VILLAGE OF ROMEOVILLE, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2013

Sikich.

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Village of Romeoville
Where Community Matters

December 16, 2013

To the Village President and Members of the Board of Trustees of the Village of Romeoville

The Annual Financial Statements of the Village of Romeoville for the year ended April 30, 2013, are hereby submitted as required by the Illinois Complied statutes. State law requires that the Village annually issue a complete set of audited financial statements. The statements must be presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants. These Annual Financial Statements are published to fulfill these requirements for the fiscal year ended April 30, 2013.

The report consists of management's representations concerning the finances of the Village of Romeoville. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village are free of material misstatement. Sikich LLP has issued an unmodified ("clean") opinion on the Village of Romeoville's financial statements for the year ended April 30, 2013 and as such are fairly presented in conformity with GAAP. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it. GAAP requires that management provide the MD&A as a narrative introduction, overview and analysis of the basic financial statements.

Profile of the Village of Romeoville

The Village of Romeoville, incorporated in 1895, is located in Will County and is approximately 26 miles southwest of Chicago. It currently encompasses 18 square miles and is bordered by the Village of Bolingbrook to the north, unincorporated Will County to the west, south and east, the City of Lockport to the southeast and the City of Crest Hill to the South. The Village serves a population of approximately 40,000 residents. It is a home rule community as defined by the Illinois Constitution.

The Village of Romeoville is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

1050 West Romeo Road Romeoville, IL 60446 Tel. 815/886-7200 Fax 815/293-0397 www.romeoville.org

The Village has a President and Board of Trustees and has a Village form of government. The Village Board is composed of the Village President and six trustees who are elected at large on a non-partisan basis for staggered four year terms. The Village has an elected Clerk who is elected to a four year term at the same time as the Village President.

Policy making and legislative authority are vested in the Village Board. The Village Board is responsible for, among other things, passing ordinances and resolutions pertaining to and authorizing the wide scope of Village activities and operations, adopting the budget, appointing members to Boards and Commissions and appointing the Village Manager. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board and for overseeing the day-to-day operations of the Village.

The Village of Romeoville provides a full range of services, including police and fire protection; refuse collection; snow and leaf removal; traffic control; on-and off-street parking; building inspections; community development; code enforcement; community relation services; licenses and permits; the construction and maintenance of roads, bridges, storm water systems and other infrastructure; recreational and cultural activities including parks; and general administrative services. In addition to the Village's general government activities the Village provides water and sewer services.

The Village has excellent schools, a wide variety of post high school education opportunities within the Village including those provided by Lewis University, Joliet Junior College and Rasmussen College, a diverse housing stock, easy access to major highways and public transportation and is home to the Lewis University Airport.

The Village is required to adopt an initial budget for the fiscal year no later than the April 30th preceding the beginning of the fiscal year on May 1st. This annual budget serves as the foundation for the Village of Romeoville's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police).

Economic Factors

The Village became a Home Rule community in February of 2004. Home Rule communities are not subject to the state imposed property tax cap which limits property tax increases, excluding new development and newly annexed property, to the lessor of 5% or the CPI. Home Rule communities have no legal debt limit, can implement additional revenue sources not available to non Home Rule communities and can implement regulations not available to non Home Rule communities. Under Illinois State Statutes a Village or City automatically qualifies as a Home Rule community when the population exceeds 25,000.

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Romeoville during fiscal year 2013 and is expected to continue through fiscal year 2014. Grant assistance is extremely competitive and previously reliable state shared revenues (especially the income tax and use tax), which had been trending upward, will be reduced on a per capita basis going forward due to the economic downturn. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their finances in order.

The Village implemented a 1% Food and Beverage tax and increased the Home Rule sales tax of 1% to 1.5% in the fall of 2009. The new rates went into effect January 1st, 2010. The sales tax increase generates $1.6 million on an annual basis while the Food and Beverage Tax generates $600,000 on an annual basis. The taxes were implemented to ensure the Village did not have a large General Corporate Fund shortfall for FY 2009-10, and help to balance the future General Corporate Fund budgets. Even with the additional funds from these sources the Village's 2011-12 budget was only $1 million more than FY 2010-11 ($41 million versus $40 million). The FY 12-13 General Corporate Fund budget did increase to the $43 million level, the FY 13-14 was at the $46 million level and included use of $1 million in fund balance. The FY 14-15 budget is anticipated to be at the $48 million level and may utilize fund balance as well.

The Village adjusted a number of taxes, fees and fines in FY 10-11. The Motor Fuel Tax rate was increased from 4 cents to 5 cents per gallon, the natural gas use tax from 2.5 cents per therm to 3.5 cents, vehicle impound fees were increased from $300 to $400, various Police tickets were all increased to $30.00 which had ranged $10.00 to $25.00 previously, business licenses and liquor license fees were increased across all classes, and the Village implemented a Real Estate Transfer Tax Service Fee of $40.00 for tax exempt transactions. The increases will generate an additional $425,000 a year in General Corporate Fund revenues. The Village has not adjusted any fee for FY 11-12, FY12-13 and FY 13-14. Local tax rates and fees will be reviewed as part of the FY 14-15 budget and proposed increases and/or new fees may be presented to the Village Board.

The Village also implemented annual 5% increases in the water and sewer rates. The rate increases are reviewed every year as part of the budget process. However, the increases will be needed for several years to ensure the proper levels of services are provided to the residents and the system is maintained in the proper manner. The Village anticipates decreasing the annual 5% rate increase to 3% starting in FY 16-17. However, this will be monitored on a year-to-year basis.

The Village pursued the implementation of a Real Estate Transfer Tax. The tax, by state statute, can only be implemented by Home Rule communities but still must be approved by the voters through the referendum process. The Village was able to successfully pass the referendum during the April 5, 2005 elections. The Real Estate Transfer Tax was implemented in June of 2005 and generated $1.25 million, which exceeded the estimated referendum amount of $1,073,000. In fiscal year 2007 the tax generated $1.7 million. However, that decreased to $1.5 million for fiscal year 2008, $0.6 million for 2009, $0.5 million for 2010 and $0.4 million in 2011. 2012 saw an increase to $0.7 million but it is anticipated that 2013 will see a decrease to $0.4 million. The poor housing market will have a large impact on fiscal year 2013 and 2014 revenues as both years will be similar to 2009. The Village pledged, through the referendum process, to use half the proceeds for recreational projects and open space acquisition and the other half for growth related capital projects and public safety equipment.

Fiscal year 2004 saw the start of a slowdown in residential growth in the Village. The trend continued during the 2012 fiscal year. The Village's housing starts have decreased from the 700 to 1,200 range to the current 25 to 50 range.

The Village continues to receive fewer funds from growth related revenues including building permits and tap-on fees, and was experiencing smaller annual increases in areas such as water and sewer usage, and utility tax and recreation department revenues. The Village is seeing an increase in commercial and industrial development. The increase in commercial and industrial development does have a positive impact on sales tax, property tax, utility tax, business licenses and water and sewer revenues. However, the downturn in the economy is still having a large impact on these growth related revenue streams. There are signs that development activities are starting to increase. Recent activity has included the Sam's Club opening in October of 2013, opening of a Deals Store, the opening of a FedEx Ground distribution facility which was completed in the summer of 2013, a large golf course renovation project which includes a new club house is underway with the course renovations and learning center portions of the project completed in the spring of 2013, a couple of industrial spec buildings are being developed, and a couple of large industrial businesses moving into vacant sites. FY 2013-14 will see a return towards more typical level of development and FY 14-15 will continue that trend.

The Village, in hope of revitalizing what is now designated as the downtown area, has formed a Tax Increment Finance District (Downtown TIF) to provide a funding mechanism for the needed activities and projects. The revitalization will provide an economic engine on the Village's aging North side. The revitalization is expected to have a long-term positive impact on property taxes, sales taxes, building permits and other revenue sources.

More importantly, the Downtown TIF is expected to improve the quality of life for the residents. The Downtown TIF is anticipated to attract new quality businesses to the area and some new housing in the form of an apartment complex.

Businesses may include the relocation of the Fat Ricky's restaurant from their current location within the TIF to a new, larger building that will include a 3,000 square foot deli, other restaurants, sports bars, coffee shops, bakeries, boutique shops, a relocated bank and a renovated library facility. The library district completed their renovation project in the summer of 2012. It is anticipated that the Fat Ricky's Restaurant and a retail center will break ground in the spring of 2014. TIF incentives will be provided to both Fat Ricky's and the developers of the retail center.

The Village, acting as the master developer, has worked with Harbor Construction and the Barr Group, to help refine the Village's downtown vision. Two new restaurants opened in or near the Downtown Area in FY 2010-11 (Mongo McMichael's Texas Barbeque and the Stone City Saloon). TIF incentives were provided to both restaurants.

The downtown area is generally bounded by Normantown Road on the north, Illinois Route 53 on the east, Alexander Circle on the south and Dalhart Avenue on the west. The area includes what currently is the Spartan Square Shopping Center and the surrounding vacant land and various out lots. The entire Downtown TIF area is approximately 421 acres including the Downtown Area. The Downtown TIF will extend east of the Downtown area to include nearby industrial parks and open space up to and along the Des Plaines River and south along the Route 53 frontage properties to Romeo Road. The Downtown TIF is contiguous to the existing Marquette TIF.

The Village may spend $50.0 million in projects throughout the Downtown TIF area with the main focus in the designated downtown area. Projects include a new Athletic and Events Center, Route 53 landscaping islands, infrastructure improvements to storm water systems, improve and realign roadways and property acquisition, assembly, preparation and maintenance. TIF dollars will be used to assist property owners with property rehab, façade improvements, relocation expenses and other incentives. Incentives have been or will be provided to assist the White Oak Library renovation project ($270,000), Mickey's Goodyear renovations ($40,000), Mongo McMichael's Restaurant improvements ($75,000), Danny Boys site restoration ($72,605), Stone City Saloon improvements ($240,000), Walgreens site improvements ($350,000) and the PAL Group/Orange Crush property restoration ($30,000).

The Village has implemented extensive design standards for properties located within the TIF area and wants to improve the existing structures to meet the new standards. It is anticipated that the Village will have to issue General Obligation TIF bonds to provide the immediate funding needed for a portion of the projects.

The Village issued, in July of 2013, $15.1 million in bonds to pay for the construction of the Athletic and Event Center and public improvements in the downtown area. The bonds are for 12 years and will be paid with TIF funds. The bond issue is a mix of taxable and non-taxable bonds. The taxable portion will pertain to the funding needed for the Athletic and Event Center ($12.9 million) while the remaining portion ($2.2 million) will be used primarily for storm water and road improvements. The Athletic and Event Center will open in the March of 2014.

The Downtown TIF allows the Village to capture property tax dollars based upon additional equalized assessed value (EAV) realized above 2003 values and the combined tax rate for all taxing bodies. Property owners in the Downtown TIF will pay the property taxes they would normally pay. The taxing bodies receive property taxes based upon the 2002 EAV of the TIF area and the Village receives the remaining portion of property taxes for the incremental EAV above the 2003 level. The Village has the approval and support from the taxing bodies affected by the Downtown TIF, including the Valley View 365U School District. The Village began to receive TIF funds in the 2006-07 fiscal year.

The Athletic and Event center provides the Village a presence in the downtown and will serve as an attraction to bring both a daytime and nighttime population to the downtown. The Athletic and Event center will cost an estimated $13.0 million including related site improvements.

The Athletic and Event center contains space for a performing arts center/stage, indoor turf practice fields, basketball and volley ball courts, and community rooms. The Village pursued a Public/Private partnership where the Village builds the facilities and provides the building to a private group to operate the facility. The agreement, which would be for 5 years, is almost finalized. The agreement would place the financial risk of operating losses with the operator while the Village would receive limited use of the facility, a low annual rental fee, retain revenue generated for naming rights, a 50/50 split of certain sponsorships, limited revenue sharing for the last three years of the agreement and other minor considerations.

The Downtown TIF may generate an estimated $4 million in property taxes and interest.

An additional $26 million is anticipated to be imported from the existing Marquette TIF. State statutes allow the villages to import/export TIF Funds between TIF Districts if they are contiguous with each other. The Marquette TIF will be the primary funding source for the Downtown TIF.

The Village has received approval from the state legislature, which required the approval of all the taxing bodies within the TIF to grant approval, to extend the life of the Marquette TIF for 12 years to further support what the Village hopes to accomplish in the Downtown area and forming two new TIF Districts. One of the new TIF's would be located along Route 53 and Joliet Road with properties near or adjacent to the Marquette TIF and a TIF along Route 53 heading south.

The Village increased the tax distribution surplus from 20% to 50% during the remaining life of the original Marquette TIF and 30% for the life of the extended portion. The Village also provided the Valley View School District $1,000,000 in TIF funds for improvements for the RC Hill School and $250,000 will be provided for Transportation Facility improvements both of which are located in the Downtown TIF. The Village also forgave the school district $250,000 in a loan, funded through TIF, related to the Transportation Facility.

The Village created a third TIF in fiscal year 2008. The Romeo Road TIF is located on the North East corner of Route 53 and Romeo Road and is 2.5 acres in size. The TIF was created to provide $350,000 in incentives for Developers to bring a Walgreens to the site. The Walgreens opened in October of 2008. The site was home to a long-time closed Amoco station. The site had a number of environmental and infrastructure challenges and would not be developed without the incentives. The Romeo Road TIF is contiguous to the Downtown TIF. The Village may construct additional turn lane improvements at the Walgreens, which will be funded out of the Romeo Road TIF.

The Village acquired the Spartan Square Shopping Plaza, located within the Downtown TIF, during fiscal year 2008. The Village was in the process of looking at condemnation. Having control of the property provided the Village better flexibility and flow of information in working with potential developers with regards to the property. The Village acquired vacant land from Harris Bank during fiscal year 2009, next to the facility located in the downtown area for $2.2 million. The land may be used for an apartment complex or additional parking.

Ace Hardware, the major tenant of the former Spartan Square Plaza, moved out prior to the expiration of the lease but they may wish to return when envisioned future retail centers are constructed. The Village worked with the remaining tenants to leave so that the current structure could be razed and prepared for redevelopment. All of the remaining tenants were out of the building by the end of May 2013. The Village had already demolished a portion of the Spartan Square Plaza and then razed the remaining portion in June 2013 after the remaining tenants vacated the facility. Some of the vacated tenants, such as Subway, may return to the anticipated new retail center.

The Village also acquired the 9 Rock Road property for $1.3 million and demolished the main structure with TIF funds in FY 2012-13 and will perform additional site clean-up and improvements in FY 13-14 and FY 14-15. The business located on the site was taken over by the bank. It was a site the Village has coveted because the business was improperly zoned but was grandfathered in when the zoning for the business type changed.

The Village needed new facilities to house current and future Village Employees. The Village's Police Department was most in need of additional space. The Village conducted a space needs analysis during the 2006 fiscal year. The Village, spread out over several locations and buildings, operated out of a space of slightly over 32,000 square feet, including the Police Department's 11,400 square feet of space. The space served 180 employees.

The Village built a combined Village Hall and Police Station, which opened in June of 2010. Previously, Residents had to go to several locations to access Village services. The new 118,000 square foot facility combines the services at one location. The Village Hall/Police Station is located on a site immediately west of the Recreation Center on 135th St. The Village broke ground on the new Village Hall/Police Station in June of 2008.

The Village had planned on constructing two new fire stations. Fire Station #3, located at Normantown and Birch roads, was completed in October of 2008. The other Fire Station, known as Fire Station #1, may be located on the Joliet Arch Diocese property located on Route 53 between the cemetery and 135th Street or another property located along RT 53. The Village purchased the diocese land in 2009 for $0.3 million. The Village will not construct the new Fire Station #1 from the existing bond funds (see below) as originally planned, but instead used the funds for other eligible projects including various road and park improvements totaling $4.9 million. Also, the Radio System required by the Police, Fire and REMA exceeded the Village Hall/Police Station budget allotment by $1 million and funds were also used for improvements to Fire Station #2 ($0.2 million). The original Fire Station #1 will be razed if the new Fire Station is constructed. If the Station is not constructed, then improvements will have to be made to the current Fire Station# 1. The Village may issue bonds to construct the new Fire Station and is also exploring private/public possibilities as well.

The Village originally issued bonds to pay for the new Village Hall/Police Station ($47.1 Million), Deer Crossing Park ($3.3 Million), the two fire stations ($9.5 million) and a building renovation/road alignment ($1.9 million) on property acquired from the Valley View School district next to the recreation center (commonly known as the Bus Barn Site). The projects, including the revisions discussed above, will cost $62.2 million. The debt service is not anticipated to be included as part of the property tax levy. The Village plans to use funds generated from Home Rule sales tax and Lockport Fire Protection District agreement to make the debt service payments. The projects were funded with bond proceeds ($57.8 million), sale of land ($2.0 million), interest ($1.0 million), and transfer from the General Fund ($0.8 million), Road Improvement Grants ($0.2 million) and grants and donations for the park ($0.4 million). The sale of land to the Will County Forest preserve was completed in fiscal year 2008. The land is part of the O'Hara woods and is located directly behind the Village Hall site and Deer Crossing Park. The Village received a $400,000 grant from the state for Deer Crossing Park and a $150,000 grant for Belmont Road improvements.

The Village, in order to increase sewage treatment capacity and meet EPA requirements has started to perform a wastewater consolidation and expansion project. The total project will cost $36 million and will take several years to complete. The Village should complete the project in fiscal year 2014-15. The Village has secured an Illinois EPA Revolving Loan ($26 million) for a low interest loan to fund the project. The current IEPA loan rate is 2.5%. The loan is for 20 years. Annual payments are $1.8 million. The loan is being repaid from water and sewer revenues.

The Village has experienced decreases in Equalized Assessed Value in 2008, 2009 through 2013 (anticipated). There was an increase in 2010 due to a successful challenge, at the county level, of the Citgo Refinery EAV by a local school district. If not for the Citgo EAV adjustment the Village's EAV would have decreased for 2010 as well. The Citgo EAV increase in the Village was $85 million and generates $1.0 million in property tax for the Village. However, Citgo is challenging the EAV increase and if successful with the challenge, the Village will have to repay the taxes. The case will not be reviewed by the State Property Tax Appeals Board for several years because of their case backlog. The Village is setting aside the Citgo Funds in case the funds have to be repaid.

