

VILLAGE OF GOLF, ILLINOIS
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2010

AHLBECK & COMPANY

C E R T I F I E D

P U B L I C

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VILLAGE OF GOLF

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Village of Golf
Golf, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the VILLAGE OF GOLF, Illinois 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 Village's officers. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. 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 opinion.

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 VILLAGE OF GOLF, Illinois 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 U.S. generally accepted accounting principles.

The VILLAGE OF GOLF, Illinois has not presented Management's Discussion and Analysis that accounting principles generally accepted in the U.S. has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Ahlbeck & Company

July 28, 2010

**GOVERNMENT-WIDE
STATEMENT OF NET ASSETS**

April 30, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash	\$ 467,878	\$ 62,399	\$ 530,277
Receivables:			
Real estate taxes	319,395	-	319,395
Water accounts	-	7,802	7,802
Other, including taxes and fines	24,270	-	24,270
Illinois Department of Transportation	979	-	979
Prepaid expenditures	3,609	-	3,609
Total current assets	816,131	70,201	886,332
Capital Assets at Net Book Value			
Capital assets and infrastructure	2,089,945	-	2,089,945
Water distribution system	-	24,332	24,332
Total net capital assets	2,089,945	24,332	2,114,277
Other Assets			
Unamortized bond discounts	22,807	-	22,807
Unamortized bond issuance costs	44,942	-	44,942
Total other assets	67,749	-	67,749
TOTAL ASSETS	2,973,825	94,533	3,068,358

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**GOVERNMENT-WIDE
STATEMENT OF NET ASSETS**

April 30, 2010

	Governmental Activities	Business-Type Activities	Total
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts payable	\$ 31,742	\$ 6,484	\$ 38,226
Accrued payroll and related taxes	16,418	-	16,418
Accrued interest	50,244	-	50,244
Building department bond escrow	15,450	-	15,450
Deferred real estate taxes	319,395	-	319,395
Current portion of long term liabilities	120,000	-	120,000
Total current liabilities	553,249	6,484	559,733
Long Term Liabilities			
Bonds payable	2,695,000	-	2,695,000
Less current portion	(120,000)	-	(120,000)
Total long term liabilities	2,575,000	-	2,575,000
TOTAL LIABILITIES	3,128,249	6,484	3,134,733
Net Assets (Accumulated Deficit)			
Invested in capital assets, net of related debt	(537,306)	-	(537,306)
Restricted for:			
Debt service	155,293	-	155,293
Other purposes	83,014	-	83,014
Unrestricted	144,575	88,049	232,624
Total net assets (accumulated deficit)	(154,424)	88,049	(66,375)
TOTAL LIABILITIES AND NET ASSETS	2,973,825	94,533	3,068,358

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES**
For the Year Ended April 30, 2010

Program Activities	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental Activities						
General government and administration	\$ 126,443	\$ 51,135	\$ -	\$ (75,308)	\$ -	\$ (75,308)
Public safety	409,105	33,317	17,001	(358,787)	-	(358,787)
Public property and streets	76,030	-	-	(76,030)	-	(76,030)
Sanitation	41,909	-	-	(41,909)	-	(41,909)
Recreation	10,349	-	3,935	(6,414)	-	(6,414)
Interest on long term debt	114,031	-	-	(114,031)	-	(114,031)
Infrastructure depreciation (Excludes direct depreciation)	189,166	-	-	(189,166)	-	(189,166)
Total governmental activities	967,033	84,452	20,936	(861,645)	-	(861,645)
Business Type Activities						
Water department	117,541	118,913	-	-	1,372	1,372
Commuter parking facility	14,079	15,657	-	-	1,578	1,578
Total business type activities	131,620	134,570	-	-	2,950	2,950
Total Government	1,098,653	219,022	20,936	(861,645)	2,950	(858,695)
General Revenues						
Taxes:						
Real estate				701,653	-	701,653
Motor fuel				11,382	-	11,382
Utilities and franchise				57,596	-	57,596
Sales				32,326	-	32,326
State income and replacement				41,083	-	41,083
Interest income, net of bank charges				671	(7)	664
Loss on disposal of capital assets				(361)	-	(361)
Miscellaneous income				623	-	623
Total general revenues				844,973	(7)	844,966
Change in net assets				(16,672)	2,943	(13,729)
Net assets - beginning				(137,752)	85,106	(52,646)
Net assets - ending				(154,424)	88,049	(66,375)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**BALANCE SHEET -
GOVERNMENTAL FUNDS**

