

VILLAGE OF MAHOMET
Mahomet, Illinois

Annual Financial Report

For the Year Ended April 30, 2010

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For the Year Ended April 30, 2010

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September 10, 2010

Honorable President and
Board of Trustees
Village of Mahomet
Mahomet, Illinois

Independent Auditor's Report

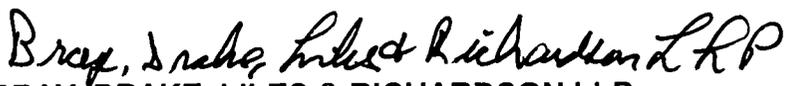
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mahomet, Mahomet, Illinois (the Village), as of and for the year ended April 30, 2010, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Village of Mahomet. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mahomet as of April 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with the accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 2 through 8 and 34 through 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Mahomet's financial statements as a whole. The supplementary information presented on pages 39-51 is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information presented on pages 39-51 is the responsibility of management and was derived from and relates 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.


BRAY, DRAKE, LILES & RICHARDSON LLP

Village of Mahomet

Management's Discussion and Analysis

April 30, 2010

As management of the Village of Mahomet, we offer readers of these financial statements a narrative overview and analysis of the financial activities of the Village of Mahomet for the fiscal year ended April 30, 2010.

Financial Highlights

- The total net assets of the Village of Mahomet exceeded its liabilities at the close of the most recent fiscal year for both, the governmental and business-type, activities by a total of \$42,397,989 (*net assets*).
- The Village's total net assets increased by \$7,877,253 for the reporting year over the previous fiscal year.
- As of the close of the current fiscal year, the Village of Mahomet's governmental activities reported combined ending fund balances of \$3,596,908, a decrease of \$417,703 over the prior year. Of this amount, \$3,232,545, is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$1,005,646 or 52% of total general fund expenditures.
- The Village of Mahomet's total debt decreased by \$302,953 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Village of Mahomet's basic financial statements. The Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Village of Mahomet's finances, in a manner similar to private-sector business. They report all funds of the Village of Mahomet including governmental activities and business-type activities.

- The *statement of net assets* presents information on the Village of Mahomet's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Net assets have been increasing over the past years.
- The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*.

The governmental activities of the Village of Mahomet include general government, public safety (police, ESDA), highways and streets, culture and recreation, planning and zoning, economic development and interest on long-term debt. Business-type activities include water and sewer enterprise funds.

Fund financial statements. A fund is a grouping of related accounts which is used to maintain control over resources segregated for specific activities or objectives. The Village of Mahomet, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Village of Mahomet maintains 14 individual governmental funds. Information is presented separately in the governmental fund balance sheet as well as in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Tax Increment Financing Fund, and Transportation System Capital Improvement Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Village adopts an annual appropriated budget for its general fund and other major funds. Budgetary comparison statements have been provided for the general fund and other major governmental funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 11-12 within this report.

Business-type activities. The Village of Mahomet maintains basic public services by providing water and sewer utilities to residents. These functions are accounted for in this audit as business-type activities or enterprise funds. These basic proprietary fund statements can be found on pages 13-15. The Village's total net assets for all proprietary fund types is \$7,147,545 (*total net assets*) including restricted net assets of \$1,206,444. The Village's net assets of the Waterworks Fund is \$4,225,532 or 59% of the total business-type net assets.

Notes to the financial statements. The notes provide additional information which is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes of the financial statements can be found on pages 16-33 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* on pages 34-38. This required supplementary information includes information concerning the Village of Mahomet's progress in funding its obligation to provide pension benefits to its employees, budgetary comparison schedules for its major governmental funds and related footnotes. This report also contains additional supplementary information on governmental and business-type activities, bond payment schedules, legal debt margin calculations, assessed valuations, tax rates, taxes extended

and taxes collected information. Additional supplementary information can be found on pages 39-51 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village of Mahomet, assets exceeded liabilities by \$42,397,989 at the close of the most recent fiscal year.

The largest portion of the Village's net assets (84%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets still outstanding. The Village of Mahomet uses capital assets to provide services to 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 by other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following table reflects the condensed Statement of Net Assets:

Village of Mahomet's Net Assets

	Governmental Activities 2010	Governmental Activities 2009	Business-Type Activities 2010	Business-Type Activities 2009	Total 2010	Total 2009
Current and Other Assets	\$ 6,096,384	\$ 5,416,390	\$ 2,306,172	\$ 2,642,701	\$ 8,402,556	\$ 8,059,091
Capital Assets	30,825,162	22,978,727	8,736,702	8,484,525	39,561,864	31,463,252
Total Assets	36,921,546	28,395,117	11,042,874	11,127,226	47,964,420	39,522,343
Long-term Liabilities	256,124	328,677	3,480,516	3,993,227	3,736,640	4,321,904
Other Liabilities	1,414,978	469,895	414,813	209,808	1,829,791	679,703
Total Liabilities	1,671,102	798,572	3,895,329	4,203,035	5,566,431	5,001,607
Net Assets:						
Invested in Capital Assets	30,441,124	22,544,448	4,996,186	4,491,298	35,437,310	27,035,746
Restricted	364,363	494,428	1,206,444	1,457,812	1,570,807	1,952,240
Unrestricted	4,444,957	4,557,669	944,915	975,081	5,389,872	5,532,750
Total Net Assets	\$ 35,250,444	\$ 27,596,545	\$ 7,147,545	\$ 6,924,191	\$ 42,397,989	\$ 34,520,736

A portion of the Village's net assets (4%) represents resources which are subject to external restrictions on how they may be used.

Governmental Activities. Governmental activities increased Mahomet's net assets by \$7,653,899, which represents 97% of the Change in Net Assets of the Village. Revenues and expenditures were up in all of the major operating governmental functions, with the exception of income taxes which were down \$53,000.

Business-type Activities. There was a total net increase in assets over the previous fiscal year of \$223,354, which represents 3% of the Change in Net Assets of the Village. The increase is partially due to an increase in charges for services.

The following table summarizes the revenues and expenses of the Village's activities:

Village of Mahomet's Changes in Net Assets

	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Total	Total
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues						
Charges for services	\$ 678,792	\$ 310,104	\$ 1,626,104	\$ 1,568,089	\$ 2,304,896	\$ 1,878,193
Operating grants & contributions	6,903,630	2,790,170	-	-	6,903,630	2,790,170
General revenues:						
Property taxes	2,117,152	1,981,447	37,458	39,732	2,154,610	2,021,179
Other taxes	1,704,516	1,717,516	-	-	1,704,516	1,717,516
Investment earnings	17,454	48,430	18,936	62,978	36,390	111,408
Miscellaneous	76,404	31,122	-	-	76,404	31,122
Total revenues	11,497,948	6,878,789	1,682,498	1,670,799	13,180,448	8,549,588
Expenses:						
General government	702,863	606,565	-	-	702,863	606,565
Public safety	834,239	803,767	-	-	834,239	803,767
Highways and streets	1,830,335	1,541,982	-	-	1,830,335	1,541,982
Culture and recreation	244,410	210,204	-	-	244,410	210,204
Planning and zoning	225,954	214,050	-	-	225,954	214,050
Economic development	41,003	17,531	-	-	41,003	17,531
Interest on long-term debt	15,871	21,184	-	-	15,871	21,184
Water department	-	-	882,466	895,382	882,466	895,382
Sewer department	-	-	528,052	480,461	528,052	480,481
Total expenses	3,894,675	3,415,263	1,408,518	1,375,863	5,303,193	4,791,146
Excess (deficiency) of revenues over expenses	7,603,273	3,463,506	273,980	294,936	7,877,253	3,758,442
Other financing sources (uses):						
Transfers in (out)	50,626	31,713	(50,828)	(31,713)	-	-
Change in net assets	7,653,899	3,495,219	223,354	263,223	7,877,253	3,758,442
Beginning net assets	27,596,545	24,101,326	6,924,191	6,660,968	34,520,736	30,762,294
Ending net assets	\$ 35,250,444	\$ 27,596,545	\$ 7,147,545	\$ 6,924,191	\$ 42,397,989	\$ 34,520,736

Revenues for governmental activities for the Village of Mahomet are generated from a number of different sources and for the most part are dependent upon different financial factors. The majority of general revenue is derived from property taxes, which provides long-term stability, though there is a healthy balance of support from sales, income, and utility taxes.

Highways and streets expenses constituted the largest single category of expense within governmental activities totaling \$1,830,335 or 47% of total expenses of \$3,894,675. Public safety expenses were next at \$834,239 or 21% of total expenses in governmental activities.

Business-type activities include revenues and expenses for water and sewer utility provision. Charges for services exceeded expenditures in the reporting year by \$223,354. These excess revenues are being set aside for future infrastructure investment including the sanitary sewer treatment plant expansion.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Village of Mahomet's governmental funds reported combined ending fund balances of \$3,596,908, a decrease of \$417,703. 86% of this amount, or \$3,232,545, constitutes *unreserved, undesignated fund balance*, which is available for spending at the government's discretion. Key factors in this growth include increases in the Village's assessed valuation and corresponding property tax receipts.

The General Fund balance decreased \$94,783 mainly due to reduced income tax and sales tax revenues during the year.

The Tax Increment Financing Fund has an ending fund balance of \$376,190 but still owes the General Corporate fund \$177,860 which is represented on page 32 of the audit as an interfund receivable/payable due to the start up costs of the TIF District.

The Transportation System Capital Improvement Fund balance decreased \$145,150 because of projects in the capital improvement plan that have been completed during the year. Additional projects are expected to be expended in fiscal year 10-11.

Business-type funds. Enterprise, proprietary or business-type funds are used to account business-type activities provided to the public. For the Village of Mahomet, these activities are financed by user charges including water/sewer utility billings and water/sewer system connection fees. These funds experienced an increase of \$223,354 in net assets.

Budgetary Highlights

The Village staff develops a working budget prior to the beginning of each fiscal year. This working budget is based on Village Board goals of what programs to fund, capital projects and purchases desired, levels of taxation, types and amounts of user fees, estimates of State revenues, historical operating expenses and desired cash reserves and fund balance. The working budget is presented to the Village Board and adopted by a majority vote. The Village staff uses this budget to guide operations throughout the fiscal year.

The legal spending limits of the Village of Mahomet, as well as most municipal governments, are set by the appropriation ordinance. The appropriation ordinance is also developed by Village staff taking into account the maximum acceptable spending for operations and other possible contingencies. The appropriation ordinance is passed by the Village Board in accordance with State statutes. The Village Board may vote to transfer appropriated amounts between departments or line items as needed throughout the year. But there are very few remedies, as described in State statute, if the total appropriation amount needs to be raised or lowered.

During the fiscal year 2010, there was no change in overall appropriation amounts between the original and final amended appropriation budget. Explanations of significant variations between the original budget and final budget in the General Fund are as follows:

- In the General Fund, revenues were overstated. The final budgeted amount was \$1,980,953 with actual revenues being \$1,822,409. The fiscal year ended with a negative variance in the amount of \$158,544. Property Taxes and permits, licenses and fees were higher than anticipated, while most other line items were lower than expected.
- Expenses in the General Fund which include general government, public safety (police, ESDA), highways and streets, planning and zoning, engineering, economic development and capital outlay had a final budgeted amount of \$2,068,640 with the actual being \$1,923,442. The fiscal year ended with a positive variance in the amount of \$145,198.

