locally Imposed)			
Village of Lincolnwood	1.00%	1.00%	1.00%
Village of Lincolnwood Home Rule	0.75%	0.75%	0.75%
Total Direct Rates	<u>1.75%</u>	<u>1.75%</u>	<u>1.75%</u>
Overlapping (State Imposed)			
State of Illinois	5.00%	5.00%	5.00%
Cook County	1.00%	1.00%	1.00%
RTA	0.75%	0.75%	0.75%
Total Overlapping Rates	<u>6.75%</u>	<u>6.75%</u>	<u>6.75%</u>
Total Direct and Overlapping Rates	<u><u>8.50%</u></u>	<u><u>8.50%</u></u>	<u><u>8.50%</u></u>

Data Source: Illinois Department of Revenue

2006	2007	2008	2009	2010	2011	2012
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
1.00%	1.00%	1.00%	2.00%	2.00%	1.50%	1.25%
0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%
6.75%	6.75%	7.00%	8.00%	8.00%	7.50%	7.25%
8.75%	8.75%	9.00%	10.00%	10.00%	9.50%	9.25%

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Retailers' Occupation, Service Occupation and Use Tax Distribution - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

Fiscal Year	State Sales Tax Distributions	Annual Change	
		Amount	Percentage
2002	\$ 5,940,444	(411,186)	(6.47%)
2003	6,034,044	93,600	1.58%
2004	6,814,434	780,390	12.93%
2005	7,384,465	570,031	8.37%
2006	8,247,728	863,263	11.69%
2007	8,634,119	386,391	4.68%
2008	8,383,508	(250,611)	(2.90%)
2009	7,580,207	(803,301)	(9.58%)
2010	6,759,593	(820,614)	(10.83%)
2011	7,303,975	544,382	8.05%
2012	7,373,902	69,927	0.96%

Data Source: State of Illinois

VILLAGE OF LINCOLNWOOD, ILLINOIS

Schedule of Legal Debt Margin April 30, 2012 (Unaudited)

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

The Village has a legal debt limitation not to exceed 8.625% of the total equalized assessed valuation of the taxable property within the Village boundaries. This means that the total of bonds, notes, warrants of any other type of general obligation issued or outstanding will not be greater than 8.625%. The following types of obligations are not considered in determining the debt limitations: certain revenue bonds, special assessment bonds, special service area bonds, and alternative revenue bonds.

At April 30, 2012 the Village has \$6,425,000 of general obligation bonds outstanding. Under current state statute, the Village's general obligation bonded debt issuances are subject to a legal limitation based on \$693,817,019 of total assessed value of real property. As of April 30, 2012, the Village's general obligation bonded debt, applicable to the debt limit of \$6,425,000 was well below the legal limit of \$53,415,855.

Data Source: Village Records

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

Fiscal Year	Population (1)	Estimated Personal Income	Per Capita Personal Income (1)	Unemployment Rate (2)	
				Village	State
2003	12,359	\$ 443,824,049	\$ 35,911	5.50%	6.50%
2004	12,359	443,824,049	35,911	3.40%	6.70%
2005	12,359	443,824,049	35,911	2.30%	6.20%
2006	12,359	443,824,049	35,911	2.30%	5.70%
2007	12,359	443,824,049	35,911	4.00%	5.50%
2008	12,359	443,824,049	35,911	5.50%	7.30%
2009	12,359	443,824,049	35,911	6.00%	10.50%
2010	12,359	443,824,049	35,911	N/A	10.30%
2011	12,590	491,161,080	39,012	N/A	9.80%
2012	12,590	491,161,080	39,012	N/A	N/A

Data Source:

(1) U.S. Department of Commerce, Bureau of Census

(2) Illinois Department of Labor, Illinois Department of Commerce and Economic Opportunity and Northeastern Illinois Planning Commission

The U.S. Department of Commerce, Bureau of Census defines personal income as a measure of income received from all sources by residents of the Village during a calendar year.