The taxing bodies, led by the school district, are trying to reach a settlement with Citgo. The Village, due to the lack of progress is also working with Citgo to resolve the issues. Any settlement would require that no repayment of taxes collected by the taxing body be returned to Citgo.

The Village has raised its property tax rate, but has kept the levy at the same dollar level, the last three years to maintain property tax revenues while keeping costs for the homeowners on average the same. The Village anticipates keeping the 2013 levy at similar levels. The state legislature is considering legislation that would basically exempt certain refinery improvements, pertaining to pollution control that would negate the increase in the Citgo EAV.

The Village continues to improve infrastructure and transportation in the Village. The State is in the process of widening the I55 and Weber Road intersection and includes widening the Normantown and Weber Road intersection as well. The State is in the design phase. The two intersections are two of the top ten worst locations in the state for accidents. The Village also has an 80% matching grant to study and design an interchange system at I55 and Airport and Route 126. The Village is working in conjunction with the Villages of Plainfield and Bolingbrook to fund the project. All three communities would be the primary beneficiaries of the interchange.

The Village is also working with Metra to construct a new train station located at 135th street and New Avenue. The Village worked with the Citgo Refinery to have the land donated and secured a grant for design of the station, to study the impact of the station on the Village's east side and to guide proper planning for the area. Metra has secured funding for the construction. Most of the major obstacles regarding the station have been worked through and it is anticipated that design will start during late FY 14-15 or early FY 15-16.

The Village took several steps to balance the FY 10-11 and future budgets by leaving ten positions vacant through several departments, no raises for non-union staff in FY 10-11, offered an early retirement incentive package (which is reflected in the required GASB 45 reporting) and staff reductions of 3 full-time and 15 part-time positions. FY 12-13 and FY 13-14 continue to leave certain positions vacant and limit expenditure increases to only what is contractually obligated and what is deemed necessary. The FY 14-15 budget will be prepared in a similar manner.

The Village's contracts with the Police Union (MAP) and Public Works/Clerical/Inspectors/Code Enforcement/E-911 Dispatch Union (AFSCME) expired at the end of fiscal year 2012. Negotiations started during the spring of 2012. The Village settled with AFSCME in April of 2012 and the Police negotiations were resolved in February of 2013. The contracts will expire at the end of FY 14-15.

There were no major changes in the AFSCME contract, which did include a 2% annual Cost-of-Living Adjustment (COLA). Non-Union Employees received a 2% COLA for FY 11-12, FY 12-13, FY 13-14 and are anticipated to receive the same or similar in FY 14-15

The prior Police Union contract, which was settled in August of 2010, went to arbitration after an agreement was not reached through standard negotiations and Federal mediation. The result was no major changes to the contract, with a 2% COLA. The new contract retains the 2% Cola but allows the Police Department to implement 12 hour shifts (versus 8 hours). The Police Union strongly desired the 12 hour shifts which were implemented in 2013. The new police contract also saw some stipend increases and additional stipends.

The Village settled the first contract in April 2011 with the recently formed Fire Union during FY 11-12. The contract features compressed pay steps, but did limit COLA to 1.5%. There were no other substantive changes as compared to the previous non-union status. The Fire Union contract expired in FY 12-13. Negotiations have been on-going. The contract is anticipated to be settled prior to the end of FY 13-14.

Police and Fire Pension Fund Information

The Police Pension fund overall had an up year in 2013. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Police Pension fund had a return of 9.0% in 2013. The return was caused by an up year in the equity markets, which was reflected in the increase of the market value in mutual funds and annuities held by the fund. Overall, the fund value increased by 11.2%; the investment earnings increases were enhanced by Village and employee contributions. The Police Pension fund has a diverse portfolio that includes cash and cash equivalents (2%), treasuries and agencies (37%) and various annuities and equities (61%). The Police Pension fund, according to the state actuarial methodology, is 68% funded which is a 2% increase from the prior year. According to the Village's actuary, based on preliminary results for the FY 2014-15 actuary study which is based on FY 13-14 data, the fund is 64.9% funded. The Village and State use differing methodology. The Village bases the levy on the higher actuary requirement between the two.

The Fire Pension fund had a strong year in 2013. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Fire Pension fund returned 7.4% in 2013. Overall, the fund increased by 15.5% in value from a combination of investment earnings, Village contributions and employee contributions. The Fire Pension fund is very conservative with approximately 70% of the assets invested in cash equivalents (less than 1%), federal treasuries, agencies and municipal bonds (64%). The remaining 36% is invested in mutual funds. The returns are due to interest earnings and increases in market valuations of investment. The Fire Pension fund is 102% funded according to the state actuarial methodology which is a 15% increase from the prior year. According to the Village's actuary, based on preliminary results for the FY 2014-15 actuary study which is based on FY 13-14 data, the fund is 99.2% funded. The Village bases the levy on the higher actuary requirement between the two. The increase in funding is due to a decrease in 3 active members from 22 to 19 at year end for reporting purposes. The positions were vacated for a variety of reasons but will be filled in FY 13-14.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank all government departments for their assistance in providing the necessary data and participation to prepare this report.

Credit also is due to the Village President and the Village Board for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Romeoville's finances.

Respectfully submitted,

Kirk Openchowski

Kirk Openchowski
Finance Director/Treasurer

FINANCIAL SECTION

Sikich®

www.sikich.com

1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

Certified Public Accountants & Advisors
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INDEPENDENT AUDITOR'S REPORT

The Honorable Village President
Members of the Board of Trustees
Village of Romeoville
Romeoville, 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 Romeoville, Illinois (the Village), as of and for the year ended April 30, 2013 and the related notes to the financial statements, which collectively comprise the Village of Romeoville, Illinois' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic 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 Romeoville, Illinois as of April 30, 2013, 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.

Emphasis of Matter

The Village adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities,* during the year ended April 30, 2013. Statement No. 63 added new classifications on the statements of position and changed net assets to net position. Statement No. 65 changed the classifications of certain items on the statement of position to the new classifications contained in GASB Statement No. 63. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information listed in the table of contents 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Romeoville, Illinois' financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and supplemental data are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules and supplemental data 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, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other 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 section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Sikich LLP

Naperville, Illinois
October 30, 2013

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

Village of Romeoville, Illinois

Management's Discussion and Analysis

April 30, 2013

The Village of Romeoville's (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 Management's Discussion and Analysis (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 (beginning on page 4).

Using the Financial Section of this Comprehensive Annual Report
In the past, the primary focus of local governmental financial statements has been summarized fund type information on a current financial resource basis. This approach has been modified and now the Village's financial statements present two kinds of statements, each with a different snapshot of the Village's finances. 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.

Government-Wide Financial Statements
The government-wide financial statements (see pages 4-6) 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 position (the "unrestricted net position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement, for the first time, 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 5-6) 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 general government, public works, public safety and culture and recreation. Shared state sales, local utility and shared state income taxes finance the majority of these services. The business-type activities reflect private sector type operations (water and sewerage), 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 (the previous model's) fund types.

The governmental funds (see pages 7-12) presentation is 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 fund financial statements also allow the government to address its fiduciary funds (Police Pension and Firefighters' Pension, see pages 17-18). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the 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 statements, 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 financial 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 financial statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that these assets be valued and reported within the governmental column of the government-wide financial statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives 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 lives. 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.

Government-Wide Financial Statements

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $363.3 million as of April 30, 2013.

A significant portion of the Village's net position (94.6%) reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future 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.

For more detailed information see the statement of net position (page 4).

The Village's combined net position (which is the Village's equity) decreased to $363.3 million from $370.3 million as a result of the decrease in net position in both the governmental and business-type activities. Net position of the Village's governmental activities was $264.0 million. The Village's unrestricted net position for governmental activities, the part of net position that can be used to finance day-to-day operations, was $4.5 million. The net position of business-type activities decreased to $99.3 million from $100.5 million. The Village can use unrestricted net position to finance the continuing operation of its water and sewer system.

Table 1
Statement of Net Position
As of April 30, 2013
(In millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Current Assets	$ 42.9	$ 46.3	$ 15.0	$ 18.0	$ 57.9	$ 64.3
Non Current Assets	0.2	2.1	-	0.2	0.2	2.3
Capital Assets	337.9	336.4	119.9	121.2	457.8	457.6
Total Assets	381.0	384.8	134.9	139.4	515.9	524.2
Deferred Outflows of Resources						
Unamortized Loss on Refunding	0.1	-	-	-	0.1	-
Total Deferred Outflows of Resources	0.1	-	-	-	0.1	-
Current Liabilities	8.2	6.6	2.2	2.5	10.4	9.1
Non Current Liabilities	96.0	95.5	33.4	36.4	129.4	131.9
Total Liabilities	104.2	102.1	35.6	38.9	139.8	141.0
Deferred Inflows of Resources	12.9	12.9	-	-	12.9	12.9
Total Deferred Inflows of Resources	12.9	12.9	-	-	12.9	12.9
Total Liabilities and Deferred Inflows of Resources	117.1	115.0	35.6	38.9	152.7	153.9
Net Investment in Capital Assets	257.0	251.5	86.9	85.1	343.9	336.6
Restricted	2.5	7.2	-	-	2.5	7.2
Unrestricted (deficit)	4.5	11.1	12.4	15.4	16.9	26.5
Total Net Position	$ 264.0	$ 269.8	$ 99.3	$ 100.5	$ 363.3	$ 370.3

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

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

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 net investment in capital assets.

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 position and increase net investment in capital assets.

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

Reduction of Capital Assets through Depreciation – which reduces capital assets and net investment in capital assets.

Current Year Impacts

The Village's governmental activities net position decreased $5.8 million which can be attributed to several factors. $2 million is due to a prior period adjustment (See Note 13). Current Assets decreased by $3.4 million, which can be attributed to decreased cash and investments ($1.8 million) as funds were spent for various capital and development projects funded with bond proceeds and the Village's tax increment financing districts, accounts receivable decreased ($0.7 million) due to a portion of outstanding property tax differential payments billed being paid and grant funds received for a park project, other receivables ($0.2 million decrease) is due to utility tax receivables reduction and there was a decrease in funds due from other governments ($0.7 million) as the State caught up on income tax distributions. Capital asset balances increased $1.5 million due to developer contributions and TIF related activities. Liabilities and deferred inflows of resources increased by $2.1 million which can be attributed to increased accounts payable ($1.1 million) and accrued liabilities ($.9 million).

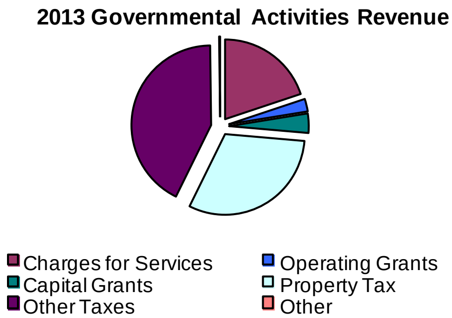
The Village's business-type activities net position decreased $1.2 million and can be attributed to several factors. Assets decreased by $4.5 million, which can be attributed to cash on hand ($3 million) as funds were used for capital projects and debt payments, capital asset decreases ($1.3 million) which were due to depreciation and a decrease of unamortized bond issuance costs ($0.2 million). Liabilities and Deferred Inflows of Resources decreased by $3.3 million, which can be attributed to decreased long-term debt.

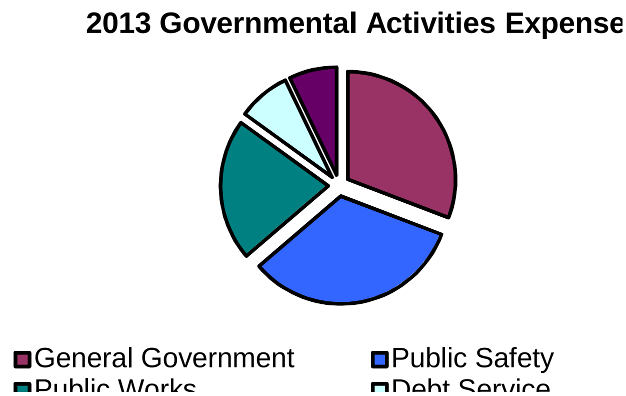
Current year impacts are discussed in more detail after Table 2.

Changes in Net Position
The following chart compares the revenue and expenses for the current fiscal year.

Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2013
(In millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
REVENUES						
Program Revenues						
Charges for Services	$ 10.1	$ 9.1	$ 14.7	$ 13.5	$ 24.8	$ 22.6
Operating Grants and Contributions	1.3	1.2	-	-	1.3	1.2
Capital Grants and Contributions	2.0	4.4	0.1	0.7	2.1	5.1
General Revenues						
Property Taxes	15.7	15.3	-	-	15.7	15.3
Sales Taxes	9.8	9.9	-	-	9.8	9.9
Income Taxes	3.6	3.2	-	-	3.6	3.2
Utility Taxes	5.5	4.8	-	-	5.5	4.8
Other Taxes	2.7	3.8	-	-	2.7	3.8
Transfers	-	-	-	-	-	-
Other	0.1	0.6	0.1	0.5	0.2	1.1
Total Revenues	50.8	52.3	14.9	14.7	65.7	67.0
EXPENSES						
General Government	16.8	12.5	-	-	16.8	12.5
Public Safety	18.0	17.7	-	-	18.0	17.7
Public Works	11.6	13.3	15.9	16.5	27.5	29.8
Culture and Recreation	3.9	3.8	-	-	3.9	3.8
Debt Service	4.3	4.3	-	-	4.3	4.3
Total Expenses	54.6	51.6	15.9	16.5	70.5	68.1
CHANGE IN NET POSITION	(3.8)	0.7	(1.0)	(1.8)	(4.8)	(1.1)
BEGINNING NET POSITION	269.8	269.1	100.5	102.3	370.3	371.4
Prior Period Adjustment	(2.0)	-	(0.2)	-	(2.2)	-
BEGINNING NET POSITION, RESTATED	267.8	269.1	100.3	102.3	368.1	371.4
ENDING NET POSITION	$ 264.0	$ 269.8	$ 99.3	$ 100.5	$ 363.3	$ 370.3





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 Board 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 fee, building fees, home rule sales tax, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, 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 is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, Culture and Recreation, 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 Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 80% of the Village's operating costs.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position 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 parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

Revenues:

For the fiscal year ended April 30, 2013, revenues from all activities totaled $65.7 million. The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services provided. These sources include property taxes, sales taxes, utility taxes, shared revenues from the State (Income tax, Motor Fuel tax), building permits, grants, developer contributions, rubbish collection fees, water and sewer sales to customers and tap-on fees.

The Village saw a 5.9% decrease in the equalized assessed valuation (EAV) from $1.164 million to $1.095 million. The increase in its property tax revenue in 2013 compared to the previous years was 2.6%. The tax rate increased to $1.2293 per $100 EAV. The Village, as a Home Rule community is not subject to the property tax cap laws. Due to the new growth and increased rate the Village was able to collect an additional $0.4 million in property tax ($15.7 million vs. $15.3 million). The increase was from TIF related property taxes. The Village's levy, in terms of dollars, was the same as the prior year.

Sales Tax decreased slightly by $0.1 million or 1.0%. Sales Tax was flat as the sluggish economy continues to curtail retail sales. State sales tax and the Village's Home Rule sales tax both decreased by $0.1 million while the State Use Tax increased by $0.1 million. The Village increased its home rule sales tax rate from 1.00% to 1.5% effective January 1st, 2010. FY 2012-13 was the third full year with the new rate.

State Income Tax increased $0.4 million or 12.5% due to an increase in statewide income as unemployment levels start to dip.

Utility taxes increased $0.7 million or 12% due to including the natural gas use tax ($1 million) in the utility tax category for 2013. It is included in other taxes for 2012. The increase is offset by decreases in telecommunications tax ($0.2 million) as Sharp electronics closed its telecommunications center in the Village, decreased usage as businesses and residents conserve to save money, decreased overall business activity and an increase in vacant homes within the Village. Excluding the reclassification, the change would be a $0.2 million/4% decrease.

The Village saw a decrease in other tax revenue over the prior year of $1.1 million or 28.9%. The majority of the decrease can be attributed to natural gas use tax ($1 million) being included in the Utility Tax category for 2013. Excluding the reclassification, the change would be $.2 million/7% with a decrease coming from the Real Estate Transfer Tax

License and permit revenue increased 102.6% in 2013 from $0.76 million in 2012 to $1.54 million in 2013. The increase came from an increase in building permits and inspections related to an increase in commercial and industrial development activity.

Investment returns, excluding pension funds, decreased by approximately 11% due to decreased interest rates and fewer bond funds to invest.

Charges for services increased by $2.2 million or 9.7%. The increases came from both Government activities ($1.0 million) and Business-Type Activities ($1.2 million).

The Business-Type activities (water and sewer operations) increase was from Water and Sewer Sales ($1.2 million). The increase is due an increase of 5% in the water rates and increased industrial and commercial development.

Operating Grants and contributions saw an increase of $0.1 million, while Capital Grants decreased $2.4 million. The Village received $0.1 million more in grant revenues which tends to fluctuate from year to year based upon project timing and grant availability. The decrease in Capital Grants is due to less infrastructure contributed by developers.

Transfer payments, starting in FY 10-11, from the Business Activities (Water and Sewer fund) to Governmental Activities (General Corporate Fund) are no longer shown as a transfer but are reflected as an allocation between funds and are netted against expenditures in Governmental Activities.

The Police Pension Fund ended the year with $27.8 million in assets. The fund had $4.2. million in additions, which were provided by employer and employee contributions and investment income. The fund had $1.4 million in deductions. The bulk of the deductions were from pension benefits and refunds ($1.4 million). The net increase to the fund was $2.8 million.

The Fire Pension Fund ended the year with $5.7 million in assets. The fund had $0.8 million in additions, which were provided by employer and employee contributions and investment income. The fund had $66,000 in deductions which consisted of administrative expenses, pension benefits and refund of contributions. The fund saw its first retiree in FY 12-13. The net increase to the fund was $0.8 million.