Capital Asset and Debt Administration

Capital assets. The Village of Mahomet’s investment in capital assets for its governmental (\$30,825,162) and business-type (\$8,736,702) activities as of April 30, 2010, amounts to \$39,561,864. This investment in capital assets includes land, construction in progress, buildings and improvements, equipment, water/wastewater distribution system, and infrastructure. Following is a Comparative Statement of Capital Assets, net of depreciation:

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 1,569,463	\$ 1,569,463	\$ 103,466	\$ 103,466	\$ 1,672,929	\$ 1,672,929
Construction in Progress	-	-	3,116,308	2,499,904	3,116,308	2,499,904
Buildings	1,630,284	1,597,759	3,813,436	3,955,133	5,443,720	5,552,892
Equipment	520,186	428,006	219,232	231,242	739,418	659,248
Distribution System	-	-	1,484,260	1,694,777	1,484,260	1,694,777
Infrastructure	<u>27,105,229</u>	<u>19,383,499</u>	<u>-</u>	<u>-</u>	<u>27,105,229</u>	<u>19,383,499</u>
	<u>\$30,825,162</u>	<u>\$22,978,727</u>	<u>\$ 8,736,702</u>	<u>\$ 8,484,522</u>	<u>\$39,561,864</u>	<u>\$31,463,249</u>

Additional information on the Village’s capital assets can be found in Note 2.C in the Notes to Basic Financial Statements of this report.

Long-term debt. At the end of the current fiscal year, the Village of Mahomet had total bonded debt outstanding of \$4,073,677, of this amount, \$130,300 counts against the Village’s statutory debt limitation of 8.625% of total assessed valuation. The entire amount is backed by the full faith and credit of the Village. Following is a comparative statement of outstanding debt:

	Governmental Activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
General Obligation Bonds-						
Alternate Revenue Bonds	\$ 328,677	\$ 434,279	\$ 3,745,000	\$ 4,000,000	\$ 4,073,677	\$ 4,434,279
Note Payable	55,361	-	-	-	55,361	-
Less deferred charge on refunding	<u>-</u>	<u>-</u>	<u>(4,484)</u>	<u>(6,772)</u>	<u>(4,484)</u>	<u>(6,772)</u>
Total	<u>\$ 384,038</u>	<u>\$ 434,279</u>	<u>\$ 3,740,516</u>	<u>\$ 3,993,228</u>	<u>\$ 4,124,554</u>	<u>\$ 4,427,507</u>

The Village of Mahomet’s total debt decreased by \$302,953 during the current fiscal year. Additional information on the Village’s long-term debt can be found in Note 3.E. in the Notes to Basic Financial Statements of this report.

Economic Factors and Next Year’s Budgets and Rates

The equalized assessed value (EAV) of taxable property in the Village of Mahomet for 2009 levy year was \$140,765,812, which represents one-third market value. Residential developments constitute 90% of the EAV. The Village’s tax rate for 2009 is .7943. Keeping the Village’s tax rate low has been a long-standing goal for the Village of Mahomet. Due to “tax caps” the Village’s tax rate is declining. The percentage of real estate taxes collected has been between 96.31 and 99.78 in past years.

Due to the budget shortfalls the State of Illinois has not been able to distribute income tax payments monthly to municipalities. In the past, there has been a HB 652 introduced that would require that the money be directly deposited into the Local Government Distributive Fund to avoid delays in receiving the municipality's share of income tax. This would have a positive effect for income tax collections to municipalities. State shared revenues are estimated for the upcoming fiscal year to be \$77.00 per capita for income tax assuming there will be no statutory reduction in income tax distribution which has been proposed. The Illinois Municipal League (IML) does expect efforts to take away some portion of the municipal share and letting state government use it for its expenses. Sales tax, use tax and telecommunication are usually received on a monthly basis from the state.

Construction activity has been relatively slow with the economic conditions at the time. The economic recovery is proceeding more slowly than expected. Economists predict a very mild recovery to begin during the end of calendar year 2010. The Village has and expects to continue having some activity in residential and commercial construction. Residential homes are still being constructed in Hunter's Ridge, Country Ridge, and Whisper Meadows Subdivisions. Kirchner's Building Center has opened a new lumber company in Mahomet providing services to Mahomet and surrounding communities. Also, a new restaurant has opened in Mahomet called Junior's Burgers and Custard serving sandwiches and frozen custard.

Water and Wastewater revenues are scheduled to increase according to the ordinances approved in 2010. The water revenues will be utilized to retire current debt for the Water Treatment plant and for upcoming water capital improvement projects. Wastewater revenues will be utilized to retire current debt issued for the East Mahomet interceptor sanitary sewer project and to fund planned expenditures associated with the Wastewater Treatment Plant expansion. Ordinance 10-03-01 provides that these water usage charges shall increase on May 1 annually at a rate of \$.01 per 100 gallons. Ordinance 10-03-02 provides that the wastewater usage charges shall increase on May 1 annually at a rate of \$.04 per 100 gallons. Water and wastewater connection fee ordinances were approved at the May 27th, 2008 Board meeting. The fees for water connections are scheduled to increase \$25 annually for five years and reviewed by the Board each year. The wastewater connection fees are scheduled to increase \$25.00 per unit annually for five years and annual Board review.

The IMRF contribution rate for calendar year 2011 will increase from 10.30% to 10.68%. The employee contribution will remain at 4.50%. Each year, an independent actuary calculates an employer contribution rate for each employer. In addition to retirement benefits, IMRF also provides death and disability benefits. Employer contributions are paid directly from the water/wastewater funds and levied funds for IMRF.

The Village will face some long term financial challenges with increases in health insurance cost, IMRF and future pension costs for the police department after the 2010 census. The Village will need to focus on finding more effective measures to reduce expenditures, efficiency in staffing and continue to provide quality services in the near future.

There are currently no other known contingencies that would force a major change in the Village's budgeting, spending, or taxation.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the: Village Administrator Mell Smigielski or Village Treasurer Jeanne Schacht, Village of Mahomet, 503 E. Main, P.O. 259, Mahomet, IL 61853 or call 217/586-4456

VILLAGE OF MAHOMET

Mahomet, Illinois

Statement of Net Assets

April 30, 2010

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 3,180,573	\$ 733,989	\$ 3,914,562
Investments	204,871	-	204,871
Receivables	24,589	139,669	164,258
Due from governmental entities	2,439,285	37,584	2,476,869
Prepaid items	46,115	10,537	56,652
Deferred bond issue costs, net	-	73,733	73,733
Restricted Assets:			
Cash and cash equivalents	200,951	1,310,660	1,511,611
Capital Assets (net of accumulated depreciation):			
Land	1,569,463	103,466	1,672,929
Construction in progress	-	3,116,308	3,116,308
Buildings and improvements	1,630,284	3,813,436	5,443,720
Equipment	520,186	219,232	739,418
Distribution system	-	1,484,260	1,484,260
Infrastructure	27,105,229	-	27,105,229
Total assets	<u>36,921,546</u>	<u>11,042,874</u>	<u>47,964,420</u>
<u>Liabilities:</u>			
Accounts payable	65,085	71,412	136,497
Accrued expenses	182,044	83,401	265,445
Unearned revenues	1,039,935	-	1,039,935
Non-current liabilities:			
Due within one year	127,914	260,000	387,914
Due after more than one year	256,124	3,480,516	3,736,640
Total liabilities	<u>1,671,102</u>	<u>3,895,329</u>	<u>5,566,431</u>
<u>Net Assets:</u>			
Invested in capital assets, net of related debt	30,441,124	4,996,186	35,437,310
Restricted for:			
Debt service	123,474	397,352	520,826
Prepaid items	46,115	-	46,115
Capital projects	194,774	809,092	1,003,866
Unrestricted	4,444,957	944,915	5,389,872
Total net assets	<u>\$ 35,250,444</u>	<u>\$ 7,147,545</u>	<u>\$ 42,397,989</u>

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

VILLAGE OF MAHOMET

Mahomet, Illinois

Statement of Activities

For the Year Ended April 30, 2010

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs:					
Governmental activities:					
General government	\$ 702,863	\$ -	\$ (589,856)	\$ -	\$ (589,856)
Public safety	834,239	-	(805,488)	-	(805,488)
Highways and streets	1,830,335	6,834,455	5,406,168	-	5,406,168
Culture and recreation	244,410	69,175	(40,249)	-	(40,249)
Planning and zoning	225,954	-	(225,954)	-	(225,954)
Economic development	41,003	-	(41,003)	-	(41,003)
Interest on long-term debt	15,871	-	(15,871)	-	(15,871)
Total governmental activities	3,894,675	6,903,630	3,687,747	-	3,687,747
Business-type activities:					
Water	882,466	-	-	(284,132)	(284,132)
Sewer	526,052	-	-	501,718	501,718
Total business-type activities	1,408,518	-	-	(284,132)	(284,132)
Total functions/programs	5,303,193	6,903,630	3,687,747	217,586	3,905,333
General revenues:					
Taxes:					
Property taxes			2,117,152	37,458	2,154,610
Motor fuel taxes			123,081	-	123,081
Replacement taxes			5,154	-	5,154
Income taxes			376,148	-	376,148
Sales taxes			610,661	-	610,661
Utility taxes			589,472	-	589,472
Interest income			17,454	18,936	36,390
Miscellaneous income			76,404	-	76,404
Transfers			50,626	(50,626)	-
Total general revenues			3,966,152	5,768	3,971,920
Change in net assets			7,653,899	223,354	7,877,253
Net assets, beginning			27,596,545	6,924,191	34,520,736
Net assets, ending			35,250,444	7,147,545	42,397,989

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

VILLAGE OF MAHOMET

Mahomet, Illinois

Balance Sheet - Governmental Funds

April 30, 2010

	General	Tax Increment Financing	Transportation System Capital Imp.	Other Governmental	Total
ASSETS					
Cash and cash equivalents	\$ 1,310,742	\$ 101,005	\$ 868,050	\$ 900,776	\$ 3,180,573
Investments	204,871	-	-	-	204,871
Due from other governments	937,798	906,091	40,062	408,524	2,292,475
Utility taxes receivable	-	-	-	24,589	24,589
Due from other funds	177,860	-	-	-	177,860
Prepaid insurance	-	-	-	46,115	46,115
Restricted assets:					
Cash and cash equivalents	-	-	-	200,951	200,951
Total assets	\$ 2,631,271	\$ 1,007,096	\$ 908,112	\$ 1,580,955	\$ 6,127,434
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ 47,715	\$ -	\$ -	\$ 17,370	\$ 65,085
Accrued salaries	20,496	-	-	4,022	24,518
Due to other funds	-	177,860	-	-	177,860
Accrued compensated absences	147,014	-	-	5,334	152,348
Deferred revenue	1,410,400	453,046	-	247,269	2,110,715
Total liabilities	1,625,625	630,906	-	273,995	2,530,526
Fund balance:					
Reserved for debt service	-	-	-	123,474	123,474
Reserved for prepaid items	-	-	-	46,115	46,115
Reserved by enabling legislation for:					
Highways and streets	-	-	-	194,774	194,774
Unreserved	1,005,646	376,190	908,112	942,597	3,232,545
Total fund balance	1,005,646	376,190	908,112	1,306,960	3,596,908
Total liabilities and fund balance	\$ 2,631,271	\$ 1,007,096	\$ 908,112	\$ 1,580,955	

Reconciliation to Statement of Net Assets:Amounts reported for *governmental activities* in the statement of net assets are different because:

Capital assets used in governmental activities of \$38,944,774, net of accumulated depreciation of \$8,119,612, are not financial resources and, therefore, are not reported in the funds.	30,825,162
Other assets are not available to pay for current-period expenditures and therefore are deferred or not recorded in the funds.	1,217,590
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(389,216)</u>

Net assets of governmental activities	<u>\$ 35,250,444</u>
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VILLAGE OF MAHOMET