N/A - Not Available

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Construction - Last Ten Fiscal Years
April 30, 2012 (Unaudited)**

Fiscal Year	Commercial Construction		Residential Construction		Other Construction Alterations, Etc.	
	Number of Units	Property Value	Number of Units	Property Value	Number of Permits	Property Value
2003	N/A	N/A	24	N/A	884	N/A
2004	N/A	N/A	26	N/A	739	N/A
2005	N/A	N/A	29	N/A	820	N/A
2006	2	N/A	20	N/A	535	N/A
2007	N/A	N/A	21	10,450,900	694	17,955,436
2008	1	818,004	8	6,989,300	817	12,832,731
2009	N/A	N/A	4	3,724,600	943	10,446,483
2010	N/A	N/A	1	567,000	829	10,459,481
2011	N/A	N/A	N/A	N/A	869	13,856,843
2012	4	1,524,154	3	2,457,029	1,056	14,867,739

Data Source: Village's Building Department Records

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

Employer	2012			2003		
	Employees	Rank	Percentage of Total Village Population	Employees	Rank	Percentage of Total Village Population
Publications International	351	1	2.79%	N/A	N/A	N/A
Carson Pirie Scott	187	2	1.49%	N/A	N/A	N/A
ATF	180	3	1.43%	N/A	N/A	N/A
Dominick's	150	4	1.19%	N/A	N/A	N/A
Lincolnwood Place	150	5	1.19%	N/A	N/A	N/A
Lowe's	125	6	0.99%	N/A	N/A	N/A
Loeber Motors	125	7	0.99%	N/A	N/A	N/A
Olive Garden	123	8	0.98%	N/A	N/A	N/A
Grossinger Autoplex	120	9	0.95%	N/A	N/A	N/A
Kohl's	112	10	0.89%	N/A	N/A	N/A
	<u>1,623</u>		<u>12.89%</u>	<u>N/A</u>		<u>N/A</u>

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

N/A - Information is not available for nine fiscal years ago.

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

See Following Page

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>
General Government			
Executive	9	9	9
Administration	6	5.5	5.5
Finance	5	5	5
Public Safety			
Police			
Sworn	34	34	34
Non-Sworn	12	12.5	12
Fire			
Sworn*	-	-	-
Non-Sworn	1	1	1
Building	5.5	5.5	5.5
Village Services			
Community Development	1	1	1
Public Works	22	22	23
Parks and Recreation	11.5	11.5	11.5
Total	<u>107.0</u>	<u>107.0</u>	<u>107.5</u>

Data Source: Village Records

* The Village contracts for Fire and EMS Services.

2006	2007	2008	2009	2010	2011	2012
9	9	9	9	9	9	9
5.5	5.5	5.5	5.5	5	5	5
5	5	5	5	5	5	5
33	33	33	33	32	32	32
13	13	13	13	13	12.5	12.5
-	-	-	-	-	-	-
1	1	1	1	1	1	1
5.5	5.5	5.5	4.5	-	-	-
1	1	1	1	4	4	4
21.75	23.5	23.5	22.5	22.5	22.5	22.5
9.25	11.5	11.5	11.5	11.5	10.5	10.5
104.0	108.0	108.0	106.0	103.0	101.5	101.5

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	2003	2004	2005
General Government			
Building and Zoning			
Permits Issued	923	1,073	908
Inspections Conducted	2,000	2,250	2,000
Contractors Licenses Issued	NA	NA	NA
Business Licenses Issued	NA	NA	225
Legal Notices Published	NA	NA	22
Personnel			
Employment Exams Given	94	NA	100
Full-Time Employees Hired	2	1	2
Part-Time/Seasonal Employees Hired	10	10	10
Legal			
Ordinances Written		32	31
Resolutions Written	45	16	17
Vehicles			
Vehicles Replaced	NA	7	8
Public Safety			
Police			
Part I Offenses	768	581	669
Part II Offenses	1,619	1,483	1,482
Traffic Accidents	917	908	885
Criminal Arrests	954	726	879
Total Calls for Service	12,371	12,891	12,535
Fire			
EMS Related Incidents	1,237	1,248	1,023
Structural Fire Incidents	16	20	18
Other Fire and Rescue Incidents	385	361	533
Hazardous Materials Incidents	27	39	33
All Other Received	187	198	211
Mutual Aid Received	29	27	24
Mutual Aid Given	44	33	31
Total Incidents	1,852	1,866	1,818
Highways and Streets			
Complete Sweeps of the Village	10	10	10
Tons of Salt Used	800	800	900
Reconstruction by Contractor (feet)	3,000	-	-
Tons of Asphalt Installed	140	130	150
Public Service			
Waterworks and Sewerage Systems			
Metered Customers	4,220	4,196	4,203
Gallons of Water Delivered to Residences and Businesses (thousands of gallons)	706,955	667,921	645,268
Feet of Sanitary Sewer Televised	-	-	-
Feet of Sanitary Sewer Cleaned	30,000	11,500	24,000
Water Meters Installed	50	50	54