Expenses:

The Village's total expenses for all activities for the year ended April 30, 2013 were $70.5 million. Expenses increased 3.5% ($2.4 million) as compared to 2012.

Government Activities costs increased by $3.0 million. The increases came from General Government ($4.3 million), Public Safety ($0.3 million), and Culture and Recreation ($0.1 million) which was offset by $1.7 million decrease in Public Works.

General Government Activities increase of $4.3 million is attributed to the fact that there were two years of Marquette TIF Surplus Distribution made during the fiscal year ($3.4 million) after none was made the previous year and there was a $1 million dollar distribution made from the Downtown TIF to the Valley View 365U School District as reimbursement for TIF eligible improvements made to RC Hill school.

Public Safety increased by $0.3 million. Operational expenditures increased $0.5 million from $16.4 million to $16.9 million. The operational increase is due to step and benefit increases. The increase is offset by a decrease in capital expenditures. The Village has an authorized strength of 69 sworn police personnel and 19 full-time fire personnel plus a pool of approximately 40 part-time fire personnel. The patrol officers are members of the Metropolitan Alliance of Police Chapter 342.

Fiscal year 2011-12 was the third year of a three-year contract. The new police union contract was settled February of 2013. Fire personnel were unionized during 2007. Negotiations started in fiscal year 2009 and the three year Fire Union contract was settled in April of 2011. Negotiations for the Fire Union's next contract started in FY 12-13

Public Works expenditures decreased by $1.7 million compared to the prior year. Operational expenses increased slightly ($0.1 million) while capital expenditures decreased dramatically ($1.8 million) from the prior year. The decrease pertains to capital outlay expenditures related mostly to infrastructure.

The Culture and Recreation increase of $0.1 million is due to increases in capital improvements ($0.2 million) offset by operations savings ($0.1 million).

Business activities (water and sewer) decreased by $0.6 million from the prior year. The decreases were from depreciation ($0.4 million) and interest expense ($0.1 million). The Village has greatly enhanced its water and sewer infrastructure over the past few years including the completion of several ion exchange plants and the expansion of its water treatment plant. The Village also provides water to its residents through its system of wells. The water and sewer operations accounted for 58% of the total Public Works activities.

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2013, the governmental funds (as presented on the balance sheet on page 7-8) reported a combined fund balance of $22.5 million. Expenditures/uses exceeded revenues/sources in 2013 by $4.9 million. The primary reason for this decrease was due to $4.9 million fund balance decreases in the Marquette and Downtown TIF Funds and $1.9 million in the Facility Construction Fund. The decreases are offset by a $1.4 million fund balance increase in the General Corporate Fund and $0.3 million increase in the Recreation Funds.

General Fund Budgetary Highlights

Prior to or at the last Village Board meeting in April, the Mayor submits to the Village Board a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in 2013. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Table 3
General Fund Budgetary Highlights
(In millions)

General Fund	Original Budget	Actual
Revenues and Other Financing Sources		
Property Taxes	$ 9.2	$ 9.2
Other taxes	17.6	16.9
Interest	0.1	-
Fines	0.7	0.6
Licenses and permits	0.9	1.5
Charges for services	4.4	5.1
Intergovernmental	4.9	5.2
Other	2.9	2.4
Capital leases issued	0.6	0.8
Sale of capital assets	0.2	0.1
Total	**41.5**	**41.8**
Expenditures and Other Financing Uses		
General government	10.4	9.8
Public safety	17.5	16.9
Public works	8.4	8.1
Capital outlay	3.2	3.6
Debt service	0.2	0.2
Reimbursements	(2.8)	(2.8)
Transfers out	4.6	4.6
Total	**41.5**	**40.4**
Change in Fund Balance	**-**	**1.4**

As shown above, the General Fund was budgeted to break-even, while actual results were an increase of $1.4 million. Revenues were over budget by approximately $0.3 million and expenditures were under budget by $1.1 million.

The Village received $0.7 million less in other taxes than anticipated. The Village received $0.5 million less in Sales and Home Rule sales tax and $0.2 million in both electric and telephone utility tax. The decrease in electric utility tax was due to less than anticipated commercial and industrial usage while the Village has a call center close which resulted in decreased telephone tax. The decreases were offset by a collective $0.1 million gain in the remaining other taxes.

Interest was lower than anticipated due to the downturn in the bond market. The budget was $50,000 and receipts were $27,100.

Fines were under budget by $0.1 million as staffing issues pertaining to worker comp, unfilled vacancies and turn over reduced available manpower in the Police Department and the Fire Alarm monitoring program came on-line later than anticipated.

Building Permits were budgeted at a conservative level based on projects in process during fiscal year 2013. Results were greater than expected with building related permits over budget by $0.5 million. The economic slowdown has resulted in overall less revenue than in years prior to the slowdown. However, commercial and industrial building activity has picked up.

Charges for services, over budget by $0.7 million, saw additional revenues in engineering reimbursements ($0.4 million), additional Ambulance Fees ($0.1 million) and Rubbish Collection fees ($0.1 million). The engineering fees increase was due to greater than anticipated development, ambulance fees increased due to a change in rates designed to fully capture Medicare reimbursements and rubbish collection fees increased due to a greater than anticipated number of customers.

Intergovernmental Revenues were over budget by $0.3 million. The Village received $0.4 million more than anticipated in State Income Tax which was offset by $0.1 million less both in Federal Grant revenue and shared revenue with the Lockport Township Fire Protection District.

State Income taxes receipts were higher than anticipated by the State. The Village, through a Federal Grant that has not yet been obtained, was hoping to receive $150,000 to move the Taylor Road School House. The school house project will not proceed until grant funding is obtained. The Lockport Township Fire Protection decrease, which is based on property taxes, decreased due to declining EAV's and increases in portions of their levy that are exempt from revenue sharing.

Other revenues were under budget by $0.5 million. The Village received $0.5 million less in developer contributions due to project timing of reimbursements from Meijer to the Village for road improvements at Weber and Gaskin Roads. Last year, the Village billed $0.5 million in several years of property tax payment differential payments due from a local quarry, a portion of which was included in the FY 12-13 budget. The budgeted shortfall was $0.2 million. The shortfalls were offset by receiving additional surplus property tax distributions ($0.2 million) from the Marquette TIF. The Village declared the surplus for several years in FY 12-13. The Village extended the TIF and will change the surplus distribution formula. The process to extend the TIF and working with the other taxing bodies delayed the process.

General government expenditures were under budget by $0.6 million. The savings were in sales tax incentives ($0.2 million), Salaries ($0.2 million), Contingencies ($0.1 million) and contractual savings in information services ($0.1 million). Sales tax incentives were due to less than anticipated sales from the Target and Wal-Mart shopping centers, salaries savings were due to turn over and vacancies, there were no expenditures charged to contingencies and the IT savings were from project cost savings and less than anticipated projects.

Public Safety expenditures were under budget by $0.6 million. The majority came through salary savings of $0.3 million due to the timing of hiring new fire and police personnel including 3 Battalion Chief Positions and vacant Police Officer positions, code enforcement, E911 Dispatcher and Part-time Firefighter positions. The Police and Fire Departments had a variety of savings ($0.2 million) over several contractual and commodity line items.

Public Works expenditures were under budget by $0.3 million. Public works realized $0.3 million in savings from both contractual services and commodities. The contractual savings were from building and maintenance expenses ($0.1 million) including HVAC repairs and janitorial supplies, vehicle repair expenses ($0.1 million) and Street and Sanitation engineering fees ($0.1 million). The commodity savings were from less than anticipated asphalt purchases ($0.1 million).

Capital outlay expenditures were over budget by $0.4 million due to the Village finishing infrastructure improvements in several residential subdivisions that were supposed to be performed by the developer. The projects were unbudgeted but the Village was able to collect funds from the developer's performance bonds held by the Village.

Transfers to other funds, were equal to budget. The transfers were to the Debt Service Fund ($3.6 million) and the Recreation Department Fund ($1.1 million).

The Village made a concerted effort to keep General Fund expenditures within or under revenues for fiscal year 2013. The Village, at the start of fiscal year 2005 had a negative fund balance of $0.6 million. The fiscal year 2013 fund balance is now at $16.4 million. The Village's long-term goal is to have and maintain a positive fund balance equal to 25% of the General Fund budget. The Village increased the fund balance by $2.0 million in FY 2012-13. The Village's targeted fund balance, based on actual expenditures and transfers, as of April 30, 2013 was $10.8 million. The fiscal year 2012-13 budget is $42.8 million, with a targeted fund balance of $10.7 million. The Village's 2013-14 budget of $46.0 million has a targeted fund balance of $11.5 million.

Capital Assets

At the end of the fiscal year 2013, the Village had a combined total of capital assets of $457.9 million (after accumulated depreciation of $158.9 million) invested in a broad range of capital assets including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 4 below). This amount represents a net increase (including additions and deletions) of approximately $0.3 million. Detailed information related to capital assets is included in Notes 1 and 4 to the basic financial statements.

The Net Capital Assets of the Village increased by $0.3 million over 2012. The main reason for the increase can be attributed to increases in infrastructure ($5.6 million) as projects moved from construction in progress to completion and an increase in land ($1.7 million) from developer contributions and land purchases. The increases were offset by depreciation.

Table 4
Total Capital Assets at Year End
Net of Depreciation
(In millions)

	Balance 4/30/12	Net Additions/Deletions	Balance 4/30/13
Land	$ 180.0	$ 1.7	$ 181.7
Construction in Progress	12.9	(8.3)	4.6
Buildings	53.8	0.8	54.6
Machinery and Equipment	3.0	(0.2)	2.8
Furniture and Fixtures	0.5	(0.1)	0.4
Vehicles	1.8	0.9	2.7
Infrastructure	205.4	5.6	211.0
Other Equipment	0.2	(0.1)	0.1
Total Capital Assets	$ 457.6	$ .3	$ 457.9

Debt Outstanding

As of April 30, 2013 the Village had outstanding bonded debt of $101.3 million. Of this amount $11.7 million represented general obligation bonds associated with business-type activities. General obligation bonds associated with governmental activities totaled $89.6 million.

As of April 30, 2013, the Village has a $21.2 Illinois Environmental Protection Agency Clean Water State Revolving Funds loan.

The Village is no longer subject to the debt limit due to its Home Rule community status. However, the Village's legal debt limitation would be $94,440,099 if it were a non-Home Rule community. The limit is based on 8.625% of the 2012 equalized assessed valuation of $1,094,957,671.

Detailed information related to long-term debt is included in Note 6 to the basic financial statements.

Economic Factors

The fiscal year ended positively as the Village's General Corporate Fund, Recreation Fund, Other Governmental Funds, Water and Sewer Fund and Pension Funds all ended with a surplus. The financial condition of the General Corporate Fund has stabilized significantly after losses in two recent years. The Village does continue to feel the effects of the recession which began to impact the Village in the fall of 2008. However, the Village has made many adjustments on both the revenue and expenditure side to ensure core services are provided while still maintaining adequate fund balances. The Village was able to prepare a FY 13-14 budget that was designed to ensure the Village's financial position remains strong. The budget did utilize $1 million in General Corporate Fund fund-balance to offset certain one-time expenditures. Preliminary results indicate that not all of the fund balance will be needed for FY 13-14.

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 Kirk Openchowski, Finance Director, Village of Romeoville, 1050 West Romeo Road, Romeoville, Illinois 60446.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 24,241,771	$ 2,343,762	$ 26,585,533
Investments	1,013,690	11,172,777	12,186,467
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	12,852,245	-	12,852,245
Accounts	919,181	1,463,473	2,382,654
Interest	-	-	-
Other	844,616	-	844,616
Due from other governments	2,939,685	-	2,939,685
Due from fiduciary funds	130,081	-	130,081
Net OPEB asset	156,451	-	156,451
Capital assets not being depreciated	185,209,979	1,009,738	186,219,717
Capital assets being depreciated	152,651,650	118,934,294	271,585,944
Total assets	380,959,349	134,924,044	515,883,393
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	95,661	-	95,661
Total deferred outflows of resources	95,661	-	95,661
LIABILITIES			
Accounts payable	3,326,527	1,621,910	4,948,437
Accrued liabilities	2,560,120	83,759	2,643,879
Deposits payable	1,700,991	139,304	1,840,295
Unearned revenue	18,305	-	18,305
Accrued interest payable	569,104	385,222	954,326
Noncurrent liabilities			
Due within one year	4,313,986	3,317,452	7,631,438
Due in more than one year	91,732,004	30,067,794	121,799,798
Total liabilities	104,221,037	35,615,441	139,836,478
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	12,852,245	-	12,852,245
Total deferred inflows of resources	12,852,245	-	12,852,245
Total liabilities and deferred inflows of resources	117,073,282	35,615,441	152,688,723
NET POSITION			
Net investment in capital assets	256,950,797	86,897,837	343,848,634
Restricted for			
Maintenance of roadways	1,005,733	-	1,005,733
Economic development	1,410,406	-	1,410,406
Capital projects	97,547	-	97,547
Unrestricted	4,517,245	12,410,766	16,928,011
TOTAL NET POSITION	$ 263,981,728	$ 99,308,603	$ 363,290,331

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2013

		Program Revenues		
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 16,820,623	$ 1,407,156	$ 101,596	$ -
Public safety	17,977,351	3,186,635	169,677	165,000
Public works	11,677,451	4,751,868	1,016,362	1,818,965
Culture and recreation	3,934,308	792,802	-	14,500
Interest and fiscal charges on long-term debt	4,289,449	-	-	-
Total governmental activities	54,699,182	10,138,461	1,287,635	1,998,465
Business-Type Activities				
Water and sewer	15,935,142	14,732,596	-	53,175
Total business-type activities	15,935,142	14,732,596	-	53,175
TOTAL PRIMARY GOVERNMENT	$ 70,634,324	$ 24,871,057	$ 1,287,635	$ 2,051,640

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Change in Net Position — Primary Government — Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT			
Governmental Activities			
General government	$ (15,311,871)	$ -	$ (15,311,871)
Public safety	(14,456,039)	-	(14,456,039)
Public works	(4,090,256)	-	(4,090,256)
Culture and recreation	(3,127,006)	-	(3,127,006)
Interest and fiscal charges on long-term debt	(4,289,449)	-	(4,289,449)
Total governmental activities	(41,274,621)	-	(41,274,621)
Business-Type Activities			
Water and sewer	-	(1,149,371)	(1,149,371)
Total business-type activities	-	(1,149,371)	(1,149,371)
TOTAL PRIMARY GOVERNMENT	(41,274,621)	(1,149,371)	(42,423,992)
General Revenues			
Taxes			
Property and replacement	15,722,079	-	15,722,079
Sales	9,146,375	-	9,146,375
Use	636,785	-	636,785
Telecommunications	1,298,127	-	1,298,127
Utility	5,477,963	-	5,477,963
Income	3,575,982	-	3,575,982
Hotel/Motel	247,872	-	247,872
Other	1,183,935	-	1,183,935
Investment income	40,976	136,471	177,447
Miscellaneous	80,452	29,060	109,512
Total	37,410,546	165,531	37,576,077
CHANGE IN NET POSITION	(3,864,075)	(983,840)	(4,847,915)
NET POSITION, MAY 1	269,815,803	100,490,636	370,306,439
Prior period adjustments	(1,970,000)	(198,193)	(2,168,193)
NET POSITION, MAY 1, RESTATED	267,845,803	100,292,443	368,138,246
NET POSITION, APRIL 30	$ 263,981,728	$ 99,308,603	$ 363,290,331

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2013

	General	Recreation	Facility Construction	Nonmajor	Total
ASSETS					
Cash and cash equivalents	$ 18,140,569	$ 462,606	$ 31,221	$ 5,607,375	$ 24,241,771
Investments	-	-	1,013,690	-	1,013,690
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	10,050,248	1,862,523	-	939,474	12,852,245
Accounts	800,227	8,074	-	110,880	919,181
Interest	-	-	-	-	-
Other	743,275	43,182	-	58,159	844,616
Due from other funds	-	923,834	-	216,254	1,140,088
Advances to other funds	-	-	-	499,033	499,033
Due from other governments	2,856,657	-	-	83,028	2,939,685
TOTAL ASSETS	$ 32,590,976	$ 3,300,219	$ 1,044,911	$ 7,514,203	$ 44,450,309

	General	Recreation	Facility Construction	Nonmajor	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 1,404,139	$ 201,765	$ 9,344	$ 1,711,279	$ 3,326,527
Accrued liabilities	2,507,159	52,961	-	-	2,560,120
Deposits	1,349,205	326,786	25,000	-	1,700,991
Due to other funds	354,366	-	81,829	573,812	1,010,007
Advances from other funds	499,033	-	-	-	499,033
Unearned revenue	18,305	-	-	-	18,305
Total liabilities	6,132,207	581,512	116,173	2,285,091	9,114,983
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	10,051,794	1,884,270	-	939,474	12,875,538
Total deferred inflows of resources	10,051,794	1,884,270	-	939,474	12,875,538
Total liabilities and deferred inflows of resources	16,184,001	2,465,782	116,173	3,224,565	21,990,521
FUND BALANCES					
Nonspendable					
Advances	-	-	-	499,033	499,033
Restricted					
Maintenance of roadways	-	-	-	1,005,733	1,005,733
Economic development	-	-	-	1,410,406	1,410,406
Capital projects	-	-	-	97,547	97,547
Unrestricted					
Assigned					
Maintenance of roadways	-	-	-	825,117	825,117
Recreation	-	834,437	-	-	834,437
Capital projects	-	-	928,738	443,673	1,372,411
Debt service	-	-	-	8,129	8,129
Unassigned	16,406,975	-	-	-	16,406,975
Total fund balances	16,406,975	834,437	928,738	4,289,638	22,459,788
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 32,590,976	$ 3,300,219	$ 1,044,911	$ 7,514,203	$ 44,450,309