Mahomet, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds

For the Year Ended April 30, 2010

	General	Tax Increment Financing	Transportation System Cap. Imp.	Other Governmental	Total Governmental Funds
Revenues:					
Property taxes	\$ 753,520	\$ 902,155	\$ -	\$ 375,465	\$ 2,031,140
Motor fuel taxes	-	-	-	123,081	123,081
Replacement income taxes	5,154	-	-	-	5,154
Income taxes	288,738	-	-	-	288,738
Sales taxes	610,661	-	-	-	610,661
Utility taxes	-	-	244,420	345,052	589,472
Permits and licenses	113,007	-	-	-	113,007
Fines	28,751	-	-	-	28,751
Rentals and fees	-	-	-	134,986	134,986
Grant income	-	-	-	69,175	69,175
Developer reimbursements	-	-	402,048	-	402,048
Interest income	4,078	859	5,733	6,784	17,454
Miscellaneous	18,500	-	-	59,919	78,419
Total revenues	1,822,409	903,014	652,201	1,114,462	4,492,086
Expenditures:					
Current					
General government	576,681	-	-	80,297	656,978
Public safety	681,162	-	-	103,762	784,924
Highways and streets	378,985	714,902	14,773	49,698	1,158,358
Culture and recreation	-	-	-	221,052	221,052
Planning and zoning	216,018	-	-	9,936	225,954
Economic development	41,003	-	-	-	41,003
Debt Service:					
Principal	-	-	-	105,602	105,602
Interest and fiscal charges	-	-	-	17,375	17,375
Capital outlay	29,593	175,000	982,578	617,359	1,804,530
Total expenditures	1,923,442	889,902	997,351	1,205,081	5,015,776
Excess of revenues over (under) expenditures	(101,033)	13,112	(345,150)	(90,619)	(523,690)
Other Financing Sources (Uses):					
Debt proceeds	-	-	-	55,361	55,361
Transfers in	330,000	-	200,000	295,720	825,720
Transfers out	(323,750)	-	-	(451,344)	(775,094)
Total other financing sources (uses)	6,250	-	200,000	(100,263)	105,987
Net change in fund balances	(94,783)	13,112	(145,150)	(190,882)	(417,703)
Fund balances, beginning	1,100,429	363,078	1,053,262	1,497,842	4,014,611
Fund balances, ending	\$ 1,005,646	\$ 376,190	\$ 908,112	\$ 1,306,960	\$ 3,596,908

Reconciliation to the Statement of Activities:

Net change in fund balances - total governmental funds \$ (417,703)

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

Governmental funds report capital outlays as expenditures while government activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized

1,650,528

Depreciation expense

(636,533)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

7,005,862

New debt is an other financing source in governmental funds, while repayment of bond and loan principal is an expenditure in the governmental funds, but the new debt increases long-term liabilities and the repayment reduces long-term liabilities in the statement of net assets.

50,241

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

1,504

Change in Net Assets of Governmental Activities

\$ 7,653,899

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

VILLAGE OF MAHOMET
Mahomet, Illinois

Statement of Net Assets - Proprietary Funds
April 30, 2010

	Waterworks	Sewerage	Water		Sewer		Interceptor San. Sewer 2003B Bonds	Other		Total
			Bond & Interest	Expansion	Bond & Interest	Proprietary				
ASSETS										
Current assets:										
Cash and cash equivalents	\$ 96,327	\$ 113,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 523,692	\$ -	\$ 733,989
Property taxes receivable	37,584	-	-	-	-	-	-	-	-	37,584
Accounts receivable, net	46,372	93,297	-	-	-	-	-	-	-	139,669
Prepaid insurance	5,212	5,325	-	-	-	-	-	-	-	10,537
Total current assets	185,495	212,592	-	-	-	-	-	523,692	-	921,779
Noncurrent assets:										
Cash-restricted	-	-	315,641	834,953	158,474	1,592	-	-	-	1,310,660
Deferred bond issue costs, net	-	-	51,787	-	21,946	-	-	-	-	73,733
Capital assets:										
Property, plant and equipment	8,039,193	3,294,529	-	672,992	113,893	2,328,422	-	-	-	14,450,029
Accumulated depreciation	(3,960,098)	(1,753,229)	-	-	-	-	-	-	-	(5,713,327)
Total noncurrent assets	4,079,095	1,541,300	367,428	1,507,945	294,313	2,331,014	-	-	-	10,121,095
Total assets	4,264,590	1,753,892	367,428	1,507,945	294,313	2,331,014	-	523,692	-	11,042,874
LIABILITIES										
Current liabilities:										
Accounts payable	21,752	16,933	-	27,453	-	-	-	5,274	-	71,412
Accrued expenses	17,306	19,228	34,834	-	12,033	-	-	-	-	83,401
Notes payable - current	-	-	-	-	-	-	-	-	-	-
General Obligation bonds - current	-	-	160,000	-	100,000	-	-	-	-	260,000
Total current liabilities	39,058	36,161	194,834	27,453	112,033	-	-	5,274	-	414,813
Non-current liabilities:										
General Obligation bonds	-	-	2,580,516	-	900,000	-	-	-	-	3,480,516
Total non-current liabilities	-	-	2,580,516	-	900,000	-	-	-	-	3,480,516
Total liabilities	39,058	36,161	2,775,350	27,453	1,012,033	-	-	5,274	-	3,895,329
NET ASSETS										
Invested in capital assets, net of related debt	4,079,095	1,541,300	(2,740,516)	672,992	(886,107)	2,328,422	-	-	-	4,996,186
Restricted:										
Restricted for capital projects	-	-	-	807,500	-	1,592	-	-	-	809,092
Restricted for debt service	-	-	262,602	-	134,750	-	-	-	-	397,352
Unrestricted	146,437	176,431	69,992	-	33,637	-	-	518,418	-	944,915
Total net assets	\$ 4,225,532	\$ 1,717,731	\$ (2,407,922)	\$ 1,480,492	\$ (717,720)	\$ 2,331,014	\$ -	\$ 518,418	\$ -	\$ 7,147,545

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

VILLAGE OF MAHOMET
Mahomet, Illinois

**Statement of Revenues, Expenses and Changes in Net Assets-
Proprietary Funds**

For the Year Ended April 30, 2010

	Waterworks	Sewerage	Water Bond and Interest	Sewer Expansion	Sewer Bond and Interest	Interceptor San. Sewer 2003B Bonds	Other Proprietary	Total
Operating Revenues:								
Charges for services	\$ 546,473	\$ 932,912	\$ -	\$ -	\$ -	-	\$ 123,548	\$ 1,602,933
Miscellaneous	2,951	6	-	-	-	20,214	-	23,171
Total operating revenues	549,424	932,918	-	-	-	20,214	123,548	1,626,104
Operating Expenses:								
Personal services	124,637	134,861	-	-	-	-	-	259,498
Supplies and materials	117,519	106,302	-	-	-	-	-	223,821
Contractual services	89,792	140,534	-	-	-	-	-	230,326
Depreciation and amortization expense	438,472	128,401	-	-	-	-	-	566,873
Total operating expenses	770,420	510,098	-	-	-	-	-	1,280,518
Operating income (loss)	(220,996)	422,820	-	-	-	20,214	123,548	345,586
Non operating Revenues (Expenses):								
Property taxes	37,458	-	-	-	-	-	-	37,458
Interest income	594	398	1,124	13,982	539	170	2,129	18,936
Interest expense	-	-	(112,046)	-	(15,954)	-	-	(128,000)
Total non operating revenues (expenses)	38,052	398	(110,922)	13,982	(15,415)	170	2,129	(71,606)
Income (loss) before transfers in (out)	(182,944)	423,218	(110,922)	13,982	(15,415)	20,384	125,677	273,980
Transfers in (out)	(184,775)	(367,621)	216,000	100,000	114,000	210,000	(138,230)	(50,626)
Change in nets assets	(367,719)	55,597	105,078	113,982	98,585	230,384	(12,553)	223,354
Net assets - beginning	4,593,251	1,662,134	(2,513,000)	1,366,510	(816,305)	2,100,630	530,971	6,924,191
Net assets - ending	\$ 4,225,532	\$ 1,717,731	\$ (2,407,922)	\$ 1,480,492	\$ (717,720)	\$ 2,331,014	\$ 518,418	\$ 7,147,545

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

VILLAGE OF MAHOMET
Mahomet, Illinois

Statement of Cash Flows
Proprietary Funds

For the Year Ended April 30, 2010

	Waterworks	Sewerage	Water Bond and Interest	Sewer Expansion	Sewer Bond and Interest	Interceptor Sanitary Sewer 2003B Bonds	Other Proprietary	Totals
Cash Flows from Operating Activities:								
Receipts from users	\$ 550,015	\$ 926,015	\$ -	\$ -	\$ -	\$ 20,214	\$ 123,548	\$ 1,619,792
Payments to suppliers	(202,307)	(241,022)	-	-	-	-	(171,994)	(615,323)
Payments to employees	(124,845)	(136,321)	-	-	-	-	-	(261,166)
Other receipts (payments)	2,951	6	-	-	-	-	173,230	176,187
Net cash provided by (used in) operating activities	225,814	548,678	-	-	-	20,214	124,784	919,490
Cash Flows from Noncapital Financing Activities:								
Property taxes	39,327	-	-	-	-	-	-	39,327
Operating transfers in	82,775	152,799	216,000	100,000	114,000	210,000	50,000	925,574
Operating transfers out	(267,550)	(520,420)	-	-	-	-	(188,230)	(976,200)
Net cash provided (used) by noncapital financing activities	(145,448)	(367,621)	216,000	100,000	114,000	210,000	(138,230)	(11,299)
Cash Flows from Capital and Related Financing Activities:								
Sale (purchase) of capital assets	(66,787)	(135,859)	-	(382,109)	-	(274,234)	-	(858,989)
Interest paid on capital debt	-	-	(107,466)	-	(37,889)	-	-	(145,355)
Principal paid on capital debt	-	-	(155,000)	-	(100,000)	-	-	(255,000)
Net cash used for capital and related financing activities	(66,787)	(135,859)	(262,466)	(382,109)	(137,889)	(274,234)	-	(1,259,344)
Cash Flows from Investing Activities:								
Investment income	594	397	1,125	13,982	539	170	2,129	18,936
Sale of investments	-	-	-	-	-	-	-	-
Purchase of investments	-	-	-	-	-	-	-	-
Net cash provided (used) by investing activities	594	397	1,125	13,982	539	170	2,129	18,936
Net increase (decrease) in cash and cash equivalents	14,173	45,595	(45,341)	(268,127)	(23,350)	(43,850)	(11,317)	(332,217)
Cash and cash equivalents, beginning of the year	82,154	68,375	360,982	1,103,080	181,824	45,442	535,009	2,376,866
Cash and cash equivalents, end of the year	\$ 96,327	\$ 113,970	\$ 315,641	\$ 834,953	\$ 158,474	\$ 1,592	\$ 523,692	\$ 2,044,649
Reconciliation of Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities								
Operating income (loss)	\$ (220,996)	\$ 422,820	\$ -	\$ -	\$ -	\$ 20,214	\$ 123,548	\$ 345,586
Adjustments to reconcile operating income to net cash provided (used) by operating activities:								
Depreciation and amortization	438,472	128,401	-	-	-	-	-	566,873
Change in assets and liabilities:								
(Increase) decrease-accounts receivable	3,127	(6,897)	-	-	-	-	-	(3,770)
(Increase) decrease-prepaid insurance	81	181	-	-	-	-	-	262
Increase (decrease)-accounts payable	4,922	5,633	-	-	-	-	1,236	11,791
Increase (decrease)-accrued expenses	208	(1,460)	-	-	-	-	-	(1,252)
Total adjustments	446,810	125,858	-	-	-	-	1,236	573,904
Net cash provided (used) by operating activities	\$ 225,814	\$ 548,678	\$ -	\$ -	\$ -	\$ 20,214	\$ 124,784	\$ 919,490

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

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements

April 30, 2010

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 1.C., these financial statements conform to generally accepted accounting principles (GAAP) as applicable to governments. Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. FASB statements and interpretations issued after November 30, 1989 have not been applied.