April 30, 2010

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
A S S E T S					
Assets					
Cash	\$ 451,700	\$ 16,178	\$ -	\$ -	\$ 467,878
Receivables:					
Real estate taxes	84,935	-	234,460	-	319,395
Other, including taxes and fines	24,270	-	-	-	24,270
Illinois Department of Transportation	-	979	-	-	979
Prepaid expenditures	3,609	-	-	-	3,609
Due (to)/from other funds	(193,537)	(12,000)	205,537	-	-
TOTAL ASSETS	370,977	5,157	439,997	-	816,131
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts payable	31,742	-	-	-	31,742
Accrued payroll and related taxes	16,418	-	-	-	16,418
Accrued interest	-	-	50,244	-	50,244
Building department bond escrow	15,450	-	-	-	15,450
Deferred real estate tax revenue	84,935	-	234,460	-	319,395
Total liabilities	148,545	-	284,704	-	433,249
Fund Balance					
Reserved for:					
Encumbrances	77,857	-	-	-	77,857
Debt service	-	-	155,293	-	155,293
Special revenue fund	-	5,157	-	-	5,157
Unreserved, reported in:					
General fund	144,575	-	-	-	144,575
Total fund balance	222,432	5,157	155,293	-	382,882
TOTAL LIABILITIES AND FUND BALANCE	370,977	5,157	439,997	-	816,131

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

VILLAGE OF GOLF

**RECONCILIATION OF THE GOVERNMENTAL
FUNDS BALANCE SHEET TO STATEMENT
OF NET ASSETS**

April 30, 2010

Total Fund Balance - Total Governmental Funds	\$ 382,882
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	2,089,945
Long term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.	
Due within one year	(120,000)
Due in more than one year	(2,575,000)
Deferred charges	67,749
Net Assets of Governmental Activities	<u><u>(154,424)</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

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

For the Year Ended April 30, 2010

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
REVENUES					
Taxes					
Real estate taxes, net	\$ 495,793	\$ -	\$ 205,860	\$ -	\$ 701,653
Motor fuel tax allotments	-	11,382	-	-	11,382
Utilities and franchise	57,596	-	-	-	57,596
Sales and use tax	32,326	-	-	-	32,326
State income and replacement	41,083	-	-	-	41,083
Total taxes	626,798	11,382	205,860	-	844,040
Licenses and Permits					
Vehicle licenses	12,260	-	-	-	12,260
Animal licenses	327	-	-	-	327
Liquor licenses	1,500	-	-	-	1,500
Building permits	37,048	-	-	-	37,048
Total licenses and permits	51,135	-	-	-	51,135
Other Income					
Accident reports	95	-	-	-	95
Traffic fines	33,222	-	-	-	33,222
Miscellaneous	4,558	-	-	-	4,558
Total other income	37,875	-	-	-	37,875
Investment Income					
Interest income	448	23	-	200	671
Total investment income	448	23	-	200	671
Total revenues	716,256	11,405	205,860	200	933,721