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2013

FUND BALANCES OF GOVERNMENTAL FUNDS	$ 22,459,788
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	337,861,629
Certain receivables are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds	23,293
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences payable	(3,269,213)
Unamortized premium on bonds	(443,029)
General obligation bonds payable	(89,547,788)
Capital leases payable	(1,102,576)
Net pension obligation	(1,683,384)
Unamortized loss on refunding	95,661
The net other postemployment benefit asset is shown as an asset on the statement of net position	156,451
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(569,104)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 263,981,728

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2013

	General	Recreation	Facility Construction	Nonmajor	Total
REVENUES					
Property taxes	$ 9,182,573	$ 1,854,626	$ -	$ 4,044,627	$ 15,081,826
Other taxes	16,876,666	461,361	-	632,931	17,970,958
Fines and forfeits	623,118	-	-	-	623,118
Licenses and permits	1,540,449	-	-	-	1,540,449
Charges for services	5,106,752	792,802	3,038	71,319	5,973,911
Intergovernmental	5,186,592	12,500	-	1,373,612	6,572,704
Investment income	27,102	1,101	7,532	5,241	40,976
Other	2,388,587	106,051	-	348,234	2,842,872
Total revenues	40,931,839	3,228,441	10,570	6,475,964	50,646,814
EXPENDITURES					
Current					
General government	9,779,785	-	-	5,420,389	15,200,174
Public safety	16,884,123	-	-	-	16,884,123
Public works	8,119,009	-	-	710,140	8,829,149
Culture and recreation	-	3,408,063	-	-	3,408,063
Allocations to water and sewer fund	(2,845,000)	-	-	-	(2,845,000)
Capital outlay	3,619,147	401,660	1,879,350	4,137,553	10,037,710
Debt service					
Principal	146,940	-	-	2,837,681	2,984,621
Interest and fiscal charges	21,070	-	-	1,932,945	1,954,015
Total expenditures	35,725,074	3,809,723	1,879,350	15,038,708	56,452,855
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,206,765	(581,282)	(1,868,780)	(8,562,744)	(5,806,041)

	General	Recreation	Facility Construction	Nonmajor	Total
OTHER FINANCING SOURCES (USES)					
Bond proceeds	$ -	$ -	$ -	$ 2,750,000	$ 2,750,000
Premium on bonds issued	-	-	-	89,846	89,846
Capital leases issued	818,206	-	-	-	818,206
Transfers in	30,000	1,078,850	-	7,113,354	8,222,204
Transfers (out)	(4,634,150)	(217,800)	-	(3,370,254)	(8,222,204)
Sale of capital assets	14,482	-	-	-	14,482
Payment to escrow agent	-	-	-	(2,803,963)	(2,803,963)
Total other financing sources (uses)	(3,771,462)	861,050	-	3,778,983	868,571
NET CHANGE IN FUND BALANCES	1,435,303	279,768	(1,868,780)	(4,783,761)	(4,937,470)
FUND BALANCES, MAY 1	14,971,672	554,669	2,797,518	9,073,399	27,397,258
FUND BALANCES, APRIL 30	$ 16,406,975	$ 834,437	$ 928,738	$ 4,289,638	$ 22,459,788

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2013

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ (4,937,470)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	9,563,218
The Village accepted and received capital contributions that are capitalized and depreciated in the statement of activities	165,000
Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds until received	23,293
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation of capital assets	(8,272,507)
The accretion of interest on the Series 2008B capital appreciation bonds is reported as interest expenses and an increase in bonds payable in the statement of activities	(2,460,067)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase in principal outstanding in the statement of activities	(3,568,206)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	5,797,553
The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities	45,235
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	(10,448)
The change in net pension obligation is not a current financial resource and, therefore, is not reported in the governmental funds	(44,772)
The change in compensated absences payable is shown as an expense on the statement of activities	(180,420)
The change in net other postemployment benefit obligation is not a current financial resource and, therefore, is not reported in the governmental funds	15,516
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ (3,864,075)

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND

April 30, 2013

	Business-Type Activities Water and Sewer
CURRENT ASSETS	
Cash and cash equivalents	$ 2,343,762
Investments	11,172,777
Receivables (net where applicable, of allowances for uncollectibles)	1,463,473
Total current assets	14,980,012
NONCURRENT ASSETS	
Capital assets not being depreciated	1,009,738
Capital assets being depreciated, net	118,934,294
Total noncurrent assets	119,944,032
Total assets	134,924,044
CURRENT LIABILITIES	
Accounts payable	1,621,910
Accrued liabilities	83,759
Accrued interest payable	385,222
Deposits payable	139,304
General obligation bonds payable	1,950,544
Note payable	1,179,227
Compensated absences payable	187,681
Total current liabilities	5,547,647
LONG-TERM LIABILITIES	
Unamortized bond premiums	171,320
General obligation bonds payable	9,754,452
Note payable	19,990,652
Compensated absences payable	151,370
Total long-term liabilities	30,067,794
Total liabilities	35,615,441
NET POSITION	
Net investment in capital assets	86,897,837
Unrestricted	12,410,766
TOTAL NET POSITION	$ 99,308,603

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUND

For the Year Ended April 30, 2013

	Business-Type Activities
	Water and Sewer
OPERATING REVENUES	
Charges for services	$ 14,019,981
Fines and fees	673,822
Reimbursements	38,793
Total operating revenues	14,732,596
OPERATING EXPENSES EXCLUDING DEPRECIATION	
Operations	10,591,252
OPERATING INCOME BEFORE DEPRECIATION	4,141,344
DEPRECIATION	4,290,227
OPERATING INCOME (LOSS)	(148,883)
NONOPERATING REVENUES (EXPENSES)	
Other revenue	29,060
Investment income	136,471
Interest expense	(1,053,663)
Total nonoperating revenues (expenses)	(888,132)
INCOME (LOSS) BEFORE CONTRIBUTIONS	(1,037,015)
CONTRIBUTIONS	53,175
CHANGE IN NET POSITION	(983,840)
NET POSITION , MAY 1	100,490,636
Prior Period Adjustment	(198,193)
NET POSITION , MAY 1, RESTATED	100,292,443
NET POSITION, APRIL 30	$ 99,308,603

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended April 30, 2013

	Business-Type Activities Water and Sewer
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 14,786,848
Payments to suppliers	(7,080,019)
Payments to employees	(3,755,668)
Net cash from operating activities	3,951,161
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other revenue	29,060
Net cash from noncapital financing activities	29,060
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital assets purchased	(2,954,915)
Principal payments - general obligation bonds	(1,858,356)
Principal payments - note payable	(1,150,290)
Interest paid	(1,125,534)
Net cash from capital and related financing activities	(7,089,095)
CASH FLOWS FROM INVESTING ACTIVITIES	
Net purchase of investments	(115,319)
Interest received	136,471
Net cash from investing activities	21,152
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,087,722)
CASH AND CASH EQUIVALENTS, MAY 1	5,431,484
CASH AND CASH EQUIVALENTS, APRIL 30	$ 2,343,762

This statement is continued on the following page.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUND

For the Year Ended April 30, 2013

	Business-Type Activities Water and Sewer
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	$ (148,883)
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	4,290,227
(Increase) decrease in	
Receivables	54,252
Increase (decrease) in	
Accounts payable	(282,559)
Accrued liabilities	(16,016)
Deposits payable	3,775
Compensated absences payable	50,365
NET CASH FROM OPERATING ACTIVITIES	$ 3,951,161
NONCASH TRANSACTIONS	
Contributions of capital assets	$ 53,175

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

April 30, 2013

ASSETS		
Cash and cash equivalents	$	423,393
Investments		
U.S. Treasury and agency securities		13,628,711
Municipal bonds		505,014
Money market mutual funds		109,077
Equity mutual funds		19,007,459
Prepaid expenses		67,101
Total assets		33,740,755
LIABILITIES		
Accounts payable		835
Due to other funds		130,081
Total liabilities		130,916
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	$	33,609,839

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the Year Ended April 30, 2013

ADDITIONS	
Contributions	
Employer	$ 1,679,988
Employee	674,669
Total contributions	2,354,657
Investment income	
Net appreciation in fair value of investments	1,890,955
Interest	765,835
Total investment income	2,656,790
Total additions	5,011,447
DEDUCTIONS	
Administration	38,115
Pension benefits and refunds	1,391,982
Total deductions	1,430,097
NET INCREASE	3,581,350
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	
May 1	30,028,489
April 30	$ 33,609,839

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Romeoville, Illinois (the Village), is located in Will County, Illinois and was first incorporated in 1895 under the provisions of the constitution and general statutes of the State of Illinois. The Village operates under a Board administrator form of government. The Village Board consists of seven elected members that exercise all powers of the Village but are accountable to their constituents for all their actions. The Village provides the following services as authorized by it charter: public safety (police, fire, civil defense, and emergency medical), highways and streets, culture-recreation, public improvements, planning and zoning, and general administrative services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a municipal corporation governed by an elected board. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of its operational or financial relationship with the primary government.

Joint Venture

Northern Will County Joint Action Water Agency - The Village entered into an intergovernmental agreement with the Villages of Bolingbrook, Homer Glen, Woodridge and Lemont on December 13, 2011 to form the Northern Will County Joint Action Water Agency (JAWA). JAWA is a municipal corporation empowered to provide adequate supplies of water on an economic and efficient basis for member municipalities, public water districts and other incorporated and unincorporated areas within such counties. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of JAWA beyond its representation on the Board of Directors. The Village has approximately three member water connections, which represents 0.01% of total member water connections.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The Village's financial statements include two pension trust funds:

Police Pension Employees Retirement System

The Village's 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 pension beneficiary elected by the membership and two police employees elected by the membership constitute the pension board. The Village and PPERS participants are obligated to fund all 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 possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund.

Firefighters' Pension Employee Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension System (FPERS). The FPERS functions for the benefit of those 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 fire employees constitute the pension board. The Village and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. The FPERS is reported as a pension trust fund because of the Village's fiduciary responsibility.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for substantially all of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds restricted, committed or assigned for the servicing of long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these financial statements, except for interfund services. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The services which are administered by the Village and accounted for in the General Fund include general government, public works, culture and recreation, and public safety.

The Recreation Fund accounts for the resources that are legally restricted for recreation purposes.

The Facility Construction Fund accounts for the cost construction of new facilities in the Village including the new Village Hall.

The Village reports the following major proprietary fund:

The Water and Sewer Fund accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, billing and collection, financing, and related debt service.

The Village reports the following fiduciary funds:

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and the Firefighters' Pension Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (agency funds have no measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Nonoperating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period and income taxes which uses a 120-day period. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed to the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The Village reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability or deferred inflow of resources for unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of one year or less when purchased are stated at cost or amortized cost. Investments with a maturity greater than one year and all pension fund investments are stated at fair value in accordance with GASB Statement No 31.

f. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

g. Inventories

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Prepaid Items/Expenses

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

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm water), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than $25,000 for machinery and equipment, $100,000 for property or building improvements and $150,000 for infrastructure and an estimated useful life in excess of one-year. Easements are defined by the Village as assets with an initial, individual cost of more than $100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	40
Machinery and equipment	5-20
Furniture and fixtures	5-20
Vehicles	5-10
Infrastructure	15-50
Other equipment	5-20

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences

Vested or accumulated vacation and vested sick leave is reported as an expenditure and a fund liability of the governmental (General) fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 financial statements. Bond premiums and discounts and gains/losses on refundings are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and gains/losses on refundings.

In the fund financial statements, governmental funds 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 expenditures.

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village Board, which is considered the Village’s highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Village. Assigned fund balance represents amounts constrained by the Village’s intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village’s Director of Finance consistent with the intentions of the Village Board. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balances/Net Position (Continued)

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels or unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets

m. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s). In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so it will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period these amounts become available.

n. Interfund Transactions

Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

o. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund'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.

a. Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a $1 per share value which is equal to the participants fair value), and Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and yield.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy does not specifically address custodial credit risk.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2013:

Investment Type	Fair Value	Investment Maturities in Years: Less than 1	1-5	6-10	Greater than 10
Certificate of deposit - negotiable	$ 2,168,605	$ 1,499,815	$ 668,790	$ -	$ -
U.S. Treasury notes	1,405,292	352,335	692,489	360,468	-
U.S. agencies - FHLB	695,541	-	695,541	-	-
U.S. agencies - FHLMC	520,414	-	275,679	-	244,735
U.S. agencies - FNMA	5,758,992	250,835	2,592,182	1,539,348	1,376,627
IMET	9,816,134	-	9,816,134	-	-
TOTAL	$ 20,364,978	$ 2,102,985	$ 14,740,815	$ 1,899,816	$ 1,621,362

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities, money market funds, or similar investment pools. To the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of purchase in accordance with state and local statutes and ordinances.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk limiting investments to the safest types of securities; prequalifying the financial institutions, intermediaries and advisors with which the Village will conduct business; and diversifying the investment portfolio so that potential losses on individual investments will be minimized. IMET and Illinois Funds are rated AAA. U.S. agency obligations are rated AA+ to AAA.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village limits its exposure by limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPS) or money market funds to ensure that proper liquidity is maintained in order to meet ongoing obligations.

b. Police Pension Fund Deposits and Investments

The Police Pension Fund’s investment policy authorizes the Police Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a $1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET’s share price, the price for which the investment could be sold.

It is the policy of the Police Pension Fund to invest its funds with care, skill, prudence, and diligence, using the “prudent person” standard for managing the overall portfolio.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund's investment policy does not specifically address custodial credit risk.

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2013:

		Investment Maturities in Years			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. agencies - FNMA	$ 3,078,483	$ -	$ -	$ -	$ 3,078,483
U.S. agencies - FHLMC	306,799	-	-	-	306,799
U.S. agencies - GNMA	7,027,016	-	-	-	7,027,016
TOTAL	$ 10,412,298	$ -	$ -	$ -	$ 10,412,298

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Police Pension Fund's investment policy does not specifically address interest rate risk. The Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Police Pension Fund 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 Police Pension Fund's investment policy does not specifically address credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Police Pension Fund investment policy does not specifically address custodial credit risk.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of its investments invested in one type of investment. The Police Pension Fund's investment policy does not specifically address concentration of credit risk.

c. Firefighters' Pension Fund Deposits and Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, separate accounts that are managed by life insurance companies, mutual funds, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a $1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and return on investment.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters' Pension Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance.

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Fund Deposits and Investments (Continued)

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of April 30, 2013:

		Investment Maturities in Years			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	$ 710,229	$ -	$ 311,513	$ 398,716	$ -
Municipal bonds	505,014	40,462	61,312	403,240	-
U.S. agencies - FFCB	746,648	-	177,475	569,173	-
U.S. agencies - FHLB	1,332,245	15,630	534,013	782,602	-
U.S. agencies - FHLMC	399,447	25,984	151,433	222,030	-
U.S. agencies - FNMA	24,184	24,184	-	-	-
U.S. agencies - GNMA	3,660	-	-	3,252	408
TOTAL	$ 3,721,427	$ 106,260	$ 1,235,746	$ 2,379,013	$ 408

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market. The Firefighters' Pension Fund investment policy requires that the average maturity and duration of the portfolio be maintained at approximately five years and range from two to seven years.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Firefighters' Pension Fund 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 Firefighters' Pension Fund investment policy does not specially address credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Firefighters' Pension Fund limits its exposure to custodial risk by utilizing an independent, third party institution, to act as custodian for its securities.

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Fund Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of its investments invested in one type of investment. The Firefighters' Pension Fund's investment policy does not restrict the amount of investments in any one issuer. The investment policy requires diversification of investment to avoid unreasonable risk as follows:

- U.S. Treasury Bills/Notes/Bonds - a range from 0% to 100%
- U.S. Government Agency Securities (non MBS) - a range from 0% to 70%
- U.S. Government Agency Securities (callable) - a range from 0% to 30%
- U.S. Government Agency Securities (MBS) - a range from 0% to 10%
- Taxable Municipal Securities - a range from 0% to 20%
- Certificate of Deposit - a range from 0% to 20%
- Investment Grade Corporate Bonds - a range from 0% to 30%

The investment policy limits the amount of equity investments to the amount of total assets invested. Equity investments shall not exceed 45% of the total market value. The Firefighters' Pension Fund's investment policy requires diversification of equity investments as follows

- U.S. Large Company Stock - a range from 40% to 100%
- U.S. Small Company Stock - a range from 0% to 40%
- International Stocks - a range from 0% to 20%

3. RECEIVABLES

a. Property Taxes

Property taxes for 2012 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 issued on about May 1, 2013, and are payable in two installments, on or about June 1, 2013 and September 1, 2013. Tax Increment Financing (TIF) property tax receipts are received in two installments similar to levied taxes described above. TIF property taxes are not levied, but are paid by the County from incremental property tax receipts of all taxing bodies within a TIF District. The County collects such taxes and remits them periodically. As the 2012 tax levy is intended to fund expenditures for the 2013-2014 fiscal year, these taxes are deferred as of April 30, 2013.