1.A. FINANCIAL REPORTING ENTITY

The Village's financial reporting entity is composed of the following:

Primary Government: Village of Mahomet

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

1.B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The Village presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)
April 30, 2010

1.B. BASIS OF PRESENTATION (continued)

FUND FINANCIAL STATEMENTS (continued)

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the Village and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the Village. The reporting entity includes the following special revenue funds:

<u>Fund</u>	<u>Brief Description</u>
Motor Fuel Tax	Accounts for revenues received and expenditures paid for street maintenance.
Bond Issue	Accounts for property taxes levied and expenses of the 2005 G.O. Bond issue.
Utility Tax	Accounts for electric and gas taxes and for expenses of the 1998 G.O. bond issue.
Forfeited Funds	Accounts for revenues received from DUI and Drug fines.
IMRF	Accounts for property taxes levied and makes the required payments to the Illinois Municipal Retirement Fund.
Community Center	Accounts for revenues and expenses for operating the community center. Rental income and operating transfers from the general fund provide revenues for operating expenses.
Recreation	Accounts for revenues and expenses for the various recreation programs of the Village. Registration fees provide most of the revenues for operating expenses.
Social Security	Accounts for property taxes levied and makes the required payments to the Federal and State Government.
Parks	Accounts for property taxes levied for maintaining the parks in the Village.
Insurance	Accounts for property taxes levied for making the required insurance payments of the Village.
Tax Increment Financing	Accounts for the incremental property taxes realized within the Tax Increment Financing District. Expenditure of these revenues is restricted to capital improvements and redevelopment and to other taxing bodies.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)
April 30, 2010

1.B. BASIS OF PRESENTATION (continued)

FUND FINANCIAL STATEMENTS (continued)

Capital Equipment/ Vehicle Replacement	Accounts for the purchase of vehicles and major items of equipment. Transfers from other funds provide the revenue for these purchases.
Trans. System Capital Improvement	Accounts for capital improvements to the street system of the Village. Telecommunication taxes provide the revenue for these improvements.

Proprietary Funds

Enterprise Funds

Enterprise Funds are used to account for business-type activities provided to the general public. These activities are financed by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds:

<u>Fund</u>	<u>Brief Description</u>
Water	Accounts for revenues received and expenses paid for operating the water system.
Sewer	Accounts for revenues received and expenses paid for operating the sewer system.
Water Bond & Interest	Accounts for expenses associated with the 2003A bond issue. Transfers from the water fund provide revenue for these expenses.
Sewer Bond & Interest	Accounts for associated with the 2003B bond issue. Transfers from the sewer fund provide revenue for these expenses.
Interceptor San. Sewer 2003B Bonds	Accounts for the construction expenses associated with constructing the interceptor sanitary sewer. Transfers from the sewer bond and interest fund provide revenues for these expenses.
Water Capital Improvements	Accounts for revenues and expenses for improving and maintaining the water system.
Sewer Capital Improvements	Accounts for revenues and expense for improving and maintaining the sewer system.
Sewer Expansion	Accounts for costs associated with the sewer expansion project. Transfers from other enterprise funds provide revenue for these expenses.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)

MEASUREMENT FOCUS (continued)

In the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, using the accrual basis method of accounting. On this basis, revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with GASB Statement 33. Property taxes are recognized as revenue in the year for which the taxes are levied. Grants are recognized as revenue when eligibility requirements are met, such as allowable costs having been incurred.

Governmental Funds

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified accrual basis of accounting, is used as appropriate:

On this basis, all material sources of revenue are recognized when they become measurable and available. “Available” is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For the Village, this translates to 60 days after the end of the fiscal year. Major sources of revenue susceptible to accrual include property taxes, sales taxes, income taxes, personal property replacement taxes, other intergovernmental revenues, charges for services and investment interest.

Material amounts of expenditures are recognized when the liability is incurred. Exceptions include: principal and interest on long-term debt, which is recognized when due.

Proprietary Funds

The measurement focus for proprietary funds is the flow of economic resources. All proprietary funds are accounted for using the accrual basis method of accounting. On this basis, revenues are recognized when they are earned and expenses are recognized when they are incurred.

Proprietary funds operating revenues consist of charges for services and miscellaneous revenue resulting from the provision of services to users. In the enterprise funds, this translates to water and sewer revenue. Operating expenses are those incurred in providing water and sewer services. Operating expenses are expenses incurred in providing the services, such as personal services, materials and supplies and contractual services.

1.D. ASSETS, LIABILITIES, AND EQUITY

CASH AND CASH EQUIVALENTS

For the purpose of financial reporting, “cash and cash equivalents” includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. Trust account investments in open-ended mutual fund shares are also considered cash equivalents.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)
April 30, 2010

1.D. ASSETS, LIABILITIES, AND EQUITY (continued)

INVESTMENTS

Investments classified in the financial statements consist entirely of certificates of deposit whose original maturity term exceeds three months. Investments are carried at cost, which approximates fair value.

CAPITAL ASSETS

The Village’s GAAP basis of accounting reports capital assets and reports depreciation where appropriate. The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

Governmental Activities

In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to May 1, 2004. Prior to May 1, 2004, governmental funds’ infrastructure assets were not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used to report equipment capital assets, \$5,000 for building capital assets and \$20,000 for infrastructure capital assets. The range of estimated useful lives by type of asset is as follows:

Buildings	50-100 years
Improvements other than buildings	40-80 years
Machinery, furniture, and equipment	3-20 years
Vehicles	4-8 years
Infrastructure	40-80 years

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Business-Type Activities (Enterprise Funds)

Enterprise Fund capital assets valued at \$5,000 or more are capitalized within the fund. Capital assets are stated at actual or estimated historical cost. Donated fixed assets are valued at their fair market value on the date donated. Depreciation is computed on the straight-line method over the estimated useful life of the asset. 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. During the year, \$23,243 of interest was capitalized. The range of estimated useful lives by type of asset is as follows:

Buildings	50-100 years
Improvements other than buildings	40-80 years
Machinery, furniture, and equipment	3-20 years
Vehicles	4-8 years
Infrastructure	40-80 years

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)
April 30, 2010

1.D. ASSETS, LIABILITIES, AND EQUITY (continued)

LONG-TERM DEBT

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements.

Long-term debt of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide statements.

Fund Financial Statements

EQUITY CLASSIFICATION

Government-Wide Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt-Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- b. Restricted net assets-Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets-All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

It is the Village’s policy to first use restricted net assets prior to the use of unrestricted net assets when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

1.E. REVENUES, EXPENDITURES, AND EXPENSES

PROGRAM REVENUES

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the Village’s taxpayers are reported as program revenues. The Village has the following program revenues:

General government	permits, licenses, fees, police fines and parking fees
--------------------	--

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

1.E. REVENUES, EXPENDITURES, AND EXPENSES (continued)

OPERATING REVENUE AND EXPENSES

Operating revenues and expenses for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

1.F. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

In the process of aggregating the financial information for the government-wide Statement of Net Assets and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

FUND FINANCIAL STATEMENTS

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans-Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services-Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements-Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers-Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances-Amounts reported in the fund financial statements are interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities-Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers-Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

1.G. PROPERTY TAXES

Property taxes are levied and attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December 31 of the subsequent year (by passage of the Tax Levy Ordinance). The 2009 tax levy was adopted by the Board on December 22, 2009. Tax bills are prepared by the County and issued on or about May 1, and are payable in two installments, on or about June 1, and September 1. The Village receives significant distributions of taxes approximately one month after these due dates. No provision has been made for delinquent property taxes since in past years the amount has been immaterial. In the governmental funds, property taxes are recorded as receivables and deferred revenues at the time the tax levy attaches as an enforceable lien on January 1. In the enterprise funds, property taxes are recorded as revenue at the time the tax levy attaches as an enforceable lien on January 1. The Village has received and recognized \$1,050,487 from the 2009 tax levy. The remainder of the taxes recognized are from the 2008 and prior tax levies. On the governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

1.H. USE OF ESTIMATES

The preparation of financial statements in conformity accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

1.I. COMPENSATED ABSENCES

Village employees are granted vacation, compensatory and personal time in various amounts. Vacation, compensatory and personal time may be accumulated and upon separation from service; employees are eligible to receive payment for their accumulated time. Sick time is no longer granted to employees. Employees who previously had accumulated sick time can only use this time for a personal disability or for retirement (inclusion with IMRF). Such amounts are accrued when incurred in the government-wide and proprietary fund financial statements. Governmental funds record as an expenditure the amount of accrued during the year that would normally be liquidated with expendable resources. Governmental funds have recorded \$152,348 as the current portion of compensated absences and the government-wide statements have recorded \$0 as the long-term portion. The proprietary funds recorded \$32,227 as compensated absences all of which is due within one year.

1.J. PREPAID ITEMS

In governmental and business-type funds, prepaid expenditures/expenses are deferred and expensed over the term when the services are received.

1.K. ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

The Village's allowance for estimated uncollectible receivables at April 30, 2010 is as follows: Water Fund \$2,000 and the Sewer Fund \$3,000.

NOTE 2. DETAIL NOTES-TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

2.A. DEPOSITS AND INVESTMENTS

At April 30, 2010 the carrying amount of the Village's deposits totaled \$5,426,173 and the bank balances totaled \$5,645,363.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

2.A. DEPOSITS AND INVESTMENTS (continued)

CUSTODIAL CREDIT RISK - DEPOSITS

Deposits are subject to custodial credit risk if uninsured and uncollateralized or covered by collateral that is not in the Village's name. It is Village policy to require collateral for deposit and investment balances above Federal Deposit Insurance Corporation (FDIC) insurance coverage. At April 30, 2010, the Village's deposits were either covered by FDIC insurance or by pledged collateral held in the Village's name.

INVESTMENTS

At April 30, 2010 the carrying amount of the Village's investments totaled \$204,871 and the bank balances totaled \$204,871. Nonnegotiable certificates of deposits are the Village's current investments.

CUSTODIAL CREDIT RISK - INVESTMENTS

The nonnegotiable certificates of deposits are covered completely by FDIC insurance or by pledged collateral held in the Village's name.

CREDIT RATING RISK - INVESTMENTS

Investments are subject to credit rating risk for all debt securities, whether held directly or indirectly (through investment pools, mutual funds or money market funds). The nonnegotiable certificates of deposits are not subject to credit rating risk.

CONCENTRATION OF CREDIT RISK - INVESTMENTS

Investments are subject to concentration of credit risk when 5% or more of the total are in securities of a single issuer. The nonnegotiable certificates of deposits are not subject to concentration of credit risk disclosures.

INTEREST RATE RISK - INVESTMENTS

Investments are subject to a decline in fair value due to fluctuating market interest rates. Interest rate risk is minimized by having maturities of less than 1 year for 100% of the Village's investments.