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

VILLAGE OF GOLF

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

For the Year Ended April 30, 2010

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
EXPENDITURES					
General administration	107,768	-	-	-	107,768
Payment of principal	-	-	100,000	-	100,000
Interest	-	-	111,835	-	111,835
Police protection	272,260	-	-	-	272,260
Emergency services	126,608	-	-	-	126,608
Public buildings and properties	66,305	-	-	-	66,305
Streets	9,725	-	-	-	9,725
Garbage collection	41,909	-	-	-	41,909
Insurance	20,838	-	-	-	20,838
Financing costs and fees	-	-	1,450	-	1,450
Capital outlays	49,497	12,000	-	229,204	290,701
Total expenditures	694,910	12,000	213,285	229,204	1,149,399
Excess/(deficiency) of revenues over expenditures	21,346	(595)	(7,425)	(229,004)	(215,678)
OTHER FINANCING SOURCES					
Grant proceeds and contributions	17,001	-	-	-	17,001
Total other financing sources	17,001	-	-	-	17,001
Net changes in fund balances	38,347	(595)	(7,425)	(229,004)	(198,677)
Fund balance - beginning	184,085	5,752	162,718	229,004	581,559
Fund balance - ending	222,432	5,157	155,293	-	382,882

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

VILLAGE OF GOLF

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

For the Year Ended April 30, 2010

Net Change in Fund Balances - Total Governmental Funds \$ (198,677)

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

Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and changes in net assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	290,701
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	(202,037)
The loss on disposal of capital assets is reported as an expense in the statement of activities.	(361)
The repayment of long-term debt is reported as an expenditure when due in the governmental funds, but as a reduction of principal outstanding on the statement of net assets.	100,000
The issuance of bonds provides current financial resources to governmental funds. However, this has no effect on net assets. Also governmental funds report the effect of issuance costs, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Amortization of Deferred Charges	(4,102)
Amortization of Bond Discounts	(2,196)
	<u>(6,298)</u>
Change in Net Assets of Governmental Activities	<u><u>(16,672)</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

VILLAGE OF GOLF

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET (UNAUDITED) TO ACTUAL -
GENERAL FUND**

For the Year Ended April 30, 2010

	Original and Final Budget (Unaudited)	Actual	Over (Under) Final Budget
REVENUES			
Taxes			
Real estate taxes, net	\$ 422,330	\$ 495,793	\$ 73,463
Utilities and franchise	65,000	57,596	(7,404)
Sales and use	34,600	32,326	(2,274)
State income and replacement	41,625	41,083	(542)
Total taxes	563,555	626,798	63,243
Licenses and Permits			
Vehicle licenses	12,500	12,260	(240)
Animal licenses	350	327	(23)
Liquor licenses	1,500	1,500	-
Building permits	25,000	37,048	12,048
Total licenses and permits	39,350	51,135	11,785
Other Income			
Accident reports	100	95	(5)
Traffic fines	20,700	33,222	12,522
Miscellaneous	4,600	4,558	(42)
Total other income	25,400	37,875	12,475
Investment Income			
Interest income	1,350	448	(902)
Total investment income	1,350	448	(902)
Total revenues	629,655	716,256	86,601

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

VILLAGE OF GOLF

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET (UNAUDITED) TO ACTUAL -
GENERAL FUND**

For the Year Ended April 30, 2010

	Original and Final Budget (Unaudited)	Actual	Over (Under) Final Budget
EXPENDITURES			
General administration	85,845	107,768	21,923
Police protection	266,220	272,260	6,040
Emergency services	126,048	126,608	560
Public buildings and properties	55,340	66,305	10,965
Streets	21,120	9,725	(11,395)
Garbage collection	42,000	41,909	(91)
Insurance	19,615	20,838	1,223
Capital outlays	26,000	49,497	23,497
Total expenditures	642,188	694,910	52,722
(Deficiency) excess of revenues over expenditures	(12,533)	21,346	33,879
OTHER FINANCING SOURCES			
Grant proceeds and contributions	-	17,001	17,001
Total other financing sources	-	17,001	17,001
Net change in fund balance	(12,533)	38,347	50,880
Fund balance - beginning		184,085	
Fund balance - ending		222,432	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