3. RECEIVABLES (Continued)

a. Property Taxes (Continued)

The 2013 tax levy, which attached as an enforceable lien on property as of January 1, 2013, has not been recorded as a receivable as of April 30, 2013 as the tax has not yet been levied by the Village and will not be levied until December 2013 and, therefore, the levy is not measurable at April 30, 2013.

b. Other Receivables

Other receivables are comprised of the following at April 30, 2013:

Description	General	Recreation	Local Gas Tax	Total
Replacement taxes	$ 29,775	$ -	$ -	$ 29,775
Water utility	21,663	-	-	21,663
Franchise fees	114,561	-	-	114,561
Utility taxes	452,002	-	-	452,002
Real estate transfer tax	-	-	-	-
Home rule gas tax	58,159	-	58,159	116,318
Food and beverage tax	67,115	-	-	67,115
NSF checks	-	-	-	-
Hotel/Motel tax	-	43,182	-	43,182
	$ 743,275	$ 43,182	$ 58,159	$ 844,616

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2013 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 179,966,676	$ 1,666,804	$ -	$ 181,633,480
Construction in progress	11,078,907	2,238,262	9,740,670	3,576,499
Total capital assets not being Depreciated	191,045,583	3,905,066	9,740,670	185,209,979
Capital assets being depreciated				
Buildings and improvements	63,886,716	2,592,345	109,400	66,369,661
Machinery and equipment	4,548,716	43,124	-	4,591,840
Furniture and fixtures	1,808,387	-	-	1,808,387
Vehicles	7,434,040	1,304,364	229,317	8,509,087
Infrastructure	161,869,484	11,623,989	-	173,493,473
Total capital assets being depreciated	239,547,343	15,563,822	338,717	254,772,448

4. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Buildings and improvements	$ 12,974,467	$ 1,831,101	$ 109,400	$ 14,696,168
Machinery and equipment	1,806,774	277,447	-	2,084,221
Furniture and fixtures	1,291,964	121,822	-	1,413,786
Vehicles	6,338,479	501,779	229,317	6,610,941
Infrastructure	71,775,324	5,540,358	-	77,315,682
Total accumulated depreciation	94,187,008	8,272,507	338,717	102,120,798
Total capital assets being depreciated, Net	145,360,335	7,291,315	-	152,651,650
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 336,405,918	$ 11,196,381	$ 9,740,670	$ 337,861,629

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General government	$ 1,215,214
Public safety	1,241,738
Public works	5,626,974
Culture and recreation	188,581
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 8,272,507

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	$ 20,728	$ -	$ -	$ 20,728
Construction in progress	1,870,652	1,093,952	1,975,594	989,010
Total capital assets not being Depreciated	1,891,381	1,093,952	1,975,594	1,009,738
Capital assets being depreciated				
Buildings and improvements	3,549,219	168,927	-	3,718,146
Machinery and equipment	6,130,337	98,334	45,700	6,182,971
Vehicles	2,448,278	327,228	-	2,775,506
Infrastructure	158,861,626	3,295,244	-	162,156,870
Other Equipment	910,541	-	-	910,541
Total capital assets being depreciated	171,900,001	3,889,733	45,700	175,744,034

4. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES (Continued)				
Less accumulated depreciation for				
Buildings and improvements	$ 638,077	$ 144,879	$ -	$ 782,956
Machinery and equipment	5,888,013	67,581	45,700	5,909,894
Vehicles	1,734,692	271,396	-	2,006,088
Infrastructure	43,582,736	3,765,846	-	47,348,582
Other equipment	721,695	40,525	-	762,220
Total accumulated depreciation	52,565,213	4,290,227	45,700	56,809,740
Total capital assets being depreciated, Net	119,334,788	(400,494)	-	118,934,294
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 121,226,168	$ 693,458	$ 1,975,594	$ 119,944,032

5. 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; injuries to employees; employee health; and natural disasters.

The Village is a member of the Southwest Agency for Risk Management (SWARM) which is a public entity risk pool with eight member groups (villages and cities). The Village pays annual premiums to SWARM for its workers' compensation, general liability, and property coverages.

The cooperative agreement provides that SWARM will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $600,000 per occurrence for workers' compensation and $50,000 for occurrences for general liability and $50,000 for occurrences for property.

One representative from each member serves on the SWARM board and each board member has one vote on the board. None of its members have any direct equity interest in SWARM.

The Village purchases commercial insurance to cover its employees for health and accident claims.

The Village has not had significant reductions in insurance coverage from the previous fiscal year nor did settlements exceed insurance coverage in any of the last three years.

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds, therefore, are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund both general obligation bonds and revenue bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

b. Governmental Activities

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2013:

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
General obligation bonds	$ 46,016,648	$ 2,750,000	$ 5,641,644	$ 43,125,004	$ 3,104,456
General obligation capital appreciation bonds	43,962,717	2,460,067	-	46,422,784	-
Unamortized bond premiums	401,445	89,846	48,262	443,029	-
Capital leases	440,279	818,206	155,909	1,102,576	218,798
Compensated absences*	3,088,793	1,277,060	1,096,640	3,269,213	990,732
Net pension obligation*	1,638,612	44,772	-	1,683,384	-
TOTAL	$ 95,548,494	$ 7,439,951	$ 6,942,455	$ 96,045,990	$ 4,313,986

*The General Fund resources are used to liquidate this liability.

c. Business-Type Activities

The following is a summary of long-term obligation activity for the Village with business-type activities for the year ended April 30, 2013:

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
General obligation bonds	$ 13,563,352	$ -	$ 1,858,356	$ 11,704,996	$ 1,950,544
Note payable	22,320,169	-	1,150,290	21,169,879	1,179,227
Unamortized bond premiums	202,518	-	31,198	171,320	-
Compensated absences	288,686	200,687	150,322	339,051	187,681
TOTAL	$ 36,374,725	$ 200,687	$ 3,190,166	$ 33,385,246	$ 3,317,452

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
General Obligation Bonds						
General Obligation Bonds, Series 2002A, dated September 15, 2002, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2017 in amounts between $160,000 and $210,000. Interest is due on June 30 and December 30 of each year at rates varying from 4.1% to 5.0%.	Debt Service	$ 1,135,000	$ -	$ 1,135,000	$ -	$ -
General Obligation Bonds, Series 2002B, dated September 15, 2002, provide for the serial retirement of bonds on December 30, 2010 and December 30, 2015 - December 30, 2017 in amounts between $170,000 and $660,000. Interest is due on June 30 and December 30 of each year varying from 3.6% to 4.3%.	Debt Service	1,785,000	-	1,785,000	-	-
General Obligation Refunding Bonds, Series 2004, dated September 15, 2004 provide for the serial retirement of bonds on December 30, 2010 - December 30, 2024 in amounts between $425,000 and $2,235,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.00%.	Debt Service/ Water and Sewer	16,790,000	-	1,810,000	14,980,000	2,050,000
General Obligation Refunding Bonds, Series 2005, dated September 15, 2005 provide for the serial retirement of bonds on December 15, 2010 - December 15, 2015 in amounts between $285,000 and $330,000. Interest is due on June 15 and December 15 of each year at rates varying from 3.25% to 3.60%.	Water and Sewer	1,275,000	-	305,000	970,000	315,000

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
General Obligation Bonds (Continued)						
General Obligation Refunding Bonds, Series 2007A, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2017 in amounts between $540,000 and $675,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.25%.	Water and Sewer	$ 3,710,000	$ -	$ 580,000	$ 3,130,000	$ 605,000
General Obligation Refunding Bonds, Series 2007B, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2017 - December 30, 2020 in amounts between $2,000,000 and $4,750,000. Interest is due on June 30 and December 30 of each year at rates varying from 4.00% to 4.375%.	Debt Service	12,900,000	-	-	12,900,000	-
General Obligation Bonds, Series 2008A, dated June 30 2008, provide for the serial retirement of bonds on December 20, 2010 - December 30, 2020 in amounts between $400,000 and $2,050,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.25% to 4.125%.	Debt Service	9,650,000	-	700,000	8,950,000	850,000
General Obligation Refunding Bonds, Series 2008C, dated November 3, 2008, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2018 in amounts between $325,000 and $1,245,000. Interest is due on June 30 and December 30 each year at rates varying from 3.5% to 4.0%.	Water and Sewer	4,205,000	-	330,000	3,875,000	350,000

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
General Obligation Bonds (Continued)						
General Obligation Bonds, Series 2009, dated May 4, 2009, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2029 in amounts between $205,000 and $510,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.00% to 4.375%.	Debt Service	$ 6,280,000	$ -	$ 225,000	$ 6,055,000	$ 235,000
General Obligation Refunding Bonds, Series 2010, dated June 7, 2010, provide for the serial retirement of bonds on December 30, 2010 - December 30, 2014 in amounts between $65,000 and $650,000. Interest is due on June 30 and December 30 of each year at rates varying from 2.00% to 2.50%.	Debt Service	1,850,000	-	630,000	1,220,000	650,000
General Obligation Refunding Bonds, Series 2012A, dated October 10, 2012, provide for the serial retirement of bonds on December 30, 2012 - December 30, 2017 in amounts between $170,000 and $210,000. Interest is due on June 30 and December 30 of each year at rates of 2.00%.	Debt Service	-	975,000	-	975,000	-
General Obligation Refunding Bonds, Series 2012B, dated October 10, 2012, provide for the serial retirement of bonds on December 30, 2012 - December 30, 2017 in amounts between $535,000 and $645,000. Interest is due on June 30 and December 30 of each year at rates of 2.00%.	Debt Service	-	1,775,000	-	1,775,000	-
Total General Obligation Bonds		59,580,000	2,750,000	7,500,000	54,830,000	5,055,000

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
General Obligation (Capital Appreciation) Bonds						
General Obligation (Capital Appreciation) Bonds, Series 2008B Bonds, dated June 30, 2008, provide for the serial retirement of bonds on December 30, 2021 - December 30, 2039 in amounts including interest between $5,500,000 and $6,500,000. Interest rates vary from 5.12% to 5.85% (includes accreted interest of $3,091,384).	Debt Service	$ 43,962,717	$ 2,460,067	$ -	$ 46,422,784	$ -
Capital leases		440,279	818,206	155,909	1,102,576	218,798
Note Payable, dated August 1, 2008, provides for retirement of principal on December 1 and June 1 of each year in the annual amounts between $1,642,834 and $1,701,150, including interest at 2.5% through December 1, 2027.	Water and Sewer	22,320,169	-	1,150,290	21,169,879	1,179,227
TOTAL		$ 126,303,165	$ 6,028,273	$ 8,806,199	$ 123,525,239	$ 6,453,025

e. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

	Governmental Activities General Obligation Bonds	
Fiscal Year	Principal	Interest
2014	$ 3,104,456	$ 1,640,092
2015	3,574,309	1,586,596
2016	3,430,333	1,451,996
2017	4,462,414	1,320,820
2018	5,203,492	1,157,302
2019	5,875,000	983,110
2020	5,665,000	763,025
2021	5,975,000	522,363

6. LONG-TERM DEBT (Continued)

e. Debt Service Requirements to Maturity (Continued)

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities General Obligation Bonds Principal	Interest
2022	$ 815,000	$ 260,538
2023	855,000	223,238
2024	895,000	184,138
2025	945,000	143,188
2026	420,000	99,538
2027	440,000	82,212
2028	465,000	63,513
2029	490,000	43,750
2030	510,000	22,313
TOTAL	$ 43,125,004	$ 10,547,732

	Business-type Activities			
	General Obligation Bonds		Note Payable	
Fiscal Year	Principal	Interest	Principal	Interest
2014	$ 1,950,544	$ 489,860	$ 1,179,227	$ 521,923
2015	1,995,691	409,718	1,208,892	492,258
2016	2,074,667	335,839	1,239,303	461,846
2017	2,172,586	259,072	1,270,480	430,670
2018	2,266,508	165,975	1,302,440	398,710
2019	1,245,000	49,800	1,335,205	365,945
2020	-	-	1,368,793	332,356
2021	-	-	1,403,227	297,923
2022	-	-	1,438,527	262,623
2023	-	-	1,474,715	226,435
2024	-	-	1,511,813	189,337
2025	-	-	1,549,845	151,305
2026	-	-	1,588,833	112,317
2027	-	-	1,628,802	72,348
2028	-	-	1,669,777	31,373
TOTAL	$ 11,704,996	$ 1,710,264	$ 21,169,879	$ 4,347,369

6. LONG-TERM DEBT (Continued)

e. Debt Service Requirements to Maturity (Continued)

	General Obligation Capital Appreciation Bonds Payable from Governmental Activities	
Fiscal Year	Accretion	Principal Repayment
2014	$ 2,597,934	$ -
2015	2,743,540	-
2016	2,897,318	-
2017	3,059,729	-
2018	3,231,257	-
2019	3,412,414	-
2020	3,603,743	-
2021	3,805,816	-
2022	4,019,235	5,500,000
2023	3,959,435	6,000,000
2024	3,866,033	6,000,000
2025	3,764,213	6,000,000
2026	3,652,724	6,500,000
2027	3,503,925	6,500,000
2028	3,344,059	6,500,000
2029	3,172,353	6,500,000
2030	2,987,981	6,500,000
2031	2,790,732	6,500,000
2032	2,579,737	6,500,000
2033	2,354,742	6,500,000
2034	2,116,166	6,500,000
2035	1,863,193	6,500,000
2036	1,594,950	6,500,000
2037	1,310,520	6,500,000
2038	1,008,928	6,500,000
2039	689,149	6,500,000
2040	347,390	6,200,000
TOTAL	$ 74,277,216	$ 120,700,000

6. LONG-TERM DEBT (Continued)

f. Capital Lease Obligation

The Village leases vehicles under capital leases, which expire between June 2013 and August 2023. Annual lease payments, including interest ranging from 1.37% to 6.39%, range from $1,809 to $58,725. The cost of the capital assets acquired under capital leases was $1,394,172, all of which is included in governmental activities vehicles.

Minimum future lease payments under the capital lease together with the present value of the net minimum lease payments as of April 30, 2013 are as follows:

Fiscal Year Ending April 30,	Payment
2014	$ 252,810
2015	194,085
2016	148,213
2017	148,213
2018	148,213
2019	111,193
2020	75,110
2021	49,507
2022	49,507
2023	49,507
Total minimum lease payments	1,226,358
Less amount representing interest	(123,782)
Present value of future minimum lease payments	1,102,576
Less current portion	(218,798)
LONG-TERM PORTION	$ 883,778

6. LONG-TERM DEBT (Continued)

g. Legal Debt Margin

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 General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property …(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: …indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum …shall not be included in the foregoing percentage amounts."

To date, the General Assembly has set no limits for home rule municipalities.

h. Conduit Debt

In a prior fiscal year, the Village issued Adjustable Rate Demand Revenue Bonds to Lewis University (the University) for the purpose of financing. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was $44,950,000.

In a prior fiscal year, the Village issued Industrial Development Revenue Bonds to CGI Real Estate, LLC (the Company) for the purpose of financing. These bonds are collateralized only by the revenue of the Company and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was $5,500,000.

i. Refunding

On October 10, 2012, the Village issued $975,000 General Obligation Refunding Bonds, Series 2012A, to advance refund, through an in-substance defeasance, $1,135,000 of the Series 2002A General Obligation Bonds. The bonds were paid from escrow on December 30, 2012. Through the refunding, the Village reduced its debt service by $50,586 and achieved an economic gain of $47,251.

6. LONG-TERM DEBT (Continued)

i. Refunding (Continued)

On October 10, 2012, the Village issued $1,775,000 General Obligation Refunding Bonds, Series 2012B, to advance refund, through an in-substance defeasance, $1,785,000 of the Series 2002B General Obligation Bonds. The bonds were paid from escrow on December 30, 2012. Through the refunding, the Village reduced its debt service by $167,766 and achieved an economic gain of $159,045.

7. INDIVIDUAL FUND DISCLOSURES

a. Interfund Transactions

Due from/to other funds at April 30, 2013 consist of the following:

Fund	Due From	Due To
Major Governmental		
Recreation		
General	$ 354,366	$ -
Facility Construction	81,829	-
Nonmajor Governmental	357,558	-
Fiduciary	130,081	-
General		
Recreation	-	354,366
Facility Construction		
Recreation	-	81,829
Nonmajor Governmental		
Recreation	-	357,558
Fiduciary		
Recreation	-	130,081
Nonmajor Governmental		
Local Gas Tax		
Nonmajor Governmental	216,254	-
Motor Fuel Tax		
Nonmajor Governmental	-	216,254
TOTAL ALL FUNDS	$ 1,140,088	$ 1,140,088

7. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Advances

Advances between funds during the year were as follows:

Fund	Advances From	Advances To
Major Governmental		
General		
Nonmajor Governmental	$ 499,033	$ -
Nonmajor Governmental		
General	-	499,033
TOTAL ALL FUNDS	$ 499,033	$ 499,033

$3.68 million in funds were transferred from the Marquette TIF District Fund to the General Fund in fiscal year 1998 through fiscal year 2002, that were used to support Fire Station 2 operations that ultimately the Village determined should be repaid to the Marquette TIF Fund. The Village is repaying $261,300 a year until the amount is repaid in full. The balance as of April 30, 2013 was $499,033.

c. Transfers

Transfers between funds during the year were as follows:

Fund	Transfers In	Transfers Out
Major Governmental		
General		
Recreation	$ -	$ 1,078,850
Nonmajor Governmental	30,000	3,555,300
Recreation		
General	1,078,850	-
Nonmajor Governmental	-	217,800
Nonmajor Governmental		
General	-	30,000
Debt Service		
General	3,555,300	-
Recreation	217,800	-
Nonmajor Governmental	3,340,254	3,340,254
TOTAL ALL FUNDS	$ 8,222,204	$ 8,222,204

7. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Transfers (Continued)

The purposes of significant interfund transfers are as follows:

- $1,078,850 transferred to General Fund to Recreation Fund to support the recreation department projects and activities.

- $3,555,300 transferred from the General Fund to the Debt Service Fund (Nonmajor Governmental Fund) to lessen the property tax burden on residents.

- $3,340,254 transferred from Marquette TIF District Fund (Nonmajor Governmental Fund) to the Downtown TIF District Fund (Nonmajor Governmental Fund) for various TIF related projects. The main financing mechanism for the Downtown TIF District Fund will be the Marquette TIF District Fund.

- $217,800 transferred from the Recreation Fund to the Debt Service Fund (Nonmajor Governmental Fund) to lessen the property tax burden on residents.

8. COMMITMENTS

On July 18, 2007, the Village entered into an agreement with a developer to provide possible future economic assistance for the development of an 80 acre parcel of land located on Weber Road. This agreement runs for an eight year period, commencing on the occupancy of various parcels in the development. Subject to some restrictions and priorities, the Village will remit 50% of sales taxes generated in the development up to $4,000,000. As of April 30, 2013, the Village has remitted $2,092,866 related to this agreement of which $168,524 is included in accrued liabilities.

On August 15, 2007, the Village entered into an agreement with a developer to provide possible future economic assistance for the development of a 76 acre parcel of land located on Weber Road known as Romeoville Crossings. This agreement runs for a seven year period, commencing on the occupancy of Wal-Mart in February 2008. Subject to some restrictions and priorities, the Village will remit 50% of sales taxes generated in the development up to $5,100,000. As of April 30, 2013, the Village has remitted $2,959,804 related to this agreement of which $165,839 is included in accrued liabilities.