DEPOSITS – LEGAL AND CONTRACTUAL PROVISIONS

Deposits and investments are limited by Public Funds Investment Act of the State of Illinois to the following:

- Bonds, notes, certificates of indebtedness, treasury bills which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.
- Interest-bearing savings, certificates of deposit, or time deposits of any bank as defined by the Illinois Banking Act.
- Short term obligations of corporations organized in the U.S. with assets exceeding \$500,000,000 and other specified criteria.
- Money market mutual funds registered under the Investment Company Act of 1940 provided the portfolio is limited to obligations described in points 1 and 2 above.
- Federal National Mortgage Association.
- Public Treasurers' Investment Pools.
- Repurchase agreements of government securities within the meaning of the Government Securities Act of 1986.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

2.B. RESTRICTED ASSETS

Assets that are not available to finance general operations of the Village are reported as restricted on the Statement of Net Assets. The restriction for transportation projects in the governmental activities is imposed under State of Illinois laws concerning how motor fuel taxes may be spent. The Village's policy is to apply restricted resources first when an expense is incurred for purposes, which both restricted and unrestricted net assets are available. The Village's restricted assets are as follows:

Governmental Funds

The Special Revenue Funds have restricted assets consisting of the following:

Reserved for debt service	\$123,474
Reserved for prepaid items	46,115
Reserved by enabling legislation for highways and streets	<u>194,774</u>
Total restricted assets – Special Revenue Funds	<u>\$364,363</u>

Proprietary Funds

Proprietary Funds have restricted assets consisting of the following:

The Proprietary Funds have in accordance with bond ordinances and other restrictions restricted the following assets:

Capital Projects	\$ 809,092
Debt Service	<u>397,352</u>
Total restricted assets – Proprietary Funds	<u>\$1,206,444</u>

2.C. CAPITAL ASSETS

A summary of capital assets related to governmental and business-type activities is presented below:

	<i>Balance at May 1, 2009</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance at April 30, 2010</i>
<i>Governmental activities:</i>				
Capital assets not being depreciated:				
Land	\$ 1,569,463	\$ 0	\$ 0	\$ 1,569,463
Other capital assets:				
Buildings	1,195,946	65,105	0	1,261,051
Other improvements	666,571	0	0	666,571
Machinery and equipment	1,027,881	186,690	20,149	1,194,422
Infrastructure	<u>26,020,078</u>	<u>8,233,188</u>	<u>0</u>	<u>34,253,266</u>
Total other capital assets	<u>28,910,476</u>	<u>8,484,983</u>	<u>20,149</u>	<u>37,375,310</u>
Less accumulated depreciation for:				
Buildings	251,902	19,770	0	271,672
Other improvements	12,856	12,810	0	25,666
Machinery and equipment	599,875	92,496	18,134	674,237
Infrastructure	<u>6,636,579</u>	<u>511,457</u>	<u>0</u>	<u>7,148,036</u>
Total accumulated depreciation	<u>7,501,212</u>	<u>636,533</u>	<u>18,134</u>	<u>8,119,611</u>
Other capital assets, net	<u>21,409,264</u>	<u>7,848,450</u>	<u>(2,015)</u>	<u>29,255,699</u>
Governmental activities capital assets, net	<u>\$22,978,727</u>	<u>\$7,848,450</u>	<u>\$ (2,015)</u>	<u>\$30,825,162</u>

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)
April 30, 2010

2.C. CAPITAL ASSETS (continued)

	<i>Balance at May 1, 2009</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance at April 30, 2010</i>
<i>Business-type activities:</i>				
Capital assets not being depreciated:				
Land	\$ 103,466	\$ 0	\$ 0	\$ 103,466
Construction in progress	<u>2,499,904</u>	<u>616,403</u>	<u>0</u>	<u>3,116,307</u>
Subtotal	<u>2,603,370</u>	<u>616,403</u>	<u>0</u>	<u>3,219,773</u>
Other capital assets:				
Buildings and improvements	5,185,588	173,230	0	5,358,818
Machinery and equipment	597,997	29,417	0	627,414
Water and sewer distribution system	<u>5,244,022</u>	<u>0</u>	<u>0</u>	<u>5,244,022</u>
Total other capital assets	<u>11,027,607</u>	<u>202,647</u>	<u>0</u>	<u>11,230,254</u>
Less accumulated depreciation for:				
Buildings and improvements	1,230,455	314,926	0	1,545,381
Machinery and equipment	366,755	41,427	0	408,182
Water and sewer distribution system	<u>3,549,245</u>	<u>210,519</u>	<u>0</u>	<u>3,759,764</u>
Total accumulated depreciation	<u>5,146,455</u>	<u>566,872</u>	<u>0</u>	<u>5,713,327</u>
Other capital assets, net	<u>5,881,152</u>	<u>(364,225)</u>	<u>0</u>	<u>5,516,927</u>
Business-type activities capital assets, net	<u>\$8,484,522</u>	<u>\$ 252,178</u>	<u>\$ 0</u>	<u>\$8,736,700</u>

Depreciation expense was charged to functions as follows in the Statement of Activities:

Governmental Activities:

General government	\$ 16,292
Public safety	49,315
Highways and streets	547,568
Culture and recreation	<u>23,358</u>
Total depreciation expense for governmental activities	<u>\$636,533</u>

Business-Type Activities:

Water	\$438,471
Sewer	<u>128,401</u>
Total depreciation expense for business-type activities	<u>\$566,872</u>

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)
April 30, 2010

NOTE 3. OTHER NOTES

3.A. DEFERRED COMPENSATION PLAN

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and administered by Nationwide Retirement Solutions. The plan, available to all full-time Village employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement death or unforeseeable emergency. Contributions to the plan are recorded on the Village’s books as current salaries expenditures. All assets and income of the plan are held in trust by the plan administrator for the exclusive benefit of the participants and their beneficiaries. The Village does not take an active role in the managing the plan assets. Therefore, in accordance with GASB Statement No. 32, the deferred compensation plan is not reported in the Village’s financial statements.

3.B. DEFINED BENEFIT PENSION PLAN

Plan Description:

The Village's defined benefit pension plan, Illinois Municipal Retirement (IMRF), for employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. IMRF is an agent-multiple pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the General Assembly of the State of Illinois.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Funding Policy. As set by statute, plan members are required to contribute 4.50 % of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of their employees. The employer contribution rate for calendar year 2009 was 9.32 % of annual covered payroll. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For 2009, the Village's annual pension cost of \$106,821 for the plan was equal to the Village's required and actual contributions.

THREE-YEAR TREND INFORMATION FOR THE PLAN

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/09	\$106,821	100%	\$0
12/31/08	96,418	100%	0
12/31/07	90,722	100%	0

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

3.B. DEFINED BENEFIT PENSION PLAN (continued)

Annual Pension Cost (continued). The required contribution for 2009 was determined as part of the December 31, 2007 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Village’s plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor between the actuarial and market value of assets. The Village plan’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, valuation was 23 years.

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the plan was 78.14 percent funded. The actuarial accrued liability for benefits was \$2,315,469 and the actuarial value of assets was \$1,809,384, resulting in an underfunded actuarial accrued liability (UAAL) of \$506,085. The covered payroll (annual payroll of active employees covered by the plan) was \$1,146,149 and the ratio of the UAAL to the covered payroll was 44 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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

3.C. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees’ health and life; and natural disasters.

The Village manages these various risks of loss as follows:

<i>Type of Loss</i>	<i>Method Managed</i>	<i>Risk of Loss Retained</i>
a. Torts, errors, and omissions	Purchased commercial insurance	None
b. Workers compensation, health and life	Purchased commercial insurance	None
c. Physical property loss and natural disasters	Purchased commercial insurance	None

Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

3.D. MOTOR FUEL TAX ALLOTMENT

Under current procedures, the allotments of the Village are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved each month by the Department of Transportation, State of Illinois.

3.E. LONG-TERM DEBT

The Village issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. Installment purchase agreements are also general obligations of the government.

The following is a summary of the Village’s long-term debt transactions for the year ended April 30, 2010:

	<u>Balance</u> <u>May 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>April 30, 2010</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
<i>Governmental activities</i>					
Notes Payable:					
Fisher National Bank	\$ 0	\$55,361	\$ 0	\$ 55,361	\$ 17,717
General obligation bonds:					
General obligation bonds (Series 1998)	242,479	0	44,102	198,377	46,197
General obligation bonds ltd tax (Series 2005)	<u>191,800</u>	<u>0</u>	<u>61,500</u>	<u>130,300</u>	<u>64,000</u>
Total governmental activities long-term liabilities	<u>\$434,279</u>	<u>\$55,361</u>	<u>\$105,602</u>	<u>\$384,038</u>	<u>\$127,914</u>
<i>Business-type activities</i>					
General obligation bonds:					
General obligation bonds (2003A)	\$2,900,000	\$0	\$155,000	\$2,745,000	\$155,000
General obligation bonds (2003B)	1,100,000	0	100,000	1,000,000	100,000
Less deferred charge on refunding:	<u>(6,772)</u>	0	<u>(2,289)</u>	<u>(4,883)</u>	<u>(2,289)</u>
Total business-type activities Long-term liabilities	<u>\$3,993,228</u>	<u>\$0</u>	<u>\$252,711</u>	<u>\$3,740,117</u>	<u>\$252,711</u>

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

3.E. LONG-TERM DEBT (continued)

Arbitrage Compliance

Proceeds from tax-exempt bonds issued after September 1, 1986, are subject to the 1986 Tax Reform Act. The Village invests records and reports these proceeds in the manner set forth by the U.S. Treasury and Internal Revenue Service to maintain the tax-exempt status of the bonds. Arbitrage liabilities are reported as enterprise fund liabilities. At April 30, 2010 arbitrage liabilities were \$0.

The annual debt service requirements for bonds and notes payable are:

<u>Year ending</u> <u>April 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2011	\$127,914	\$12,863	\$ 260,000	\$ 137,352
2012	133,132	8,744	265,000	128,950
2013	69,894	4,409	270,000	119,988
2014	53,108	1,261	275,000	110,585
2015	0	0	280,000	100,732
2016-20	0	0	1,510,000	336,173
2021-25	<u>0</u>	<u>0</u>	<u>885,000</u>	<u>75,195</u>
Total	<u>\$384,038</u>	<u>\$27,277</u>	<u>\$3,745,000</u>	<u>\$1,008,975</u>

All outstanding general obligation bonds recorded in Enterprise Funds are secured by a first lien on net revenues earned by Enterprise Funds. The outstanding general obligation bonds recorded in the government-wide statement of net assets are secured by a first lien on net revenues earned by the Utility Tax Fund and by certain property taxes within the Village. Net revenues are defined in the general obligation bond agreements. The Enterprise Funds are required to establish user fees and rates that will yield net revenues equal to at least 1.25 times the debt service that will become due in the following fiscal year. The Utility Tax Fund is required to establish utility tax rates that will yield net revenues equal to at least 1.25 times the debt service that will become due in the following fiscal year.

3.F. DEFICIT FUND BALANCE AND NET ASSETS

The following funds have deficit fund balances or retained earnings: Water Bond and Interest, \$2,407,922 and Sewer Bond and Interest, \$717,720. It is expected that these deficits will be reduced in the future by increased revenues in each fund.

3.G. EXPENDITURES OVER APPROPRIATIONS

For the fiscal year ended April 30, 2010, the Village did not have any expenditures over the legal appropriation limits.