VILLAGE OF GOLF

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET (UNAUDITED) TO ACTUAL -
SPECIAL REVENUE FUND**

For the Year Ended April 30, 2010

	Original and Final Budget (Unaudited)	Actual	Over (Under) Final Budget
REVENUES			
Taxes			
Motor fuel tax allotments	\$ 12,000	\$ 11,382	\$ (618)
Total taxes	12,000	11,382	(618)
Investment Income			
Interest income	150	23	(127)
Total investment income	150	23	(127)
Total revenues	12,150	11,405	(745)
EXPENDITURES			
Capital outlays	12,000	12,000	-
Total expenditures	12,000	12,000	-
Net change in fund balance	150	(595)	(745)
Fund balance - beginning		5,752	
Fund balance - ending		5,157	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**STATEMENT OF NET ASSETS -
ENTERPRISE FUNDS**

April 30, 2010

	Water Department Fund	Commuter Parking Facility Operations Fund	Total
A S S E T S			
Current Assets			
Cash	\$ 41,357	\$ 21,042	\$ 62,399
Receivables:			
Water accounts	7,802	-	7,802
Total current assets	49,159	21,042	70,201
Capital Assets at Net Book Value			
Water distribution system, net of accumulated depreciation of \$36,481	24,332	-	24,332
Total capital assets	24,332	-	24,332
TOTAL ASSETS	73,491	21,042	94,533
L I A B I L I T I E S A N D N E T A S S E T S			
Current Liabilities			
Accounts payable	6,464	20	6,484
Total current liabilities	6,464	20	6,484
TOTAL LIABILITIES	6,464	20	6,484
Net Assets			
Unrestricted	67,027	21,022	88,049
Total net assets	67,027	21,022	88,049
TOTAL LIABILITIES AND NET ASSETS	73,491	21,042	94,533

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

VILLAGE OF GOLF

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS -
ENTERPRISE FUNDS**

For the Year Ended April 30, 2010

	Water Department Fund	Commuter Parking Facility Operations Fund	Total
OPERATING REVENUES			
Sale of water	\$ 118,913	\$ -	\$ 118,913
Parking lot fees	-	15,657	15,657
Total operating revenues	118,913	15,657	134,570
OPERATING EXPENSES			
Purchase of water	104,223	-	104,223
Outside services	150	4,040	4,190
Depreciation	1,205	-	1,205
Utilities	-	371	371
Miscellaneous	187	-	187
Water fund maintenance and repair	11,776	-	11,776
Parking lot patrol and collection	-	9,668	9,668
Total operating expenses	117,541	14,079	131,620
Income from operations	1,372	1,578	2,950
NONOPERATING REVENUES (EXPENSES)			
Interest, net of bank charges	48	(55)	(7)
Total nonoperating revenues (expenses)	48	(55)	(7)
Change in net assets	1,420	1,523	2,943
Net assets (deficit) - beginning	65,607	19,499	85,106
Net assets - ending	67,027	21,022	88,049

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

VILLAGE OF GOLF

**STATEMENT OF CASH FLOWS -
ENTERPRISE FUNDS**

For the Year Ended April 30, 2010

	Water Department Fund	Commuter Parking Facility Operations Fund	Total
Cash Flows from Operating Activities:			
Cash received from customers	\$ 119,052	\$ 15,657	\$134,709
Cash payments to suppliers for goods and services	(116,530)	(4,411)	(120,941)
Cash payments to other funds for services	(2,532)	(9,668)	(12,200)
Net cash (used in) provided by operating activities	(10)	1,578	1,568
Cash Flows from Investing Activities:			
Interest on cash, net of bank charges	48	(55)	(7)
Net cash provided by (used in) by investing activities	48	(55)	(7)
Cash Flows from Noncapital Financing Activities:			
Transfers (to)/from other funds	(1,623)	8,306	6,683
Net cash (used in) provided by financing activities	(1,623)	8,306	6,683
Net (Decrease) Increase in Cash	(1,585)	9,829	8,244
Cash at Beginning of Period	42,942	11,213	54,155
Cash at End of Period	41,357	21,042	62,399
Reconciliation of income from operations			
to net cash provided by (used in) operating activities:			
Income From Operations	\$ 1,372	\$ 1,578	\$ 2,950
Adjustments to reconcile net income from operations			
to net cash provided by (used in) operating activities:			
Depreciation	1,205	-	1,205
Changes in current assets and liabilities:			
Increase in accounts receivable	(959)	-	(959)
Decrease in accounts payable	(1,628)	-	(1,628)
Net cash (used in) provided by operating activities	(10)	1,578	1,568