8. COMMITMENTS (Continued)

On December 2, 2008, the Village entered into an agreement with a developer to provide possible future economic assistance for the development of a 39,775 acre parcel of land located on Weber Road. Commencing on the occupancy of the Meijer Store and subject to some restrictions and priorities, the Village will remit 50% of sales taxes generated in the development up to $4,800,000. The assistance shall continue until the total reimbursement amount of $4,800,000 is paid in full to the developer. As of April 30, 2013, the Village has not remitted any reimbursement to the developer.

On March 17, 2010, the Village entered into an agreement with a developer to provide improvements to the electric utility system with the Village. The electric utility system is subject to some restrictions and priorities, the Village will provide a total reimbursement of $1,710,000 to be remitted over a period of seven years with the first reimbursement scheduled on May 15, 2010. The assistance shall continue until the total reimbursement amount of $1,710,000 is paid in full to the developer, which is set to occur on May 15, 2016. As of April 30, 2013, the Village has remitted $600,000 in reimbursement payments.

On October 20, 2010, the Village entered into an economic incentive agreement with a local restaurant located on Illinois Route 53. Under this agreement, the Village will remit 50% of Home-Rule sales tax and food and beverage tax generated up to a maximum of $125,000. As of April 30, 2013, the Village has remitted $21,870 related to this agreement of which $3,348 is included in accrued liabilities.

9. CONTINGENT LIABILITIES

a. Litigation

The Village has been sued by an entity claiming damages related to a ruptured oil pipeline in September 2010. A motion to dismiss was denied on September 25, 2012. The Village has been advised by legal counsel that it will aggressively defend the lawsuit. The likelihood of an unfavorable outcome is estimated at less than 50%. The estimate of potential loss is not determinable as of the date of the issuance of this financial report.

b. 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.

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the 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 governmental and business-type activities.

b. Benefits Provided

The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

c. Membership

At April 30, 2012, the most recent information available, membership consisted of:

Retirees and beneficiaries currently receiving benefits	20
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	216
TOTAL	236
Participating employers	1

d. Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2013 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2011	$ 85,850	$ 146,850	171.05%	$ (79,715)
April 30, 2012	85,630	146,850	171.49%	(140,935)
April 30, 2013	131,334	146,850	111.81%	(156,451)

The net OPEB obligation as of April 30, 2013 was calculated as follows:

Annual required contribution	$ 132,273
Interest on net OPEB obligation (asset)	(5,637)
Adjustment to annual required contribution	4,698
Annual OPEB cost	131,334
Contributions made	146,850
Increase in net OPEB obligation (asset)	(15,516)
Net OPEB obligation (asset), beginning of year	(140,935)
NET OPEB OBLIGATION (ASSET), END OF YEAR	$ (156,451)

Funded Status and Funding Progress: The funded status and funding progress of the Plan as of April 30, 2012 was as follows:

Actuarial accrued liability (AAL)	$ 1,964,941
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	1,964,941
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	$ 16,095,846
UAAL as a percentage of covered payroll	12.21%

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

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 trend. Amounts determined regarding the funded status of the Plan and the annual required 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 financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the April 30, 2012 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2012 was 30 years.

11. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters’ Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contributions for the calendar year ended December 31, 2012 was 11.67% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

At April 30, 2012, most recent information available, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	21
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	42
Nonvested	21
TOTAL	84

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired as a police officer prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (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 Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2012, the Village's contribution was 25.78% of covered payroll.

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. At April 30, 2012, most recent information available, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	-
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	6
Nonvested	16
TOTAL	22

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee 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 3.00% of the original pension and 3.00% compounded annually thereafter.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters salary for pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. For the year ended April 30, 2012, the Village's contribution was 19.70% of covered payroll.

b. 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 when due. Benefits and refunds are recognized when due and payable.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed income securities are recognized on the transaction date.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Administrative Costs

Administrative costs for the Police and Firefighters' Pension Plans are financed primarily through investment earnings.

c. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net position for either the Police or the Firefighters' Pension Plans. Information for IMRF is not available.

d. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2010	April 30, 2012	April 30, 2012
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Amortization method	Level Percentage of Projected Payroll - Open Basis	Level Percentage of Projected Payroll - Closed Basis	Level Percentage of Projected Payroll - Closed Basis
Amortization period	30 Years	29 Years	29 Years
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	7.00% Compounded Annually	7.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.50% Compounded Annually	5.50% Compounded Annually
c) Additional projected salary increases - seniority/merit	.40% to 10.00%	Not Available	Not Available
d) Postretirement benefit increases	3.00%	3.00% Compounded Annually	3.00% Compounded Annually

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Annual Pension Costs (Continued)

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

		Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2011	$ 1,062,441	$ 1,564,713	$ 329,719
	2012	1,126,969	1,594,965	319,898
	2013	1,248,978	1,405,662	319,097
Actual contributions	2011	$ 1,062,441	$ 1,538,004	$ 326,594
	2012	1,126,969	1,555,002	316,004
	2013	1,248,978	1,365,554	314,433
Percentage of APC contributed	2011	100.00%	98.29%	99.05%
	2012	100.00%	97.49%	98.78%
	2013	100.00%	97.15%	98.54%
NPO (asset)	2011	$ -	$ 1,430,162	$ 164,593
	2012	-	1,470,125	168,487
	2013	-	1,510,233	173,151

The NPO (asset) as of April 30, 2013 has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contributions	$ 1,364,969	$ 314,433
Interest on net pension obligation	102,909	11,794
Adjustment to annual required contribution	(62,216)	(7,130)
Annual pension cost	1,405,662	319,097
Contributions made	1,365,554	314,433
Increase in net pension obligation	40,108	4,664
Net pension obligation, beginning of year	1,470,125	168,487
NET PENSION OBLIGATION, END OF YEAR	$ 1,510,233	$ 173,151

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

e. Funded Status and Funding Progress

The funded status and funding progress of the plans as of December 31, 2012 (IMRF) and April 30, 2012, for the police and firefighters' pension were as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2012	April 30, 2012	April 30, 2012
Actuarial accrued liability (AAL)	$ 24,849,115	$ 39,747,179	$ 5,289,641
Actuarial value of plan assets	18,417,359	25,050,194	4,978,597
Unfunded actuarial accrued liability (UAAL)	6,431,756	14,696,985	311,044
Funded ratio (actuarial value of plan assets/AAL)	74.12%	63.02%	94.12%
Covered payroll (active plan members)	$ 10,128,194	$ 5,296,414	$ 1,595,726
UAAL as a percentage of covered payroll	63.50%	277.49%	19.49%

The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in Note 11d.

The schedule of funding progress, presented in the RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

12. PENSION TRUST FUNDS

a. Schedule of Net Position as of April 30, 2013

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	$ 423,393	$ -	$ 423,393
Investments			
U.S. Government and agency obligations	10,412,298	3,216,413	13,628,711
Municipal bonds	-	505,014	505,014
Equity mutual funds	16,976,017	2,031,442	19,007,459
Money market mutual funds	97,592	11,485	109,077

12. PENSION TRUST FUNDS (Continued)

a. Schedule of Net Position as of April 30, 2013 (Continued)

	Police Pension	Firefighters' Pension	Total
ASSETS (Continued)			
Receivables			
Accrued interest	$ 35,176	$ 31,925	$ 67,101
Total assets	27,944,476	5,796,279	33,740,755
LIABILITIES			
Accounts payable	-	835	835
Due to Village	83,259	46,822	130,081
Total liabilities	83,259	47,657	130,916
NET POSITION	$ 27,861,217	$ 5,748,622	$ 33,609,839

b. Schedule of Changes in Net Position for the year ended April 30, 2013

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	$ 1,365,555	$ 314,433	$ 1,679,988
Employee	536,615	138,054	674,669
Total contributions	1,902,170	452,487	2,354,657
Investment income			
Net appreciation in fair value of investments	1,618,406	272,549	1,890,955
Interest	655,094	110,741	765,835
Total investment income	2,273,500	383,290	2,656,790
Total additions	4,175,670	835,777	5,011,447

12. PENSION TRUST FUNDS (Continued)

b. Schedule of Changes in Net Position for the year ended April 30, 2013 (Continued)

	Police Pension	Firefighters' Pension	Total
DEDUCTIONS			
Administrative	$ 8,386	$ 29,729	$ 38,115
Pension benefits and refunds	1,355,958	36,024	1,391,982
Total deductions	1,364,344	65,753	1,430,097
NET INCREASE	2,811,326	770,024	3,581,350
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
May 1	25,049,891	4,978,598	30,028,489
April 30	$ 27,861,217	$ 5,748,622	$ 33,609,839

13. PRIOR PERIOD ADJUSTMENT

The beginning net position of governmental activities was restated by $(1,970,000) and beginning net position of business-type activities and the Water and Sewer Fund were restated by $(198,193). Beginning net position was restated to expense unamortized bond issuance costs in accordance with GASB Statement No. 65.

14. SUBSEQUENT EVENTS

Subsequent to fiscal year end, the Village issued $12,870,000 of General Obligation Bonds, Series 2013A.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	$ 9,213,600	$ 9,182,573	$ (31,027)
Other taxes	17,639,700	16,876,666	(763,034)
Fines and forfeits	735,800	623,118	(112,682)
Licenses and permits	937,000	1,540,449	603,449
Charges for services	4,447,700	5,106,752	659,052
Intergovernmental	4,902,805	5,186,592	283,787
Investment income	50,000	27,102	(22,898)
Other	2,923,725	2,388,587	(535,138)
Total revenues	40,850,330	40,931,839	81,509
EXPENDITURES			
General government	10,430,305	9,779,785	(650,520)
Public safety	17,464,175	16,884,123	(580,052)
Public works	8,419,700	8,119,009	(300,691)
Allocation to water and sewer fund	(2,845,000)	(2,845,000)	-
Debt service			
Principal	206,800	146,940	(59,860)
Interest and fiscal charges	32,200	21,070	(11,130)
Capital outlay	3,198,400	3,619,147	420,747
Total expenditures	36,906,580	35,725,074	(1,181,506)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,943,750	5,206,765	1,263,015
OTHER FINANCING SOURCES (USES)			
Capital leases issued	645,400	818,206	172,806
Transfers in	30,000	30,000	-
Transfers (out)	(4,634,150)	(4,634,150)	-
Sale of capital assets	15,000	14,482	(518)
Total other financing sources (uses)	(3,943,750)	(3,771,462)	(518)
NET CHANGE IN FUND BALANCE	$ -	1,435,303	$ 1,435,303
FUND BALANCE, MAY 1		14,971,672	
FUND BALANCE, APRIL 30		$ 16,406,975	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RECREATION FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	$ 1,860,900	$ 1,854,626	$ (6,274)
Other taxes	455,000	461,361	6,361
Charges for services	781,000	792,802	11,802
Intergovernmental	-	12,500	12,500
Investment income	1,000	1,101	101
Other	419,500	106,051	(313,449)
Total revenues	3,517,400	3,228,441	(288,959)
EXPENDITURES			
Culture and recreation			
Operations			
Salaries	379,600	384,376	4,776
Contractual	26,000	20,687	(5,313)
Commodities	10,000	4,704	(5,296)
Other	230,000	231,683	1,683
Recreation programs			
Salaries	991,600	1,036,562	44,962
Contractual	189,000	155,091	(33,909)
Commodities	304,700	275,757	(28,943)
Other	17,600	17,538	(62)
Park maintenance			
Salaries	676,500	619,707	(56,793)
Contractual	422,000	368,025	(53,975)
Commodities	79,750	61,057	(18,693)
Recreation center			
Salaries	216,200	166,515	(49,685)
Contractual	84,000	50,807	(33,193)
Commodities	20,500	15,554	(4,946)
Capital outlay			
Improvements	776,000	401,660	(374,340)
Total expenditures	4,423,450	3,809,723	(613,727)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(906,050)	(581,282)	324,768
OTHER FINANCING SOURCES (USES)			
Transfers in	1,078,850	1,078,850	-
Transfers (out)	(217,800)	(217,800)	-
Total other financing sources (uses)	861,050	861,050	-
NET CHANGE IN FUND BALANCE	$ (45,000)	279,768	$ 324,768
FUND BALANCE, MAY 1		554,669	
FUND BALANCE, APRIL 30		$ 834,437	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2013

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2007	$ 14,533,936	$ 16,954,438	85.72%	$ 2,420,502	$ 8,723,099	27.75%
2008	14,336,552	19,076,604	75.15%	4,740,052	9,343,761	50.73%
2009	15,323,154	20,634,969	74.26%	5,311,815	9,680,397	54.87%
2010	15,574,641	21,536,363	72.32%	5,961,722	9,627,375	61.92%
2011	16,136,534	22,843,276	70.64%	6,706,742	9,786,537	68.53%
2012	18,417,359	24,849,115	74.12%	6,431,756	10,128,194	63.50%

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2013

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2007	$ 16,376,667	$ 25,626,834	63.90%	$ 9,250,167	$ 4,420,203	209.27%
2008	17,480,366	28,304,804	61.76%	10,824,438	4,495,763	240.77%
2009	16,331,506	30,631,806	53.32%	14,300,300	5,125,809	278.99%
2010	20,404,694	34,458,323	59.22%	14,053,629	5,256,962	267.33%
2011	23,549,260	36,970,648	63.70%	13,421,388	5,070,922	264.67%
2012	25,050,194	39,747,179	63.02%	14,696,985	5,296,414	277.49%

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2013

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2007	$ 1,791,307	$ 2,871,649	62.38%	$ 1,080,342	$ 1,004,593	107.54%
2008	2,215,720	3,253,029	68.11%	1,037,309	1,167,102	88.88%
2009	2,697,822	3,784,486	71.29%	1,086,664	1,216,426	89.33%
2010	3,496,565	4,239,264	82.48%	742,699	1,244,570	59.68%
2011	4,264,045	4,667,866	91.35%	403,821	1,344,527	30.03%
2012	4,978,597	5,289,641	94.12%	311,044	1,595,726	19.49%

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2013

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2009	$ -	$ 735,666	0.00%	$ 735,666	$ 15,736,193	4.67%
2010	-	1,392,531	0.00%	1,392,531	15,078,910	9.23%
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	-	1,964,941	0.00%	1,964,941	16,095,846	12.21%
2013	N/A	N/A	N/A	N/A	N/A	N/A

N/A - actuarial valuation not performed.

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2013

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2008	$ 837,417	$ 837,417	100.00%
2009	868,035	868,035	100.00%
2010	968,040	968,040	100.00%
2011	1,062,441	1,062,441	100.00%
2012	1,126,969	1,126,969	100.00%
2013	1,248,978	1,248,978	100.00%

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2013

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2008	$ 1,026,033	$ 1,026,752	99.93%
2009	1,121,630	1,126,814	99.54%
2010	1,247,460	1,437,794	86.76%
2011	1,538,004	1,538,440	99.97%
2012	1,555,002	1,553,747	100.08%
2013	1,365,554	1,364,969	100.04%

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2013

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2008	$ 185,159	$ 184,642	100.28%
2009	276,777	276,662	100.04%
2010	314,480	314,341	100.04%
2011	326,594	326,719	99.96%
2012	316,004	315,154	100.27%
2013	314,433	314,433	100.00%

(See independent auditor's report.)

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2013

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	$ 27,552	$ 77,798	35.41%
2010	146,850	77,051	190.59%
2011	146,850	86,162	170.43%
2012	146,850	86,162	170.43%
2013	146,850	132,273	111.02%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

BUDGETS

Annual budgets are adopted for all governmental, proprietary, and pension trust funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

The Finance Director submits a proposed operating budget to the governing body for review commencing the following May 1. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget is legally enacted through passage of an ordinance. The budget may be amended by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. There were no budget amendments during the year.