Data Source: Village Departments

2006	2007	2008	2009	2010	2011	2012
765	849	827	949	822	869	861
2,750	3,250	2,217	1,932	1,390	1,336	1,337
972	980	950	682	339	599	499
192	193	220	340	416	505	406
21	18	18	25	25	26	23
3	12	68	83	83	-	46
5	9	10	9	5	3	7
12	10	198	166	109	187	180
36	38	68	46	69	61	53
55	52	78	74	44	74	79
3	5	3	3	3	3	4
697	579	555	625	500	496	576
1,438	1,268	1,530	1,314	827	1,047	1,394
958	731	804	810	897	948	851
841	701	868	886	808	957	946
12,571	12,135	13,945	12,978	18,128	20,118	20,688
1,190	1,155	1,195	1,276	1,262	1,264	1,263
15	11	13	9	38	18	7
476	472	457	10	291	26	23
32	23	37	28	63	30	18
156	121	165	685	293	645	570
20	28	25	70	24	28	26
27	21	39	43	32	36	41
1,869	1,782	1,931	2,066	1,947	1,983	1,948
10	10	10	10	10	10	10
800	850	688	600	600	800	800
-	-	-	-	-	-	4,625
150	140	62	150	700	200	500
4,179	4,191	4,207	4,215	4,232	4,226	4,228
744,500	630,843	624,556	577,695	508,073	529,871	483,640
600	4,200	-	-	235,000	-	500
6,000	4,000	400	100,000	500	57,000	57,000
40	50	200	4,500	10	40	30

VILLAGE OF LINCOLNWOOD, ILLINOIS

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

	2003	2004	2005
General Government			
Land, General (acres)	47	47	47
Land, Right of Way (acres)	352	352	352
Buildings	3	3	3
Vehicles	2	2	2
Public Safety			
Police			
Land (acres)	1	1	1
Buildings	1	1	1
Vehicles	20	20	20
Fire			
Land (acres)	1	1	1
Buildings	1	1	1
Vehicles	9	9	10
Public Works			
Land (acres)	3	3	3
Streets (lane miles)	35	35	35
Buildings	1	1	1
Vehicles	21	21	27
Enterprise			
Land (acres)	3.5	3.5	3.5
Combined Sanitary/Storm (miles)	59	59	59
Water Mains (miles)	53	53	53
Buildings	1	1	1
Vehicles	13	14	15

Data Source: Various Village Departments

2006	2007	2008	2009	2010	2011	2012
47	47	47	47	47	47	47
352	352	352	352	352	352	352
3	3	3	3	3	3	3
2	-	-	-	-	-	-
1	1	1	1	1	1	1
1	1	1	1	1	1	1
20	20	20	20	20	19	19
1	1	1	1	1	1	1
1	1	1	1	1	1	1
11	12	12	12	12	13	13
3	3	3	3	3	3	3
35	35	35	35	35	35	35
1	1	1	1	1	1	1
28	29	29	29	29	29	29
3.5	3.5	3.5	35	35	35	35
59	59	59	59	59	59	59
53	53	53	53	53	53	53
1	1	1	1	1	1	1
15	17	17	17	17	17	17

VILLAGE OF LINCOLNWOOD, ILLINOIS

**Surety Bonds of Principal Officials
April 30, 2012 (Unaudited)**

Principal Official

Village President	\$	3,000
Village Clerk		3,000
Finance Director/Treasurer		50,000

Data Source: Village Records