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Village of Golf (the Village) operates under the Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire), forestry and streets, water distribution, public improvements, planning and zoning and general administrative services.

The Village has direct oversight responsibilities for each of the above operations. Therefore, all of the above are included in these financial statements. This report includes all of the funds of the Village. The criteria of NCGA Statement 3, "Defining the Governmental Reporting Entity" has been considered in determining the activities to be included in this report. The criteria includes whether the Villages exercises oversight responsibility (financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), scope of public service and special financing relationships.

The Village has determined that no other outside agency meets any of the above criteria (except scope of public service) and therefore, no other agency has been included as a component unit in the Village's financial statements.

The accounting policies of the Village of Golf conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Basic Financial Statements – Government-wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police and fire protections, public properties and streets, sanitation, recreation and general administrative services are classified as governmental activities. The Village's water and commuter parking facility are classified as business-type activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses by related program revenues and operating grants and contributions. Program revenues must be directly associated with the function or a business-type activity. The net costs are normally covered by general revenue. The Village does not allocate indirect costs.

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

NOTES TO FINANCIAL STATEMENTS

For the Year Ended April 30, 2010

Basic Financial Statements – Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

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

- General Fund, which includes the operating departments of the Village, e.g., corporate, fire protection, police protection and forestry. It is used to account for all financial resources except those required to be accounted for in another fund.
- Special Revenue Fund, which is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- Debt Service Fund, which is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
- Capital Projects Fund, which is used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Projects fund accounts for grants and bond proceeds restricted to the redevelopment of the Village's streets and sewers.

The focus of the proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The following is a description of the proprietary funds of the Village:

- Enterprise Funds, which are used to account for operations that are financed and managed in a manner similar to private business enterprises – where the intent of the governing body is that the expenses, including depreciation, of providing services to the general public on a continuing basis be recovered primarily through user charges. The funds include the Water Department and the Commuter Parking Facility Operations.

Basis of Accounting

In the fund financial statements, governmental funds are accounted for by using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time.

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued. The Village has a vesting vacation policy. The amount of vacation time remaining at year-end is immaterial; therefore, no adjustment is made.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended April 30, 2010

Both the governmental and business-type activities in the government-wide financial statements and the enterprise funds are presented on the accrual basis of accounting. Their revenues are recognized when they are earned, and expenses are recognized when they are incurred. Unbilled Water Department service receivables are recorded at year-end.

Use of Estimates

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

Capital Assets

Capital assets are carried at cost for current additions if purchased or fair value if contributed. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Depreciation on all capital assets is computed on the straight-line method over their estimated useful lives, which range from five to ten years for furniture, equipment and vehicles. Infrastructure and improvements are depreciated over their estimated useful life of twenty years. Water fund capital assets are depreciated over their estimated useful lives of ten to twenty-five years.

Maintenance, repairs and minor renewals are expensed as incurred. When capital assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited or charged to operations.

The Village elected to implement the GASB No. 34 retroactive infrastructure reporting requirement during the year ended April 30, 2005. The historical cost of these assets is estimated based on the 1991 bond issue and related capital projects expenditures.

Long-term Liabilities

Long-term debt is to be repaid from governmental resources and is reported as a liability in the government-wide financial statements. The long-term debt consists entirely of general obligation bonds payable.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest reported as expenditures.

As a home rule municipality, the Village's ability to issue debt is not statutorily restricted.

Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended April 30, 2010

Budgetary Data

Formal budgetary integration is employed as a management control device during the year for the general and special revenue funds. Formal budgetary integration is not employed for debt service funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. Expenditures are controlled at the fund level. All appropriations lapse at year end.

Budgets for the general and special revenue funds, except for the Motor Fuel Tax Fund, are adopted on a basis consistent with generally accepted accounting principles. The authority to spend funds of the Motor Fuel Tax Fund is determined by the Illinois Department of Transportation.

NOTE 2 – CONCENTRATION OF CREDIT RISK

The Village maintains the majority of its cash in accounts in which monies are pooled into The Illinois Funds Money Market Fund. The Illinois Funds Money Market Fund is a money market fund whose primary purpose is to provide custodians of public funds with an alternative investment vehicle which enable them to earn a competitive rate of return on fully collateralized investments, while maintaining immediate access to invested funds. The time deposits are collateralized 105% over FDIC or FSLIC \$250,000 insurance with U.S. Treasury obligations and marked to market on a daily basis to maintain sufficiency. At times during the year, the Village's bank balances may have exceeded the federally insured limits; however, it has not experienced any losses with respect to its bank balances in excess of government provided insurance. As of April 30, 2010, the Village's uninsured cash balances total \$257,901.

NOTE 3 – PROPERTY TAXES

Property tax revenues are recorded on the deferred method. Because of the extra-ordinarily long period of time between the levy date and the receipt of tax distributions from the County Collector, the property taxes are not available to finance current year expenditures. For those funds on the modified accrual basis, the current year tax levy is recorded as property taxes receivable, net of amounts already collected. Property tax revenue is recognized net of estimated uncollectible amounts approximating two percent.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended April 30, 2010

NOTE 4 – INTERFUND ACCOUNTS AND TRANSFERS

Individual fund interfund receivable and payable balances at April 30, 2010 were:

	<u>Corporate Fund</u>
Due to Debt Service Fund	\$ (205,537)
Due from Motor Fuel Tax Fund	<u>12,000</u>
	<u><u>(193,537)</u></u>

NOTES TO FINANCIAL STATEMENTS*For the Year Ended April 30, 2010***NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2010, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Water distribution systems	\$ 521,633	\$ 14,000	\$ -	\$ 535,633
Drainage systems	343,235	-	-	343,235
Sanitary systems	272,324	42,391	-	314,715
Roads and landscaping	822,729	220,746	-	1,043,475
Lighting systems	109,710	-	-	109,710
Sewers	1,534,790	-	-	1,534,790
Equipment and furniture	31,160	2,248	(761)	32,647
Vehicles	37,891	25,956	(12,500)	51,347
Improvements	16,018	-	-	16,018
Construction in progress	14,640	(14,640)	-	-
Total other capital assets at historical cost	<u>3,704,130</u>	<u>290,701</u>	<u>(13,261)</u>	<u>3,981,570</u>
Less accumulated depreciation for:				
Water distribution systems	(91,287)	(26,548)	-	(117,835)
Drainage systems	(60,067)	(17,162)	-	(77,229)
Sanitary systems	(47,656)	(14,853)	-	(62,509)
Roads and landscaping	(141,183)	(48,378)	-	(189,561)
Lighting systems	(19,198)	(5,485)	-	(24,683)
Sewers	(1,282,120)	(76,740)	-	(1,358,860)
Equipment and furniture	(23,483)	(1,914)	609	(24,788)
Vehicles	(24,837)	(10,237)	12,291	(22,783)
Improvements	(12,657)	(720)	-	(13,377)
Total accumulated depreciation	<u>(1,702,488)</u>	<u>(202,037)</u>	<u>12,900</u>	<u>(1,891,625)</u>
Governmental Activities Capital Assets, net	<u><u>2,001,642</u></u>	<u><u>88,664</u></u>	<u><u>(361)</u></u>	<u><u>2,089,945</u></u>