During the fiscal year, expenditures exceed budget for the following fund:

	Final Budget	Actual
Downtown TIF Fund	$ 3,475,000	$ 4,891,346
Marquette Center TIF Fund	1,568,000	3,492,993
Debt Service Fund	4,744,800	4,770,626

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes			
Corporate levy	$ 2,285,700	$ 2,116,515	$ (169,185)
Fire protection levy	248,000	276,726	28,726
Police protection levy	570,000	567,624	(2,376)
Ambulance levy	525,400	585,969	60,569
Audit levy	80,000	79,931	(69)
Social security levy	1,300,000	1,293,952	(6,048)
Street levy	515,000	589,048	74,048
Refuse disposal levy	610,000	607,011	(2,989)
Tort immunity levy	1,400,000	1,393,576	(6,424)
Police pension levy	1,365,000	1,358,823	(6,177)
Fire pension levy	314,500	313,398	(1,102)
Total property taxes	9,213,600	9,182,573	(31,027)
Other taxes			
Sales	4,550,000	4,279,782	(270,218)
Use	646,700	636,785	(9,915)
Utility			
Electric	3,125,000	2,945,477	(179,523)
Gas	1,000,000	1,014,289	14,289
Telephone	1,450,000	1,298,127	(151,873)
Water	250,000	252,334	2,334
Automobile	6,000	7,053	1,053
Home rule sales	5,100,000	4,866,593	(233,407)
Home rule gas	630,000	632,931	2,931
Real estate transfer	207,000	238,389	31,389
Food and beverage	675,000	701,567	26,567
Gaming tax	-	3,339	3,339
Total other taxes	17,639,700	16,876,666	(763,034)
Fines			
Court	315,000	285,609	(29,391)
Administrative tickets	9,000	4,770	(4,230)
Parking tickets	25,000	18,030	(6,970)
Dog/animal	7,200	5,500	(1,700)
False alarm	25,000	16,500	(8,500)
Vehicle impound fees	225,000	196,300	(28,700)
DUI	9,000	9,000	-
Fire alarm monitoring	120,600	87,409	(33,191)
Total fines	735,800	623,118	(112,682)

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)			
Licenses and permits			
Business licenses	$ 85,000	$ 97,038	$ 12,038
Liquor licenses	65,000	65,835	835
Business permits	80,000	88,800	8,800
Solicitor permits	2,000	2,500	500
Building permits	600,000	1,097,312	497,312
Garage sale permits	4,000	3,320	(680)
Inspection permits	100,000	184,852	84,852
Animal tags	1,000	792	(208)
Total licenses and permits	937,000	1,540,449	603,449
Charges for services			
Vacancy inspection	7,000	9,849	2,849
Cable TV franchise	415,000	454,173	39,173
Ambulance	400,000	507,836	107,836
NSF check charges	-	415	415
Administration	800	1,057	257
Zoning board maps/variance	40,000	40,715	715
Rental inspection	65,000	81,220	16,220
Construction reinspection	15,000	23,300	8,300
Sprint rental	60,000	67,788	7,788
Engineering	50,000	402,463	352,463
Fire prevention service	15,000	13,226	(1,774)
Fire academy	591,000	638,679	47,679
Rubbish collection	2,720,000	2,778,026	58,026
Portable sign/pennant permit	3,000	2,186	(814)
Fingerprint	4,000	748	(3,252)
Police special detail	54,400	78,284	23,884
Police accident report	7,000	5,846	(1,154)
Fire reports	500	941	441
Total charges for services	4,447,700	5,106,752	659,052
Intergovernmental			
State income tax	3,142,700	3,575,982	433,282
Replacement tax	140,000	151,894	11,894
Auto theft	61,000	76,006	15,006
D.A.R.E. program revenue	7,500	7,500	-
Will County grants	101,605	72,966	(28,639)
State grants	-	23,465	23,465
Grants	-	20,705	20,705
Federal grants	150,000	8,579	(141,421)
Lockport fire agreement	1,300,000	1,249,495	(50,505)
Total intergovernmental	4,902,805	5,186,592	283,787

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)			
Investment income	$ 50,000	$ 27,102	$ (22,898)
Other			
Developer's contributions	1,752,500	1,260,514	(491,986)
Good neighbor donations	1,000	-	(1,000)
General donations	225	2,566	2,341
Training reimbursement	9,000	4,990	(4,010)
Community development reimbursement	15,000	19,444	4,444
Workers compensation reimbursement	150,000	65,144	(84,856)
Liason officer reimbursement	35,000	37,485	2,485
Other reimbursements	50,000	16,837	(33,163)
Insurance reimbursements	20,000	15,537	(4,463)
Reimbursement of legal fees	-	40,206	40,206
Health insurance contributions	170,000	161,037	(8,963)
Hazardous material reimbursements	25,000	18,487	(6,513)
Rain barrel program	500	255	(245)
Commemorative veterans brick and plaque	1,000	1,670	670
Marquette TIF distribution	200,000	488,358	288,358
Cobra retiree contribution	70,000	75,647	5,647
Tree escrow revenue	100,000	82,300	(17,700)
Village building rent	27,000	26,250	(750)
Miscellaneous income	1,000	38,154	37,154
MSC guarantee	250,000	32,872	(217,128)
Advertising	1,500	834	(666)
Flexible spending	45,000	-	(45,000)
Total other	2,923,725	2,388,587	(535,138)
TOTAL REVENUES	$ 40,850,330	$ 40,931,839	$ 81,509

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT			
Mayor			
Salaries	$ 122,000	$ 121,400	$ (600)
Contractual services	8,400	6,174	(2,226)
Commodities	10,600	8,364	(2,236)
Other expenditures	225,000	223,600	(1,400)
Total mayor	366,000	359,538	(6,462)
General village board			
Salaries	215,300	207,117	(8,183)
Contractual services	12,000	3,440	(8,560)
Commodities	91,000	81,207	(9,793)
Total general village board	318,300	291,764	(26,536)
Village administration			
Salaries	436,800	429,790	(7,010)
Contractual services	779,150	786,775	7,625
Commodities	24,850	16,776	(8,074)
Total village administration	1,240,800	1,233,341	(7,459)
Personnel			
Salaries	374,900	325,912	(48,988)
Contractual services	3,385,100	3,395,616	10,516
Commodities	13,500	10,213	(3,287)
Other	50,000	-	(50,000)
Total personnel	3,823,500	3,731,741	(91,759)
Operations			
Salaries	90,600	24,021	(66,579)
Contractual services	31,000	25,178	(5,822)
Commodities	4,300	355	(3,945)
Other expenditures	1,356,705	1,030,308	(326,397)
Total operations	1,482,605	1,079,862	(402,743)
Village Clerk			
Salaries	93,800	94,335	535
Contractual services	30,000	4,119	(25,881)
Commodities	2,000	100	(1,900)
Total village clerk	125,800	98,554	(27,246)

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)			
Finance department			
Administration			
Salaries	$ 867,300	$ 842,135	$ (25,165)
Contractual services	2,500	2,252	(248)
Commodities	153,000	170,329	17,329
Other expenditures	10,700	3,287	(7,413)
Total administration	1,033,500	1,018,003	(15,497)
General services			
Contractual services	277,000	309,380	32,380
Commodities	13,000	13,539	539
Other expenditures	8,000	14,897	6,897
Total general sevices	298,000	337,816	39,816
Information services			
Salaries	262,900	277,734	14,834
Contractual services	404,500	328,788	(75,712)
Commodities	21,000	16,949	(4,051)
Total information services	688,400	623,471	(64,929)
Total finance department	2,019,900	1,979,290	(40,610)
Community services and development			
Administration			
Salaries	625,100	566,641	(58,459)
Contractual services	20,500	21,806	1,306
Commodities	16,100	12,441	(3,659)
Total administration	661,700	600,888	(60,812)
Inspectional services			
Salaries	360,000	383,777	23,777
Contractual services	18,200	11,301	(6,899)
Commodities	13,500	9,729	(3,771)
Total inspectional services	391,700	404,807	13,107
Total community services and development	1,053,400	1,005,695	(47,705)
Total general government	10,430,305	9,779,785	(650,520)
PUBLIC SAFETY			
Police and fire commission			
Salaries	21,600	16,959	(4,641)
Contractual services	39,000	39,597	597
Commodities	3,000	579	(2,421)
Total police and fire commission	63,600	57,135	(6,465)

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)			
Police department			
Administration			
Salaries	$ 2,712,500	$ 2,667,225	$ (45,275)
Contractual services	8,000	7,041	(959)
Commodities	3,500	1,777	(1,723)
Total Administration	2,724,000	2,676,043	(47,957)
Operations			
Salaries	7,899,500	7,735,393	(164,107)
Contractual services	302,200	244,252	(57,948)
Commodities	172,225	142,975	(29,250)
Other expenditures	9,500	8,321	(1,179)
Total operations	8,383,425	8,130,941	(252,484)
Support services			
Salaries	900,400	818,501	(81,899)
Contractual services	17,000	13,796	(3,204)
Commodities	4,000	2,133	(1,867)
Total support services	921,400	834,430	(86,970)
Total police department	12,028,825	11,641,414	(387,411)
Fire and ambulance department			
Administration			
Salaries	4,182,500	4,063,667	(118,833)
Contractual services	348,400	259,433	(88,967)
Commodities	173,750	149,690	(24,060)
Other	-	546	546
Total fire and ambulance department	4,704,650	4,473,336	(231,314)
Fire academy			
Administration			
Salaries	282,900	350,012	67,112
Contractual services	101,900	95,397	(6,503)
Commodities	180,500	173,040	(7,460)
Total fire academy	565,300	618,449	53,149
Total fire and ambulance department	5,269,950	5,091,785	(178,165)

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)			
Romeoville Emergency Management Agency			
Administration			
Salaries	$ 17,400	$ 16,686	$ (714)
Contractual services	14,700	12,651	(2,049)
Commodities	12,000	11,293	(707)
Total administration	44,100	40,630	(3,470)
Operations			
Contractual services	38,500	35,458	(3,042)
Commodities	6,000	5,575	(425)
Total operations	44,500	41,033	(3,467)
Communications			
Contractual services	13,200	12,126	(1,074)
Total Romeoville Emergency Management Agency	101,800	93,789	(8,011)
Total public safety	17,464,175	16,884,123	(580,052)
PUBLIC WORKS			
Administration			
Salaries	533,200	577,262	44,062
Buildings and grounds			
Salaries	974,400	959,716	(14,684)
Contractual services	282,800	208,182	(74,618)
Commodities	72,000	80,218	8,218
Total buildings and grounds	1,329,200	1,248,116	(81,084)
Motor pool			
Salaries	137,800	129,585	(8,215)
Contractual services	151,200	95,918	(55,282)
Commodities	378,500	421,213	42,713
Total motor pool	667,500	646,716	(20,784)
Streets and sanitation			
Salaries	977,000	862,627	(114,373)
Contractual services	3,332,400	3,227,433	(104,967)
Commodities	383,400	285,965	(97,435)
Total streets and sanitation	4,692,800	4,376,025	(316,775)

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC WORKS (Continued)			
Landscape and grounds			
Salaries	$ 722,000	$ 801,531	$ 79,531
Contractual services	448,000	444,850	(3,150)
Commodities	27,000	24,509	(2,491)
Total landscape and grounds	1,197,000	1,270,890	73,890
Total public works	8,419,700	8,119,009	(300,691)
ALLOCATIONS TO OTHER FUNDS			
Allocations to water and sewer fund	(2,845,000)	(2,845,000)	-
DEBT SERVICE			
Principal	206,800	146,940	(59,860)
Interest and fiscal charges	32,200	21,070	(11,130)
Total debt service	239,000	168,010	(70,990)
CAPITAL OUTLAY			
General government	1,306,000	994,196	(311,804)
Public safety	628,300	947,517	319,217
Public works	1,264,100	1,677,434	413,334
Total capital outlay	3,198,400	3,619,147	420,747
TOTAL EXPENDITURES	$ 36,906,580	$ 35,725,074	$ (1,181,506)

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FACILITY CONSTRUCTION FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Charges for services	$ -	$ 3,038	$ 3,038
Intergovernmental	-	-	-
Investment income	5,000	7,532	2,532
Total Revenues	5,000	10,570	5,570
EXPENDITURES			
Capital outlay	1,950,000	1,879,350	(70,650)
Total expenditures	1,950,000	1,879,350	(70,650)
NET CHANGE IN FUND BALANCE	$ (1,945,000)	(1,868,780)	$ 76,220
FUND BALANCE, MAY 1		2,797,518	
FUND BALANCE, APRIL 30		$ 928,738	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2013

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS				
Cash and cash equivalents	$ 1,258,676	$ 39,757	$ 4,308,942	$ 5,607,375
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	-	939,474	-	939,474
Accounts	21,059	-	89,821	110,880
Other	-	-	58,159	58,159
Advances to other funds	-	-	499,033	499,033
Due from other funds	-	-	216,254	216,254
Due from other governments	68,239	-	14,789	83,028
TOTAL ASSETS	$ 1,347,974	$ 979,231	$ 5,186,998	$ 7,514,203
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 125,987	$ -	$ 1,585,292	$ 1,711,279
Due to other funds	216,254	31,628	325,930	573,812
Total liabilities	342,241	31,628	1,911,222	2,285,091
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	939,474	-	939,474
Total deferred inflows of resources	-	939,474	-	939,474
Total liabilities and deferred inflows of resources	342,241	971,102	1,911,222	3,224,565
FUND BALANCES				
Nonspendable				
Advances	-	-	499,033	499,033
Restricted				
Maintenance of roadways	1,005,733	-	-	1,005,733
Economic development	-	-	1,410,406	1,410,406
Capital projects	-	-	97,547	97,547
Unrestricted				
Assigned				
Maintenance of roadways	-	-	825,117	825,117
Capital projects	-	-	443,673	443,673
Debt service	-	8,129	-	8,129
Unassigned	-	-	-	-
Total fund balances	1,005,733	8,129	3,275,776	4,289,638
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 1,347,974	$ 979,231	$ 5,186,998	$ 7,514,203

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2013

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES				
Taxes				
Property	$ -	$ 967,278	$ 3,077,349	$ 4,044,627
Other	-	-	632,931	632,931
Charges for services	-	-	71,319	71,319
Intergovernmental	1,193,860	-	179,752	1,373,612
Investment income	776	246	4,219	5,241
Other	3,746	-	344,488	348,234
Total revenues	1,198,382	967,524	4,310,058	6,475,964
EXPENDITURES				
General government	-	-	5,420,389	5,420,389
Public works	710,140	-	-	710,140
Debt service				
Principal	-	2,837,681	-	2,837,681
Interest and fiscal charges	-	1,932,945	-	1,932,945
Capital outlay	22,604	-	4,114,949	4,137,553
Total expenditures	732,744	4,770,626	9,535,338	15,038,708
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	465,638	(3,803,102)	(5,225,280)	(8,562,744)
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	2,750,000	-	2,750,000
Premium on bonds issued	-	89,846	-	89,846
Transfers in	-	3,773,100	3,340,254	7,113,354
Transfers (out)	(30,000)	-	(3,340,254)	(3,370,254)
Payment to escrow agent	-	(2,803,963)	-	(2,803,963)
Total other financing sources (uses)	(30,000)	3,808,983	-	3,778,983
NET CHANGE IN FUND BALANCES	435,638	5,881	(5,225,280)	(4,783,761)
FUND BALANCES, MAY 1	570,095	2,248	8,501,056	9,073,399
FUND BALANCES, APRIL 30	$ 1,005,733	$ 8,129	$ 3,275,776	$ 4,289,638

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental	$ 1,098,000	$ 1,193,860	$ 95,860
Investment income	500	776	276
Other	-	3,746	3,746
Total revenues	1,098,500	1,198,382	99,882
EXPENDITURES			
Public works			
Contractual	675,000	522,218	(152,782)
Commodities	411,100	187,922	(223,178)
Capital outlay	-	22,604	22,604
Total expenditures	1,086,100	732,744	(353,356)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	12,400	465,638	453,238
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(30,000)	(30,000)	-
Total other financing sources (uses)	(30,000)	(30,000)	-
NET CHANGE IN FUND BALANCE	$ (17,600)	435,638	$ 453,238
FUND BALANCE, MAY 1		570,095	
FUND BALANCE, APRIL 30		$ 1,005,733	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended April 30, 2013

	Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	$ 971,500	$ 967,278	$ (4,222)
Investment income	200	246	46
Total revenues	971,700	967,524	(4,176)
EXPENDITURES			
Debt service			
Principal	2,896,700	2,837,681	(59,019)
Interest and fiscal charges	1,848,100	1,932,945	84,845
Total expenditures	4,744,800	4,770,626	25,826
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,773,100)	(3,803,102)	(30,002)
OTHER FINANCING SOURCES (USES)			
Bond proceeds	-	2,750,000	2,750,000
Premium on bonds issued	-	89,846	89,846
Transfers in	3,773,100	3,773,100	-
Payment to escrow agent	-	(2,803,963)	(2,803,963)
Total other financing sources (uses)	3,773,100	3,808,983	35,883
NET CHANGE IN FUND BALANCE	$ -	5,881	$ 5,881
FUND BALANCE, MAY 1		2,248	
FUND BALANCE, APRIL 30		$ 8,129	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

April 30, 2013

	Road Improvements	Local Gas Tax	Marquette Center TIF District
ASSETS			
Cash and cash equivalents	$ 97,547	$ 536,427	$ 1,667,993
Receivables			
Accounts	-	87,314	-
Other		58,159	
Due from other governments	-	14,789	-
Due from other funds	-	216,254	-
Advances to other funds	-	-	499,033
TOTAL ASSETS	$ 97,547	$ 912,943	$ 2,167,026
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ -	$ 87,826	$ -
Accrued liabilities	-	-	-
Due to other funds	-	-	325,930
Total liabilities	-	87,826	325,930
FUND BALANCES			
Nonspendable			
Advances	-	-	499,033
Restricted			
Economic development	-	-	1,342,063
Capital projects	97,547	-	-
Unrestricted			
Assigned			
Maintenance of roadways	-	825,117	-
Capital projects	-	-	-
Unassigned	-	-	-
Total fund balances	97,547	825,117	1,841,096
TOTAL LIABILITIES AND FUND BALANCES	$ 97,547	$ 912,943	$ 2,167,026

2004 Construction	2002A Construction	Romeo Road TIF District	Downtown TIF District	Total
$ 60,627	$ 380,539	$ 68,343	$ 1,497,466	$ 4,308,942
-	2,507	-	-	89,821
				58,159
-	-	-	-	14,789
-	-	-	-	216,254
-	-	-	-	499,033
$ 60,627	$ 383,046	$ 68,343	$ 1,497,466	$ 5,186,998
$ -	$ -	$ -	$ 1,497,466	$ 1,585,292
-	-	-	-	-
-	-	-	-	325,930
-	-	-	1,497,466	1,911,222
-	-	-	-	499,033
-	-	68,343	-	1,410,406
-	-	-	-	97,547
-	-	-	-	825,117
60,627	383,046	-	-	443,673
-	-	-	-	-
60,627	383,046	68,343	-	3,275,776
$ 60,627	$ 383,046	$ 68,343	$ 1,497,466	$ 5,186,998

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended April 30, 2013

	Road Improvements	Local Gas Tax	Marquette Center TIF District
REVENUES			
Property taxes	$ -	$ -	$ 2,880,744
Other taxes	-	632,931	-
Charges for services	-	-	-
Intergovernmental	-	179,752	-
Investment income	223	-	3,708
Other	25,000	32,354	20,000
Total revenues	25,223	845,037	2,904,452
EXPENDITURES			
General government	-	-	3,440,811
Capital outlay	400,000	496,525	52,182
Total expenditures	400,000	496,525	3,492,993
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(374,777)	348,512	(588,541)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	-	-	(3,340,254)
Total other financing sources (uses)	-	-	(3,340,254)
NET CHANGE IN FUND BALANCES	(374,777)	348,512	(3,928,795)
FUND BALANCES (DEFICIT), MAY 1	472,324	476,605	5,769,891
FUND BALANCES (DEFICIT), APRIL 30	$ 97,547	$ 825,117	$ 1,841,096