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)
April 30, 2010

3.H. CONSTRUCTION COMMITMENTS

As of April 30, 2010, the Village had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of completion</u>
Wastewater Treatment Plant Expansion	<u>\$12,000,000</u>	2013

3.I. REVENUES DUE FROM STATE AND COUNTY GOVERNMENTS

The following is a breakdown of the amounts due from the State and County governments in both the government-wide financial statements at April 30, 2010:

<u>Champaign County:</u>	
Property taxes	\$2,140,030
Police fines and fees	1,005
<u>State of Illinois:</u>	
Sales tax	101,721
Income tax	182,817
Corporate pers. repl. tax	655
Telecommunications tax	40,062
Motor Fuel Tax	<u>10,579</u>
Total	<u>\$2,476,869</u>

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)
April 30, 2010

3.J. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

As of April 30, 2010, interfund receivables and payables resulting from various interfund transactions were as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General fund	\$177,860	\$ 0
Special revenue funds:		
TIF fund	<u>0</u>	<u>177,860</u>
Totals	<u>\$177,860</u>	<u>\$177,860</u>

Represents advance of startup costs associated with the Tax Increment Financing Fund. This interfund balance is expected to be reimbursed as revenues from the district expand. This amount is not expected to be repaid within one year.

Transfers to/from Other Funds

Transfers to/from other funds at April 30, 2010, consist of the following:

From the Water Fund to the General Fund for operations	\$ 30,000
From the Sewer Fund to the General Fund for operations	30,000
From the General Fund to the Community Center Fund for operations	4,750
From the General Fund to the Recreation Fund for operations	14,000
From the General Fund to the Cap. Eqp/Veh. Repl. Fund for purchases of capital assets	90,000
From the General Fund to the Transportation System Cap. Imp. Fund for infrastructure costs	200,000
From the General Fund to the IMRF Fund for operations	5,000
From the General Fund to the Insurance Fund for operations	10,000
From the Utility Tax Fund to the Park Fund for purchases of capital assets	100,000
From the Utility Tax Fund to the General Fund for operations	270,000
From the Park Fund to the Cap. Eqp/Veh. Repl Fund for purchases of capital assets	2,000
From the Water Fund to the IMRF Fund for operations	8,370
From the Sewer Fund to the IMRF Fund for operations	9,400
From the Recreation Fund to the Cap. Eqp/Veh. Repl Fund for purchases of capital assets	2,000
From the Water Fund to the Social Security Fund for operations	7,180
From the Sewer Fund to the Social Security Fund for operations	8,020
From the Social Security Fund to the Water Fund for operations	7,619
From the Social Security Fund to the Sewer Fund for operations	7,492
From the IMRF Fund to the Water Fund for operations	8,639
From the IMRF Fund to the Sewer Fund for operations	9,448
From the Utility Tax Fund to the Cap. Eqp/Veh. Repl Fund for purchases of capital assets	15,000

VILLAGE OF MAHOMET
Mahomet, Illinois

Notes to Basic Financial Statements – (continued)

April 30, 2010

3.J. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

Transfers to/from Other Funds (continued)

From the Water Fund to the Cap. Eqp/Veh. Repl Fund for purchases of capital assets	\$ 10,000
From the Sewer Fund to the Cap. Eqp/Veh. Repl Fund for purchases of capital assets	10,000
From the Cap. Eqp/Veh. Repl Fund to the Sewer Fund for purchases of capital assets and loan payment	14,708
From the Cap. Eqp/Veh. Repl Fund to the Water Fund for purchases of capital assets and loan payment	14,708
From the Water Capital Improvements Fund to the Water Fund to transfer capital assets	52,079
From the Water Fund to the Water Capital Improvement Fund to purchase capital assets	50,000
From the Water Fund to the Water Bond and Interest Fund for bond payments	162,000
From the Sewer Fund to the Interceptor Sanitary Sewer Fund for construction of capital assets	195,000
From the Sewer Fund to the Sewer Bond and Interest Fund for bond payments	114,000
From the Sewer Fund to the Water Bond and Interest Fund for bond payments	54,000
From the Sewer Capital Improvements Fund to the Sewer Fund to transfer capital assets	121,151
From the Sewer Fund to the Interceptor Sanitary Sewer Fund for operations	15,000
From the Sewer Fund to the Sewer Expansion Fund for operations	<u>100,000</u>
Total	<u>\$1,751,564</u>

Required Supplementary Information

VILLAGE OF MAHOMET

Mahomet, Illinois

REQUIRED SUPPLEMENTARY INFORMATION
Illinois Municipal Retirement Fund Schedule of Funding Progress
 April 30, 2010

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) ---Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/09	\$1,809,384	\$2,315,469	\$506,085	78.14%	\$1,146,149	44.16%
12/31/08	1,611,843	1,981,816	369,973	81.33%	1,058,374	34.96%
12/31/07	1,572,456	1,738,475	166,019	90.45%	963,082	17.24%

VILLAGE OF MAHOMET

Mahomet, Illinois

Budgetary Comparison Schedule (Budgetary Basis)- General Fund

For the Year Ended April 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Property taxes	\$ 723,261	\$ 723,261	\$ 753,520	\$ 30,259
Replacement taxes	5,500	5,500	5,154	(346)
Income taxes	438,900	438,900	288,738	(150,162)
Sales taxes	640,000	640,000	610,661	(29,339)
Utility taxes	-	-	-	-
Motor fuel tax	-	-	-	-
Permits, licenses and cable fees	82,200	82,200	113,007	30,807
Fines	45,780	45,780	28,751	(17,029)
Rentals and fees	-	-	-	-
Grant income	24,562	24,562	-	(24,562)
Developer reimbursements	-	-	-	-
Interest income	9,750	9,750	4,078	(5,672)
Miscellaneous	11,000	11,000	18,500	7,500
Total revenues	<u>1,980,953</u>	<u>1,980,953</u>	<u>1,822,409</u>	<u>(158,544)</u>
<u>Expenditures:</u>				
Current				
General government	645,250	645,250	576,681	68,569
Public safety	720,450	723,650	681,162	42,488
Highways and streets	350,750	350,750	378,985	(28,235)
Culture and recreation	-	-	-	-
Planning and zoning	236,745	237,920	216,018	21,902
Economic development	40,445	40,445	41,003	(558)
Debt service				
Principal	-	-	-	-
Interest expense and fiscal charges	-	-	-	-
Capital outlay	75,000	70,625	29,593	41,032
Total expenditures	<u>2,068,640</u>	<u>2,068,640</u>	<u>1,923,442</u>	<u>145,198</u>
Excess (deficiency) of revenues over (under) expenditures	(87,687)	(87,687)	(101,033)	(303,742)
<u>Other financing sources (uses):</u>				
Bond proceeds	-	-	-	-
Transfers in	355,000	355,000	330,000	25,000
Transfers out	(353,750)	(353,750)	(323,750)	(30,000)
Total other financing sources (uses)	<u>1,250</u>	<u>1,250</u>	<u>6,250</u>	<u>(5,000)</u>
Net change in fund balances	(86,437)	(86,437)	(94,783)	(308,742)
Fund balances - beginning	<u>496,581</u>	<u>496,581</u>	<u>1,100,429</u>	<u>603,848</u>
Fund balances - ending	<u>\$ 410,144</u>	<u>\$ 410,144</u>	<u>\$ 1,005,646</u>	<u>\$ 295,106</u>

VILLAGE OF MAHOMET

Mahomet, Illinois

Budgetary Comparison Schedule (Budgetary Basis) - Tax Increment Financing Fund

For the Year Ended April 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Property taxes	\$ 940,000	\$ 940,000	\$ 902,155	\$ (37,845)
Replacement taxes	-	-	-	-
Income taxes	-	-	-	-
Sales taxes	-	-	-	-
Utility taxes	-	-	-	-
Motor fuel tax	-	-	-	-
Permits, licenses and cable fees	-	-	-	-
Fines	-	-	-	-
Rentals and fees	-	-	-	-
Grant income	-	-	-	-
Developer reimbursements	-	-	-	-
Interest income	1,000	1,000	859	(141)
Miscellaneous	-	-	-	-
Total revenues	<u>941,000</u>	<u>941,000</u>	<u>903,014</u>	<u>(37,986)</u>
<u>Expenditures:</u>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	801,000	801,000	714,902	86,098
Culture and recreation	-	-	-	-
Planning and zoning	-	-	-	-
Economic development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest expense and fiscal charges	-	-	-	-
Capital outlay	<u>1,190,000</u>	<u>1,190,000</u>	<u>175,000</u>	<u>1,015,000</u>
Total expenditures	<u>1,991,000</u>	<u>1,991,000</u>	<u>889,902</u>	<u>1,101,098</u>
Excess (deficiency) of revenues over (under) expenditures	(1,050,000)	(1,050,000)	13,112	(1,139,084)
<u>Other financing sources (uses):</u>				
Bond proceeds	980,000	980,000	-	980,000
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>980,000</u>	<u>980,000</u>	<u>-</u>	<u>980,000</u>
Net change in fund balances	(70,000)	(70,000)	13,112	(159,084)
Fund balances - beginning	<u>44,762</u>	<u>44,762</u>	<u>363,078</u>	<u>-</u>
Fund balances - ending	<u>\$ (25,238)</u>	<u>\$ (25,238)</u>	<u>\$ 376,190</u>	<u>\$ (159,084)</u>

The notes to budgetary comparison schedules are an integral part of this statement.

VILLAGE OF MAHOMET

Mahomet, Illinois

Budgetary Comparison Schedule (Budgetary Basis) - Transportation System Cap. Imp.

For the Year Ended April 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Replacement taxes	-	-	-	-
Income taxes	-	-	-	-
Sales taxes	-	-	-	-
Utility taxes	220,000	220,000	244,420	24,420
Motor fuel tax	-	-	-	-
Permits, licenses and cable fees	-	-	-	-
Fines	-	-	-	-
Rentals and fees	-	-	-	-
Grant income	-	-	-	-
Developer reimbursements	510,000	510,000	402,048	(107,952)
Interest income	3,000	3,000	5,733	2,733
Miscellaneous	-	-	-	-
Total revenues	<u>733,000</u>	<u>733,000</u>	<u>652,201</u>	<u>(80,799)</u>
<u>Expenditures:</u>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	232,000	232,000	14,773	217,227
Culture and recreation	-	-	-	-
Planning and zoning	-	-	-	-
Economic development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest expense and fiscal charges	-	-	-	-
Capital outlay	<u>1,328,000</u>	<u>1,328,000</u>	<u>982,578</u>	<u>345,422</u>
Total expenditures	<u>1,560,000</u>	<u>1,560,000</u>	<u>997,351</u>	<u>562,649</u>
Excess (deficiency) of revenues over (under) expenditures	(827,000)	(827,000)	(345,150)	(643,448)
<u>Other financing sources (uses):</u>				
Bond proceeds	-	-	-	-
Transfers in	200,000	200,000	200,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net change in fund balances	(627,000)	(627,000)	(145,150)	(643,448)
Fund balances - beginning	<u>177,647</u>	<u>177,647</u>	<u>1,053,262</u>	<u>-</u>
Fund balances - ending	<u>\$ (449,353)</u>	<u>\$ (449,353)</u>	<u>\$ 908,112</u>	<u>\$ (643,448)</u>

The notes to budgetary comparison schedules are an integral part of this statement.

VILLAGE OF MAHOMET

Mahomet, Illinois

Notes to Budgetary Comparison Schedules

April 30, 2010

Budget Law:

The Village board prepares its annual operating budget under the provisions of the Illinois Municipal Budget Law. In accordance with those provisions, the following process is used to adopt the annual budget:

- a. Prior to the end of the first quarter of each fiscal year, a board designated person or persons designated by the board submits to the board a proposed operating budget for the year commencing on May 1.
- b. Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 10 days prior to final approval of the budget.
- c. Subsequent to the public hearings the budget is adopted by the board.

The legal level of control at which expenditures may not legally exceed appropriations is at the fund level.

Basis of Accounting

The budget is prepared on the cash basis of accounting.