NOTES TO FINANCIAL STATEMENTS*For the Year Ended April 30, 2010*

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Water mains	\$ 27,982	\$ -	\$ -	\$ 27,982
Hydrants	2,714	-	-	2,714
Repairs	30,117	-	-	30,117
Total other capital assets at historical cost	<u>60,813</u>	<u>-</u>	<u>-</u>	<u>60,813</u>
Less accumulated depreciation for:				
Water mains	(27,982)	-	-	(27,982)
Hydrants	(2,714)	-	-	(2,714)
Repairs	(4,580)	(1,205)	-	(5,785)
Total accumulated depreciation	<u>(35,276)</u>	<u>(1,205)</u>	<u>-</u>	<u>(36,481)</u>
Business-type Activities Capital Assets, net	<u>25,537</u>	<u>(1,205)</u>	<u>-</u>	<u>24,332</u>

NOTE 6 – EMPLOYEES

The employees of the Village work part-time, with the exception of two full-time police officers, and none are covered under the Illinois Municipal Retirement Fund or a pension plan.

NOTE 7 – LINE OF CREDIT

On March 15, 2010, the Village entered into a \$250,000 line of credit with Glenview State Bank. The line of credit matures on March 15, 2011. The interest rate floats at the bank's corporate base rate plus 1%, the total of which will be no less than 5%, and is payable monthly. At April 30, 2010, the interest rate was 5% and outstanding balance was zero.

NOTE 8 – LONG-TERM LIABILITIES

On August 8, 2004, the Village issued General Obligation Bonds in the amount of \$1,680,000, to refund the issue dated September 15, 1998. The principal is due on December 1 of the years 2006-2016 and interest is payable on June 1 and December 1 of each year commencing on June 1, 2005. The discount of \$16,952 and financing costs of \$24,088 are amortized over the life of the bonds using the straight-line method, which produces results that are not materially different than the interest capitalization method.

Interest rates vary from 2.25% the first year to 3.85% in the final year.

NOTES TO FINANCIAL STATEMENTS*For the Year Ended April 30, 2010*

The interest and principal payable are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>
June 1, 2005		\$ 29,398
December 1, 2005	\$ -	19,599
June 1, 2006		19,599
December 1, 2006	95,000	19,599
June 1, 2007		18,530
December 1, 2007	100,000	18,530
June 1, 2008		17,280
December 1, 2008	100,000	17,280
June 1, 2009		15,905
December 1, 2009	100,000	15,905
June 1, 2010		14,405
December 1, 2010	100,000	14,405
June 1, 2011		12,780
December 1, 2011	105,000	12,780
June 1, 2012		10,969
December 1, 2012	110,000	10,969
June 1, 2013		9,044
December 1, 2013	115,000	9,044
June 1, 2014		7,031
December 1, 2014	125,000	7,031
June 1, 2015		4,750
December 1, 2015	125,000	4,750
June 1, 2016		2,406
December 1, 2016	125,000	2,406

On March 1, 2004, the Village issued General Obligation Bonds for investments in infrastructure in the amount of \$1,640,000. The principal is due on December 1 of the years 2017-2028 and interest is payable on June 1 and December 1 of each year, commencing on December 1, 2004. The discount of \$18,812 and financing costs of \$35,852 are amortized over the life of the bonds using the straight-line method, which produces results that are not materially different than the interest capitalization method.

Interest rates vary from 4.40% the first year to 4.70% in the final year.

NOTES TO FINANCIAL STATEMENTS*For the Year Ended April 30, 2010*

The interest and principal payable are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>
December 1, 2004 through 2016	-	944,138
June 1, 2017		37,025
December 1, 2017	110,000	37,025
June 1, 2018		34,605
December 1, 2018	110,000	34,605
June 1, 2019		32,185
December 1, 2019	115,000	32,185
June 1, 2020		29,655
December 1, 2020	120,000	29,655
June 1, 2021		27,015
December 1, 2021	125,000	27,015
June 1, 2022		24,265
December 1, 2022	130,000	24,265
June 1, 2023		21,373
December 1, 2023	140,000	21,373
June 1, 2024		18,223
December 1, 2024	145,000	18,223
June 1, 2025		14,924
December 1, 2025	150,000	14,924
June 1, 2026		11,511
December 1, 2026	160,000	11,511
June 1, 2027		7,831
December 1, 2027	165,000	7,831
June 1, 2028		3,995
December 1, 2028	170,000	3,995