2004 Construction	2002A Construction	Romeo Road TIF District	Downtown TIF District	Total
$ -	$ -	$ 34,037	$ 162,568	$ 3,077,349
-	-	-	-	632,931
-	-	-	71,319	71,319
-	-	-	-	179,752
7	1	19	261	4,219
-	86,502	-	180,632	344,488
7	86,503	34,056	414,780	4,310,058
-	-	6,046	1,973,532	5,420,389
-	248,428	-	2,917,814	4,114,949
-	248,428	6,046	4,891,346	9,535,338
7	(161,925)	28,010	(4,476,566)	(5,225,280)
-	-	-	3,340,254	3,340,254
-	-	-	-	(3,340,254)
-	-	-	3,340,254	-
7	(161,925)	28,010	(1,136,312)	(5,225,280)
60,620	544,971	40,333	1,136,312	8,501,056
$ 60,627	$ 383,046	$ 68,343	$ -	$ 3,275,776

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD IMPROVEMENTS FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	$ -	$ 223	$ 223
Other	-	25,000	25,000
Total revenues	-	25,223	25,223
EXPENDITURES			
Capital outlay	400,000	400,000	-
Total expenditures	400,000	400,000	-
NET CHANGE IN FUND BALANCE	$ (400,000)	(374,777)	$ 25,223
FUND BALANCE, MAY 1		472,324	
FUND BALANCE, APRIL 30		$ 97,547	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOCAL GAS TAX FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Home rule gas tax	$ 630,000	$ 632,931	$ 2,931
Intergovernmental	880,000	179,752	(700,248)
Other	158,400	32,354	(126,046)
Total revenues	1,668,400	845,037	(823,363)
EXPENDITURES			
Capital outlay	1,350,000	496,525	(853,475)
Total expenditures	1,350,000	496,525	(853,475)
NET CHANGE IN FUND BALANCE	$ 318,400	348,512	$ 30,112
FUND BALANCE (DEFICIT), MAY 1		476,605	
FUND BALANCE, APRIL 30		$ 825,117	

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MARQUETTE CENTER TIF DISTRICT FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	$ 2,710,000	$ 2,880,744	$ 170,744
Investment income	2,500	3,708	1,208
Other	-	20,000	20,000
Total revenues	2,712,500	2,904,452	191,952
EXPENDITURES			
General government			
Contractual	1,478,000	3,440,811	1,962,811
Capital outlay	90,000	52,182	(37,818)
Total expenditures	1,568,000	3,492,993	1,924,993
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,144,500	(588,541)	(1,733,041)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,144,500)	(3,340,254)	(2,195,754)
Total other financing sources (uses)	(1,144,500)	(3,340,254)	(2,195,754)
NET CHANGE IN FUND BALANCE	$ -	(3,928,795)	$ (3,928,795)
FUND BALANCE, MAY 1		5,769,891	
FUND BALANCE, APRIL 30		$ 1,841,096	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2004 CONSTRUCTION FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	$ -	$ 7	$ 7
Total revenues	-	7	7
EXPENDITURES			
Capital outlay	-	-	-
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	$ -	7	$ 7
FUND BALANCE, MAY 1		60,620	
FUND BALANCE, APRIL 30		$ 60,627	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2002A CONSTRUCTION FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	$ -	$ 1	$ 1
Other	1,684,000	86,502	(1,597,498)
Total revenues	1,684,000	86,503	(1,597,497)
EXPENDITURES			
Capital outlay	2,205,000	248,428	(1,956,572)
Total expenditures	2,205,000	248,428	(1,956,572)
NET CHANGE IN FUND BALANCE	$ (521,000)	(161,925)	$ 359,075
FUND BALANCE, MAY 1		544,971	
FUND BALANCE, APRIL 30		$ 383,046	

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROMEO ROAD TIF DISTRICT FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	$ 32,000	$ 34,037	$ 2,037
Investment income	-	19	19
Total revenues	32,000	34,056	2,056
EXPENDITURES			
General government			
Contractual	32,000	6,046	(25,954)
Capital outlay	325,000	-	(325,000)
Total expenditures	357,000	6,046	(350,954)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(325,000)	28,010	353,010
OTHER FINANCING SOURCES (USES)			
Transfer in	325,000	-	(325,000)
Total other financing sources (uses)	325,000	-	(325,000)
NET CHANGE IN FUND BALANCE	$ -	28,010	$ 28,010
FUND BALANCE, MAY 1		40,333	
FUND BALANCE, APRIL 30		$ 68,343	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN TIF DISTRICT FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	$ 180,000	$ 162,568	$ (17,432)
Charges for services	106,000	71,319	(34,681)
Investment income	200	261	61
Other	20,000	180,632	160,632
Total revenues	306,200	414,780	108,580
EXPENDITURES			
General government			
Contractual services	1,094,000	1,973,532	879,532
Capital outlay	2,381,000	2,917,814	536,814
Total expenditures	3,475,000	4,891,346	1,416,346
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,168,800)	(4,476,566)	(1,307,766)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,144,500	3,340,254	2,195,754
Transfers (out)	(325,000)	-	325,000
Total other financing sources (uses)	819,500	3,340,254	2,520,754
NET CHANGE IN FUND BALANCE	$ (2,349,300)	(1,136,312)	$ 1,212,988
FUND BALANCE, MAY 1		1,136,312	
FUND BALANCE, APRIL 30		$ -	

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Water sales	$ 6,205,000	$ 6,498,396
Sewer sales	7,270,000	7,521,585
Fines and fees		
Late charges	370,000	365,693
Other fees	-	1,840
Tap on fees	100,000	241,612
Reconnection fees	55,000	59,402
NSF charges	7,000	5,275
Reimbursements	25,000	38,793
Total operating revenues	14,032,000	14,732,596
OPERATING EXPENSES		
Finance administration		
Salaries	331,400	362,082
Contractual services	146,100	144,968
Commodities	53,000	49,498
Other	2,000	1,030
Total finance administration	532,500	557,578
Public works administration		
Contractual services	519,000	377,612
Commodities	16,500	9,974
Other	-	-
Capital outlay	910,000	106,498
Total public works administration	1,445,500	494,084
Public works water distribution		
Salaries	1,368,200	1,424,261
Contractual services	1,230,500	1,125,121
Commodities	771,000	548,878
Capital outlay	737,500	436,101
Total public works water distribution	4,107,200	3,534,361
Public works sewage treatment		
Salaries	982,700	1,166,510
Contractual services	1,689,000	1,035,204
Commodities	209,500	197,268
Capital outlay	565,000	191,000
Total public works sewage treatment	3,446,200	2,589,982

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND

For the Year Ended April 30, 2013

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Public works sewage collection		
Salaries	$ 799,100	$ 837,164
Contractual services	831,000	400,762
Commodities	67,000	35,905
Other	5,000	546
Capital outlay	4,170,000	2,250,785
Total public works sewage collection	5,872,100	3,525,162
Total	15,403,500	10,701,167
Less capitalized items	-	(2,954,915)
Administration and other charges	2,845,000	2,845,000
Total operating expenses	18,248,500	10,591,252
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(4,216,500)	4,141,344
Depreciation	-	4,290,227
OPERATING INCOME (LOSS)	(4,216,500)	(148,883)
NONOPERATING REVENUES (EXPENSES)		
Other revenue	-	29,060
Investment income	200,000	136,471
Interest expense	(4,134,300)	(1,053,663)
Total nonoperating revenues (expenses)	(3,934,300)	(888,132)
INCOME (LOSS) BEFORE CONTRIBUTIONS	(8,150,800)	(1,037,015)
CONTRIBUTIONS	-	53,175
CHANGE IN NET POSITION	$ (8,150,800)	(983,840)
NET POSITION, MAY 1		100,490,636
Prior period adjustment		(198,193)
NET POSITION, MAY 1, RESTATED		100,292,443
NET POSITION, APRIL 30		$ 99,308,603

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS

For the Year Ended April 30, 2013

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Dated September 15, 2004	2014	$ 2,050,000	$ 644,747	$ 2,694,747
Refunding Series 2004	2015	2,095,000	542,248	2,637,248
Interest due on June 30 and	2016	2,120,000	463,685	2,583,685
December 30 at rates of 3.75%	2017	2,205,000	378,885	2,583,885
to 5.0%	2018	2,235,000	290,685	2,525,685
	2019	1,385,000	201,285	1,586,285
	2020	425,000	144,500	569,500
	2021	445,000	123,250	568,250
	2022	470,000	101,000	571,000
	2023	490,000	77,500	567,500
	2024	515,000	53,000	568,000
	2025	545,000	27,250	572,250
		$ 14,980,000	$ 3,048,035	$ 18,028,035
General Obligation Bonds:				
Dated September 15, 2005	2014	$ 315,000	$ 33,965	$ 348,965
Refunding Series 2005	2015	325,000	23,255	348,255
Interest due on June 15	2016	330,000	11,880	341,880
and December 15 at rates				
at 3.25% to 3.6%		$ 970,000	$ 69,100	$ 1,039,100
General Obligation Bonds:				
Dated November 15, 2007	2014	$ 605,000	$ 141,638	$ 746,638
Refunding Series 2007A	2015	590,000	117,438	707,438
Interest due on June 30	2016	620,000	93,838	713,838
and December 30 at rates	2017	640,000	69,038	709,038
ranging from 3.75% to 5.25%	2018	675,000	35,438	710,438
		$ 3,130,000	$ 457,390	$ 3,587,390
General Obligation Bonds:				
Dated November 15, 2007	2014	$ -	$ 543,625	$ 543,625
Refunding Series 2007B	2015	-	543,625	543,625
Interest due on June 30	2016	-	543,625	543,625
and December 30 at rates	2017	-	543,625	543,625
ranging from 4.0% to 4.375%	2018	2,000,000	543,625	2,543,625
	2019	2,225,000	463,625	2,688,625
	2020	3,925,000	374,625	4,299,625
	2021	4,750,000	207,813	4,957,813
		$ 12,900,000	$ 3,764,188	$ 16,664,188

(This schedule is continued on the following pages.)

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2013

	Year Ending	Principal	Interest	Total
General Obligation Bonds:				
Dated June 30, 2008	2014	$ 850,000	$ 345,968	$ 1,195,968
Series 2008A	2015	1,175,000	316,218	1,491,218
Interest due on June 30	2016	1,575,000	273,625	1,848,625
and December 30 at rates	2017	2,050,000	214,563	2,264,563
ranging from 3.25% to 4.125%	2018	700,000	132,563	832,563
	2019	1,150,000	104,563	1,254,563
	2020	1,000,000	58,563	1,058,563
	2021	450,000	18,563	468,563
		$ 8,950,000	$ 1,464,626	$ 10,414,626
General Obligation Bonds:				
Dated June 7, 2010	2014	$ 650,000	$ 27,250	$ 677,250
Series 2010	2015	570,000	14,250	584,250
Interest due on June 30				
and December 30 at rates		$ 1,220,000	$ 41,500	$ 1,261,500
of 2.0% to 2.5%				
General Obligation				
(Capital Appreciation) Bonds:				
Dated June 30, 2008	2022	$ 2,779,425	$ 2,720,575	$ 5,500,000
Series 2008B	2023	2,846,160	3,153,840	6,000,000
Interest due on December 30 and	2024	2,675,040	3,324,960	6,000,000
at rates ranging from 5.12%	2025	2,506,740	3,493,260	6,000,000
to 5.85%	2026	2,545,205	3,954,795	6,500,000
	2027	2,390,830	4,109,170	6,500,000
	2028	2,243,605	4,256,395	6,500,000
	2029	2,103,400	4,396,600	6,500,000
	2030	1,974,180	4,525,820	6,500,000
	2031	1,851,460	4,648,540	6,500,000
	2032	1,739,010	4,760,990	6,500,000
	2033	1,640,210	4,859,790	6,500,000
	2034	1,546,740	4,953,260	6,500,000
	2035	1,458,275	5,041,725	6,500,000
	2036	1,374,620	5,125,380	6,500,000
	2037	1,295,515	5,204,485	6,500,000
	2038	1,220,765	5,279,235	6,500,000
	2039	1,136,460	5,363,540	6,500,000
	2040	1,008,244	5,191,756	6,200,000
		36,335,884	84,364,116	120,700,000
Accreted Interest		10,086,900	(10,086,900)	-
		$ 46,422,784	$ 74,277,216	$ 120,700,000

(This schedule is continued on the following pages.)

	Year Ending	Principal	Interest	Total
General Obligation				
Refunding Bonds:	2014	$ 350,000	$ 152,370	$ 502,370
Dated November 3, 2008	2015	375,000	138,720	513,720
Refunding Series 2002C	2016	400,000	124,095	524,095
Interest due on June 30 and	2017	735,000	108,495	843,495
December 30 at rates of 3.5%	2018	770,000	79,830	849,830
to 4.0%	2019	1,245,000	49,800	1,294,800
		$ 3,875,000	$ 653,310	$ 4,528,310
General Obligation Bonds:				
Dated May 4, 2009	2014	$ 235,000	$ 240,388	$ 475,388
Series 2009	2015	245,000	233,338	478,338
Interest due on June 30	2016	260,000	225,988	485,988
and December 30 at rates	2017	270,000	218,188	488,188
ranging from 3.0% to 4.375%	2018	285,000	208,738	493,738
	2019	300,000	197,338	497,338
	2020	315,000	185,338	500,338
	2021	330,000	172,738	502,738
	2022	345,000	159,538	504,538
	2023	365,000	145,738	510,738
	2024	380,000	131,138	511,138
	2025	400,000	115,938	515,938
	2026	420,000	99,538	519,538
	2027	440,000	82,213	522,213
	2028	465,000	63,513	528,513
	2029	490,000	43,750	533,750
	2030	510,000	22,313	532,313
		$ 6,055,000	$ 2,545,733	$ 8,600,733
General Obligation Bonds:				
Dated October 10, 2012	2014	$ -	$ -	$ -
Refunding Series 2012A	2015	195,000	23,833	218,833
Interest due on June 30 and	2016	200,000	15,600	215,600
December 30 at rates of 2.0%	2017	200,000	11,600	211,600
	2018	210,000	7,600	217,600
	2019	170,000	3,400	173,400
		$ 975,000	$ 62,033	$ 1,037,033
General Obligation Bonds:				
Dated October 10, 2012	2014	$ -	$ -	$ -
Refunding Series 2012B	2015	-	43,389	43,389
Interest due on June 30 and	2016	-	35,500	35,500
December 30 at rates of 2.0%	2017	535,000	35,500	570,500
	2018	595,000	24,800	619,800
	2019	645,000	12,900	657,900
		$ 1,775,000	$ 152,089	$ 1,927,089

(This schedule is continued on the following pages.)

	Year Ending	Principal	Interest	Total
Note Payable:				
Dated August 1, 2008	2014	$ 1,179,227	$ 521,923	$ 1,701,150
Illinois Environmental Protection	2015	1,208,892	492,258	1,701,150
Agency Loan	2016	1,239,303	461,846	1,701,149
Interest due on June 1	2017	1,270,480	430,670	1,701,150
December 1 at a rate of 2.5%	2018	1,302,440	398,710	1,701,150
	2019	1,335,205	365,945	1,701,150
	2020	1,368,793	332,356	1,701,149
	2021	1,403,227	297,923	1,701,150
	2022	1,438,527	262,623	1,701,150
	2023	1,474,715	226,435	1,701,150
	2024	1,511,813	189,337	1,701,150
	2025	1,549,845	151,305	1,701,150
	2026	1,588,833	112,317	1,701,150
	2027	1,628,802	72,348	1,701,150
	2028	1,669,777	31,373	1,701,150
		$ 21,169,879	$ 4,347,369	$ 25,517,248
Capital Lease				
Dated June 25, 2005	2014	$ 42,791	$ 3,081	$ 45,872
2006 Pierce Heavy Duty Fire Vehicle	2015	44,301	1,571	45,872
Principal and Interest due on May 7				
at rates of 3.48%		$ 87,092	$ 4,652	$ 91,744
Capital Lease				
Dated April 5, 2007	2014	$ 56,317	$ 2,408	$ 58,725
2007 Pierce Pumper				
Principal and Interest due on April 5		$ 56,317	$ 2,408	$ 58,725
at rates of 4.28%				
Capital Lease				
Dated August 25, 2009	2014	$ 16,595	$ 9,007	$ 25,602
2009 Fire Training Facility	2015	17,655	7,947	25,602
Principal and Interest due on August 25	2016	18,783	6,819	25,602
at rates of 6.39%	2017	19,984	5,618	25,602
	2018	21,260	4,342	25,602
	2019	22,619	2,983	25,602
	2020	24,065	1,538	25,603
		$ 140,961	$ 38,254	$ 179,215
Capital Lease				
Dated December 14, 2012	2014	$ 34,762	$ 1,322	$ 36,084
2012 Elgin Eagle Street Sweeper	2015	33,711	2,373	36,084
Principal and Interest due on December 14	2016	34,173	1,911	36,084
at rates of 1.37%	2017	34,641	1,443	36,084
	2018	35,115	969	36,084
	2019	35,598	488	36,086
		$ 208,000	$ 8,506	$ 216,506

(This schedule is continued on the following page.)

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2013

	Year Ending	Principal	Interest	Total
Capital Lease				
Dated August 1, 2012	2014	$ 39,030	$ 10,477	$ 49,507
2012 Pierce Arrow XT Pumper	2015	39,969	9,538	49,507
Principal and Interest due on August 1	2016	40,931	8,576	49,507
at rates of 2.41%	2017	41,916	7,591	49,507
	2018	42,925	6,582	49,507
	2019	43,957	5,550	49,507
	2020	45,015	4,492	49,507
	2021	46,098	3,409	49,507
	2022	47,208	2,299	49,507
	2023	48,345	1,163	49,508
		$ 435,394	$ 59,677	$ 495,071
Capital Lease				
Dated February 1, 2013	2014	$ 36,087	$ 933	$ 37,020
2013 Medtec Ford F450 Ambulance	2015	34,893	2,127	37,020
Principal and Interest due on February 1	2016	35,413	1,607	37,020
at rates of 1.37%	2017	35,941	1,079	37,020
	2018	36,478	544	37,022
		$ 178,812	$ 6,290	$ 185,102