Supplementary Information

VILLAGE OF MAHOMET

Mahomet, Illinois

Balance SheetNonmajor Governmental Funds - (continued)

April 30, 2010

	<u>Forfeited Funds</u>	<u>IMRF Fund</u>	<u>Community Center Fund</u>	<u>Recreation Fund</u>	<u>Social Security Fund</u>	<u>Parks Fund</u>	<u>Insurance Fund</u>
<u>ASSETS</u>							
Cash	\$ 18,236	\$ 37,325	\$ 28,345	\$ 79,269	\$ 17,110	\$ 448,418	\$ 19,220
Cash - restricted	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Investments - restricted	-	-	-	-	-	-	-
Property taxes receivable	-	97,832	-	-	86,571	79,392	66,019
Due from State of Illinois	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-	46,115
Total assets	\$ 18,236	\$ 135,157	\$ 28,345	\$ 79,269	\$ 103,681	\$ 527,810	\$ 131,354
<u>LIABILITIES AND FUND BALANCES</u>							
<u>Liabilities:</u>							
Accounts payable	\$ -	\$ -	\$ -	\$ 6,877	\$ -	\$ 10,493	\$ -
Accrued salaries	-	-	309	1,594	-	2,119	-
Due to other funds	-	-	-	-	-	-	-
Accrued compensated absences	-	-	-	5,334	-	-	-
Deferred revenue	-	48,824	-	48,663	43,163	39,625	32,973
Total liabilities	-	48,824	309	62,468	43,163	52,237	32,973
<u>Fund Balances:</u>							
Fund balances, reserved	-	-	-	-	-	-	46,115
Fund balances, unreserved	18,236	86,333	28,036	16,801	60,518	475,573	52,266
Total fund balances	18,236	86,333	28,036	16,801	60,518	475,573	98,381
Total liabilities and fund balances	\$ 18,236	\$ 135,157	\$ 28,345	\$ 79,269	\$ 103,681	\$ 527,810	\$ 131,354

(continued)

VILLAGE OF MAHOMET

Mahomet, Illinois

Balance Sheet
Nonmajor Governmental Funds

April 30, 2010

	<u>Bond Issue</u>	<u>Utility Tax</u>	<u>Motor Fuel Tax</u>	<u>Capital Equipment/ Vehicle Replacement</u>	<u>Totals</u>
<u>ASSETS</u>					
Cash	\$ -	\$ 43,972	\$ -	\$ 208,881	\$ 900,776
Cash - restricted	16,756	-	184,195	-	200,951
Investments	-	-	-	-	-
Investments - restricted	-	-	-	-	-
Property taxes receivable	68,131	-	-	-	397,945
Due from State of Illinois	-	-	10,579	-	10,579
Utility taxes receivable	-	24,589	-	-	24,589
Due from other funds	-	-	-	-	-
Prepaid insurance	-	-	-	-	46,115
Total assets	\$ 84,887	\$ 68,561	\$ 194,774	\$ 208,881	\$ 1,580,955
<u>LIABILITIES AND FUND BALANCES</u>					
<u>Liabilities:</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 17,370
Accrued salaries	-	-	-	-	4,022
Due to other funds	-	-	-	-	-
Accrued compensated absences	-	-	-	-	5,334
Deferred revenue	34,021	-	-	-	247,269
Total liabilities	34,021	-	-	-	273,995
<u>Fund Balances:</u>					
Fund balances, reserved	68,952	54,522	194,774	-	364,363
Fund balances, unreserved	(18,086)	14,039	-	208,881	942,597
Total fund balances	50,866	68,561	194,774	208,881	1,306,960
Total liabilities and fund balances	\$ 84,887	\$ 68,561	\$ 194,774	\$ 208,881	\$ 1,580,955

VILLAGE OF MAHOMET

Mahomet, Illinois

Statement of Net Assets
Nonmajor Proprietary Funds
 April 30, 2010

	<u>Water Capital Improvements</u>	<u>Sewer Capital Improvements</u>	<u>Totals</u>
<u>ASSETS</u>			
<u>Current assets:</u>			
Cash and cash equivalents	\$ 391,085	\$ 132,607	\$ 523,692
Total current assets	<u>391,085</u>	<u>132,607</u>	<u>523,692</u>
<u>Noncurrent assets:</u>			
Cash - restricted	-	-	-
Investments - restricted	-	-	-
Capital assets:			
Property, plant and equipment	-	-	-
Accumulated depreciation	-	-	-
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 391,085</u>	 <u>\$ 132,607</u>	 <u>\$ 523,692</u>
<u>LIABILITIES AND NET ASSETS</u>			
<u>Liabilities:</u>			
Accounts payable	\$ 5,274	\$ -	\$ 5,274
Total liabilities	<u>5,274</u>	<u>-</u>	<u>5,274</u>
<u>Net Assets</u>			
Restricted for capital projects	-	-	-
Unrestricted	<u>385,811</u>	<u>132,607</u>	<u>518,418</u>
Total net assets	<u>385,811</u>	<u>132,607</u>	<u>518,418</u>
Total liabilities and net assets	<u>\$ 391,085</u>	<u>\$ 132,607</u>	<u>\$ 523,692</u>

VILLAGE OF MAHOMET

Mahomet, Illinois

Statement of Revenues, Expenditures and Changes in Fund BalancesNonmajor Governmental Funds - (continued)

For the Year Ended April 30, 2010

	Forfeited Funds	IMRF Fund	Community Center Fund	Recreation Fund	Social Security Fund	Parks Fund	Insurance Fund
Revenues:							
Property taxes	\$ -	\$ 85,237	\$ -	\$ -	\$ 80,063	\$ 79,143	\$ 63,458
Motor fuel taxes	-	-	-	-	-	-	-
Rentals, fees and services	-	-	6,635	128,251	-	100	-
Utility taxes	-	-	-	-	-	-	-
Grant income	-	-	-	-	-	69,175	-
Developer reimbursements	-	-	-	-	-	-	-
Interest income	29	241	102	261	153	1,848	138
Miscellaneous	20,757	-	-	22,969	-	9,855	-
Total revenues	<u>20,786</u>	<u>85,478</u>	<u>6,737</u>	<u>151,481</u>	<u>80,216</u>	<u>160,121</u>	<u>63,596</u>
Expenditures:							
Current							
General government	-	29,880	-	-	29,685	-	20,732
Public safety	2,661	44,813	-	-	34,493	-	21,795
Highways and streets	-	16,369	-	-	15,012	-	18,317
Culture and recreation	-	4,845	10,339	163,872	7,057	30,602	4,337
Planning and zoning	-	5,561	-	-	4,375	-	-
Debt service							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	4,129	-	199,924	-
Total expenditures	<u>2,661</u>	<u>101,468</u>	<u>10,339</u>	<u>168,001</u>	<u>90,622</u>	<u>230,526</u>	<u>65,181</u>
Excess of revenues over (under) expenditures	<u>18,125</u>	<u>(15,990)</u>	<u>(3,602)</u>	<u>(16,520)</u>	<u>(10,406)</u>	<u>(70,405)</u>	<u>(1,585)</u>
Other Financing Sources (Uses):							
Operating transfers in	-	22,770	4,750	14,000	15,200	100,000	10,000
Operating transfers out	-	(17,817)	-	(2,000)	(15,110)	(2,000)	-
Total other financing sources (uses)	<u>-</u>	<u>4,953</u>	<u>4,750</u>	<u>12,000</u>	<u>90</u>	<u>98,000</u>	<u>10,000</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>18,125</u>	<u>(11,037)</u>	<u>1,148</u>	<u>(4,520)</u>	<u>(10,316)</u>	<u>27,595</u>	<u>8,415</u>
Fund balances, beginning of the year	<u>111</u>	<u>97,370</u>	<u>26,888</u>	<u>21,321</u>	<u>70,834</u>	<u>447,978</u>	<u>89,966</u>
Fund balances, end of the year	<u>\$ 18,236</u>	<u>\$ 86,333</u>	<u>\$ 28,036</u>	<u>\$ 16,801</u>	<u>\$ 60,518</u>	<u>\$ 475,573</u>	<u>\$ 98,381</u>

(continued)

VILLAGE OF MAHOMET

Mahomet, Illinois

Statement of Revenues, Expenditures and Changes in Fund BalancesNonmajor Governmental Funds

For the Year Ended April 30, 2010

	Bond Issue	Utility Tax	Motor Fuel Tax	Capital Equipment/ Vehicle Replacement	Totals
Revenues:					
Property taxes	\$ 67,564	\$ -	\$ -	\$ -	\$ 375,465
Motor fuel taxes	-	-	123,081	-	123,081
Rentals, fees and services	-	-	-	-	134,986
Utility taxes	-	345,052	-	-	345,052
Grant income	-	-	-	-	69,175
Developer reimbursements	-	-	-	-	-
Interest income	150	1,653	878	1,331	6,784
Miscellaneous	-	-	3,111	3,227	59,919
Total revenues	<u>67,714</u>	<u>346,705</u>	<u>127,070</u>	<u>4,558</u>	<u>1,114,462</u>
Expenditures:					
Current					
General government	-	-	-	-	80,297
Public safety	-	-	-	-	103,762
Highways and streets	-	-	-	-	49,698
Culture and recreation	-	-	-	-	221,052
Planning and zoning	-	-	-	-	9,936
Debt service					
Principal retirement	61,500	44,102	-	-	105,602
Interest and fiscal charges	6,905	10,470	-	-	17,375
Capital outlay	-	-	261,605	151,701	617,359
Total expenditures	<u>68,405</u>	<u>54,572</u>	<u>261,605</u>	<u>151,701</u>	<u>1,205,081</u>
Excess of revenues over (Under) expenditures	<u>(691)</u>	<u>292,133</u>	<u>(134,535)</u>	<u>(147,143)</u>	<u>(90,619)</u>
Other Financing Sources (Uses):					
Debt proceeds	-	-	-	55,361	55,361
Operating transfers in	-	-	-	129,000	295,720
Operating transfers out	-	(385,000)	-	(29,417)	(451,344)
Total other financing sources (uses)	<u>-</u>	<u>(385,000)</u>	<u>-</u>	<u>154,944</u>	<u>(100,263)</u>
Excess of revenues and other sources over (under) expenditures and other use	<u>(691)</u>	<u>(92,867)</u>	<u>(134,535)</u>	<u>7,801</u>	<u>(190,882)</u>
Fund balances, beginning of the year	<u>51,557</u>	<u>161,428</u>	<u>329,309</u>	<u>201,080</u>	<u>1,497,842</u>
Fund balances, end of the year	<u>\$ 50,866</u>	<u>\$ 68,561</u>	<u>\$ 194,774</u>	<u>\$ 208,881</u>	<u>\$ 1,306,960</u>

VILLAGE OF MAHOMET

Mahomet, Illinois

Statement of Revenues, Expenses and Changes in Net AssetsNonmajor Proprietary Funds

For the Year Ended April 30, 2010

	Water Capital Improvements	Sewer Capital Improvements	Totals
<u>Operating Revenues:</u>			
Charges for services	\$ 48,910	\$ 74,638	\$ 123,548
Miscellaneous	-	-	-
Total operating revenues	<u>48,910</u>	<u>74,638</u>	<u>123,548</u>
<u>Operating Expenses:</u>			
Personnel services	-	-	-
Supplies and materials	-	-	-
Contractual services	-	-	-
Depreciation	-	-	-
Total operating expenses	<u>-</u>	<u>-</u>	<u>-</u>
Operating income (loss)	<u>48,910</u>	<u>74,638</u>	<u>123,548</u>
<u>Nonoperating Revenues (Expenses):</u>			
Property taxes	-	-	-
Interest income	1,358	771	2,129
Interest expense	-	-	-
Total nonoperating revenues (expenses)	<u>1,358</u>	<u>771</u>	<u>2,129</u>
Income (loss) before operating transfers in (out)	<u>50,268</u>	<u>75,409</u>	<u>125,677</u>
Transfers in (out)	<u>(2,079)</u>	<u>(136,151)</u>	<u>(138,230)</u>
Change in net assets	48,189	(60,742)	(12,553)
Net assets - beginning	<u>337,622</u>	<u>193,349</u>	<u>530,971</u>
Net assets - ending	<u>\$ 385,811</u>	<u>\$ 132,607</u>	<u>\$ 518,418</u>