On April 23, 2009, the Village issued General Obligation Bonds for investments in infrastructure in the amount of \$250,000. The principal is due on December 1 of the years 2010-2019 and interest is payable on June 1 and December 1 of each year, commencing on June 1, 2010. The financing costs of \$6,356 are amortized over the life of the bonds using the straight-line method, which produces results that are not materially different than the interest capitalization method.

Interest rates vary from 1.80% the first year to 3.80% in the final year.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended April 30, 2010

The interest and principal payable are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>
June 1, 2010		7,988
December 1, 2010	20,000	3,613
June 1, 2011		3,433
December 1, 2011	25,000	3,433
June 1, 2012		3,208
December 1, 2012	25,000	3,208
June 1, 2013		2,958
December 1, 2013	25,000	2,958
June 1, 2014		2,645
December 1, 2014	25,000	2,645
June 1, 2015		2,283
December 1, 2015	25,000	2,283
June 1, 2016		1,895
December 1, 2016	25,000	1,895
June 1, 2017		1,495
December 1, 2017	25,000	1,495
June 1, 2018		1,045
December 1, 2018	30,000	1,045
June 1, 2019		475
December 1, 2019	25,000	475

NOTES TO FINANCIAL STATEMENTS

For the Year Ended April 30, 2010

Long-term liability activity for the year ended April 30, 2010, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
General Obligation Bonds					
Series 2004	\$ 1,640,000	\$ -	\$ -	\$ 1,640,000	\$ -
Series 2004A	905,000	-	(100,000)	805,000	100,000
Series 2009	250,000	-	-	250,000	20,000
Total	<u>2,795,000</u>	<u>-</u>	<u>(100,000)</u>	<u>2,695,000</u>	<u>120,000</u>
Unamortized Bond Discounts	25,003	-	(2,196)	22,807	
Unamortized Bond Issuance Costs	49,044	-	(4,102)	44,942	

NOTE 9 – FIRE PROTECTION

The Village of Glenview provides fire protection services to the Village for a fee under a contract covering the period January 1, 2008 through December 31, 2017. The fee will be \$120,000 the first year with an escalation of 4% per year for each year thereafter.

NOTE 10 – GENERAL RESERVED FUND BALANCE

Details of the General Reserved Fund Balance as of April 30, 2010 are as follows:

Police car replacement	\$ 6,057
Capital improvements other	71,800
	<u>77,857</u>

These funds are encumbered for capital improvements and are not available for other use.

NOTE 11 – SUBSEQUENT EVENT

Subsequent events were evaluated through July 28, 2010, which is the date of the financial statements were available to be issued.

INDEPENDENT AUDITOR'S REPORT ON
SUPPLEMENTARY INFORMATION

To the Board of Trustees
Village of Golf
Golf, Illinois

Our report on our audit of the financial statements of the VILLAGE OF GOLF for the year ended April 30, 2010 appears at the beginning of this report. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the VILLAGE OF GOLF, Illinois' basic financial statements. The statistical table is presented for purposes of additional analysis and is not a required part of the basic financial statements. The statistical table has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.



July 28, 2010

VILLAGE OF GOLF

ASSESSED VALUATIONS, RATES, EXTENSIONS, COLLECTIONS

	Levy Year			
	2009	2008	2007	2006
Assessed Valuation	See Below	41,764,033	38,159,086	31,039,275
Tax Rate per \$100		1.560	1.660	2.011
Tax Extension		651,519	633,441	624,200
Collections		648,239	628,942	616,177
Percentage Collected		99.50%	99.29%	98.71%

Note: Information for 2009 not available upon date of this report.