VILLAGE OF MAHOMET

Mahomet, Illinois

Statement of Cash Flows
Nonmajor Proprietary Funds

For the Year Ended April 30, 2010

	Water Capital Improvements	Sewer Capital Improvements	Totals
<u>Cash Flows from Operating Activities:</u>			
Receipts from users	\$ 48,910	\$ 74,638	\$ 123,548
Payments to suppliers	(46,805)	(125,189)	(171,994)
Payments to employees	-	-	-
Other receipts (payments)	52,079	121,151	173,230
Net cash provided by (used in) operating activities	<u>54,184</u>	<u>70,600</u>	<u>124,784</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Property taxes	-	-	-
Operating transfers in	50,000	-	50,000
Operating transfers out	(52,079)	(136,151)	(188,230)
Net cash provided (used) by noncapital financing activities	<u>(2,079)</u>	<u>(136,151)</u>	<u>(138,230)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Sale (purchase) of capital assets	-	-	-
Interest paid on capital debt	-	-	-
Principal paid on capital debt	-	-	-
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
<u>Cash Flows from Investing Activities:</u>			
Investment income	1,358	771	2,129
Sale of investments	-	-	-
Purchase of investments	-	-	-
Net cash provided (used) by investing activities	<u>1,358</u>	<u>771</u>	<u>2,129</u>
Net increase (decrease) in cash, cash equivalents and investments	53,463	(64,780)	(11,317)
Cash and cash equivalents, beginning of the year	<u>337,622</u>	<u>197,387</u>	<u>535,009</u>
Cash and cash equivalents, end of the year	<u>\$ 391,085</u>	<u>\$ 132,607</u>	<u>\$ 523,692</u>
<u>Reconciliation of Operating Income (Loss)</u>			
<u>To Net Cash Provided (Used) By Operating Activities</u>			
Operating income (loss)	\$ 48,910	\$ 74,638	\$ 123,548
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization	-	-	-
Change in assets and liabilities:			
(Increase) decrease-accounts receivable	-	-	-
(Increase) decrease-property taxes receivable	-	-	-
(Increase) decrease-prepaid insurance	-	-	-
(Increase) decrease-deferred charges	-	-	-
Increase (decrease)-accounts payable	5,274	(4,038)	1,236
Increase (decrease)-accrued expenses	-	-	-
Increase (decrease)-deferred revenue	-	-	-
Total adjustments	<u>5,274</u>	<u>(4,038)</u>	<u>1,236</u>
Net cash provided (used) by operating activities	<u>\$ 54,184</u>	<u>\$ 70,600</u>	<u>\$ 124,784</u>

VILLAGE OF MAHOMET

Mahomet, Illinois

General Obligation Bonds (Utility Taxes Alt. Revenue Source)(Series 1998)Police BuildingDebt Service Schedule

April 30, 2010

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Year Total</u>	<u>Interest Rate</u>
07/01/10	\$ 46,197	\$ 4,711	\$ 50,908	\$ -	
01/01/11	-	3,614	3,614	54,522	4.75%
07/01/11	48,392	3,614	52,006	-	
01/01/12	-	2,465	2,465	54,471	4.75%
07/01/12	50,690	2,465	53,155	-	
01/01/13	-	1,261	1,261	54,416	4.75%
07/01/13	<u>53,098</u>	<u>1,261</u>	<u>54,359</u>	<u>54,359</u>	4.75%
	<u>\$ 198,377</u>	<u>\$ 19,391</u>	<u>\$ 217,768</u>	<u>\$ 217,768</u>	

VILLAGE OF MAHOMET

Mahomet, Illinois

**General Obligation Waterworks and Sewerage
Refunding Bonds (Alternate Revenue Source)****(Series 2003A)****Debt Service Schedule**

April 30, 2010

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Period Total</u>	<u>Total</u>	<u>Rate</u>
07/01/10	\$ 160,000	\$ 52,541	\$ 212,541	\$ -	3.10%
01/01/11	-	50,061	50,061	262,602	
07/01/11	165,000	50,061	215,061	-	3.30%
01/01/12	-	47,339	47,339	262,400	
07/01/12	170,000	47,339	217,339	-	3.40%
01/01/13	-	44,449	44,449	261,788	
07/01/13	175,000	44,449	219,449	-	3.50%
01/01/14	-	41,386	41,386	260,835	
07/01/14	180,000	41,386	221,386	-	3.60%
01/01/15	-	38,146	38,146	259,532	
07/01/15	190,000	38,146	228,146	-	3.70%
01/01/16	-	34,631	34,631	262,777	
07/01/16	200,000	34,631	234,631	-	3.80%
01/01/17	-	30,831	30,831	265,462	
07/01/17	200,000	30,831	230,831	-	3.90%
01/01/18	-	26,931	26,931	257,762	
07/01/18	210,000	26,931	236,931	-	4.00%
01/01/19	-	22,731	22,731	259,662	
07/01/19	210,000	22,731	232,731	-	4.05%
01/01/20	-	18,479	18,479	251,210	
07/01/20	215,000	18,479	233,479	-	4.10%
01/01/21	-	14,071	14,071	247,550	
07/01/21	220,000	14,071	234,071	-	4.15%
01/01/22	-	9,506	9,506	243,577	
07/01/22	225,000	9,506	234,506	-	4.20%
01/01/23	-	4,781	4,781	239,287	
07/01/23	225,000	4,781	229,781	229,781	4.25%
	<u>\$ 2,745,000</u>	<u>\$ 819,225</u>	<u>\$ 3,564,225</u>	<u>\$ 3,564,225</u>	

VILLAGE OF MAHOMET

Mahomet, Illinois

General Obligation Waterworks and Sewerage Bonds**(Alternate Revenue Source)****(Series 2003B)****Debt Service Schedule**

April 30, 2010

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Period Total</u>	<u>Total</u>	<u>Rate</u>
07/01/10	\$ 100,000	\$ 18,150	\$ 118,150	\$ -	3.10%
01/01/11	-	16,600	16,600	134,750	
07/01/11	100,000	16,600	116,600	-	3.30%
01/01/12	-	14,950	14,950	131,550	
07/01/12	100,000	14,950	114,950	-	3.40%
01/01/13	-	13,250	13,250	128,200	
07/01/13	100,000	13,250	113,250	-	3.50%
01/01/14	-	11,500	11,500	124,750	
07/01/14	100,000	11,500	111,500	-	3.60%
01/01/15	-	9,700	9,700	121,200	
07/01/15	100,000	9,700	109,700	-	3.70%
01/01/16	-	7,850	7,850	117,550	
07/01/16	100,000	7,850	107,850	-	3.80%
01/01/17	-	5,950	5,950	113,800	
07/01/17	100,000	5,950	105,950	-	3.90%
01/01/18	-	4,000	4,000	109,950	
07/01/18	100,000	4,000	104,000	-	4.00%
01/01/19	-	2,000	2,000	106,000	
07/01/19	100,000	2,000	102,000	102,000	4.00%
	<u>\$ 1,000,000</u>	<u>\$ 189,750</u>	<u>\$ 1,189,750</u>	<u>\$ 1,189,750</u>	

VILLAGE OF MAHOMET

Mahomet, Illinois

General Obligation Bonds**(Series 2005)****Limited Tax****Debt Service Schedule**

April 30, 2010

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Year Total</u>	<u>Interest Rate</u>
06/01/2010	\$ -	\$ 2,476	\$ 2,476	\$ -	
12/01/2010	64,000	2,476	66,476	68,952	3.80%
06/01/2011	-	1,326	1,326	-	
12/01/2011	<u>66,300</u>	<u>1,326</u>	<u>67,626</u>	<u>68,952</u>	4.00%
	<u>\$ 130,300</u>	<u>\$ 7,604</u>	<u>\$ 137,904</u>	<u>\$ 137,904</u>	

VILLAGE OF MAHOMET

Mahomet, Illinois

Notes Payable**Fisher National Bank****Debt Service Schedule**

April 30, 2010

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Year Total</u>	<u>Interest Rate</u>
05/15/2010	\$ 17,717	\$ 2,062	\$ 19,779	\$ 19,779	3.50%
05/15/2011	18,440	1,339	19,779	19,779	3.50%
05/15/2012	<u>19,204</u>	<u>683</u>	<u>19,887</u>	<u>19,887</u>	3.50%
	<u>\$ 55,361</u>	<u>\$ 4,084</u>	<u>\$ 59,445</u>	<u>\$ 59,445</u>	

VILLAGE OF MAHOMET

Mahomet, Illinois

**Equalized Assessed Valuations, Tax Rates, Taxes Extended and Collected
and Legal Debt Margin**

April 30, 2010

Tax Levy Year	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Equalized Assessed Valuation	<u>\$ 140,765,812</u>	<u>\$ 134,656,068</u>	<u>\$ 123,978,945</u>	<u>\$ 112,061,441</u>	<u>\$ 100,652,161</u>
<u>Tax Rates</u>					
General	0.3291	0.3453	0.3000	0.2147	0.2173
Bond	0.0484	0.0503	0.0545	0.0598	0.0658
IMRF	0.0695	0.0545	0.0724	0.0826	0.0854
Fire protection	0.0267	0.0293	0.0335	0.1289	0.1303
Police protection	0.1142	0.1187	0.1266	0.0644	0.0652
Audit	0.0064	0.0065	0.0067	0.0062	0.0066
Liability insurance	0.0469	0.0457	0.0473	0.0530	0.0526
Street and bridge	0.0344	0.0368	0.0385	0.0373	0.0363
Park	0.0564	0.0592	0.0623	0.0631	0.0652
Public benefit	-	-	-	0.0420	0.0435
ESDA	0.0008	0.0009	0.0010	0.0010	0.0010
Social security	0.0615	0.0551	0.0616	0.0668	0.0738
Chloridine	-	-	-	0.0168	0.0174
1/2 road and bridge	<u>0.0823</u>	<u>0.0533</u>	<u>0.0537</u>	<u>0.0555</u>	<u>0.0578</u>
Total	<u>0.8766</u>	<u>0.8556</u>	<u>0.8581</u>	<u>0.8921</u>	<u>0.9182</u>
Taxes extended - in total	<u>\$ 1,233,941</u>	<u>\$ 1,193,351</u>	<u>\$ 1,063,802</u>	<u>\$ 999,756</u>	<u>\$ 924,138</u>
Taxes collected	<u>\$ 578,623</u>	<u>\$ 1,149,325</u>	<u>\$ 1,071,651</u>	<u>\$ 997,950</u>	<u>\$ 922,110</u>
Percentage of Extensions					
Collected		<u>96.31%</u>	<u>100.74%</u>	<u>99.82%</u>	<u>99.78%</u>

*Note: Does not include tax increment area.***SCHEDULE OF LEGAL DEBT MARGIN**

Assessed valuation	<u>\$ 140,765,812</u>
Debt limit - 8.625%	\$ 12,141,051
Outstanding general obligation bonds	4,073,677
Less alternate revenue source general obligation bonds	<u>(3,943,377)</u>
Legal debt margin	<u>\$ 12,010,751</u>