

VILLAGE OF ROUND LAKE, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2012



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FINANCIAL SECTION



1415 W. Diehl Road, Suite 400 • Naperville, IL 60563

INDEPENDENT AUDITOR'S REPORT

The Town Board of Trustees
Village of Round Lake
Round Lake, Illinois

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Village of Round Lake, Illinois (the Village) as of and for the year ended April 30, 2012, 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 management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As described in Note 1, the policy of the Village is to prepare its government-wide, proprietary and fiduciary fund financial statements on the modified cash basis and its governmental fund financial statements on the cash basis, both of which are a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, the accompanying basic financial statements are not intended to present financial position and changes in financial position in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and business-type activities on the modified cash basis and each major fund and aggregate remaining fund information on the cash basis of the fund financial statements of the Village as of April 30, 2012, and the respective change in financial position modified cash basis and cash basis, thereof and for the year ended, on the basis of accounting described in Note 1.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's financial statements as a whole. The combining and individual fund financial statements and schedules and supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The other supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Naperville, Illinois
March 8, 2013

A handwritten signature in black ink, appearing to read "Sibich LLP". The signature is written in a cursive, flowing style.

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF ROUND LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2012

The discussion and analysis of the Village of Round Lake's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2012.

FINANCIAL HIGHLIGHTS

- The Village's Governmental net assets, which equal total assets minus total liabilities, were \$30,159,079 and \$28,108,197 at the end of fiscal year 2012 and 2011, respectively, an increase of \$2,050,882. Business-type activities net assets were \$40,207,818 and \$40,579,226 at the end of fiscal year 2012 and 2011, respectively, a decrease of \$371,408.
- Governmental unrestricted net assets, assets that may be used to meet the Village's ongoing obligations to residents and creditors, were \$6,245,323 and \$4,523,457 for fiscal year 2012 and 2011, respectively, an increase of \$1,721,866. Business-type activities unrestricted net assets were \$7,597,156 and \$7,140,973 for fiscal year 2012 and 2011, respectively, an increase of \$456,183.
- Revenues for Governmental Activities (excluding contributions and transfers) equaled \$8,756,478 and were higher than total program expenses of \$6,705,596 by \$2,050,882 as compared to total revenues of \$8,684,597 which were higher than total expenses of \$7,648,850 by \$1,035,747 in the prior year. Revenues for Business-Type Activities (excluding contributions and transfers) equaled \$3,899,506 and were lower than total program expenses of \$4,270,914 by \$371,408, as compared to total revenues of \$3,602,581 which were lower than total expenses of \$4,666,071 by \$1,063,490, in the prior year.
- The fund balance for the General Fund equaled \$5,289,586, an increase of \$766,129 from the beginning fund balance of \$4,523,457.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village of Round Lake's basic financial statements. The Village's basic financial statements are comprised of three main components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other 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 Round Lake's finances, in a manner similar to private-sector business. The statement of net assets presents information on all of the Village's assets and liabilities on a modified cash basis, with the difference between the two being 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.

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 receipts are collected (revenues) and the expenditures are paid (expenditures or expenses), except for capital asset and debt related transactions.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, community development, and interest expense. The business-type activities of Village include water/sewer and commuter parking lot activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories; governmental funds, proprietary funds, and fiduciary funds.

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 the 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary funds. The Village maintains two types of proprietary funds, both are enterprise funds, one to account for its water and sewer operations and the other to account for its commuter lot operations. Both are used to report the functions presented as business-type activities in the governmental-wide financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds include the Police Pension Fund, Special Service Areas #1, #2, and #4, Builders Escrow, and the Impact Fee Funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information and other supplementary information.

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 Round Lake, assets exceeded liabilities by \$70.3 million at April 30, 2012.

By far the largest portion of the Village's net assets reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets still outstanding. As of April 30, 2012, capital assets net of related debt totaled \$54.6 million, representing 77.6% of total net assets. The Village uses these 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 from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

Just under \$1.9 million (2.7%) of the Village's net assets represents resources that are subject to restrictions on how they may be used, such as for debt service, capital projects, and other specific purposes. The remaining \$13,842,479 balance of unrestricted net assets may be used to meet the Village's ongoing obligations to citizens and creditors.

Following is a table that summarizes the net assets of the Village at the close of the recent fiscal year by governmental activities, business-type activities, and village-wide. A comparison to the preceding fiscal year is presented for all three categories.

**Village of Round Lake Net Assets
Fiscal Years Ended April 30th**

	Governmental Activities		Business - Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current assets	\$8,157,165	\$7,056,768	\$7,646,435	\$7,198,246	\$15,803,600	\$14,255,014
Capital assets	36,076,470	35,548,991	33,670,662	34,603,253	69,747,132	70,152,244
Total assets	44,233,635	42,605,759	41,317,097	41,801,499	85,550,732	84,407,258
Other liabilities	18,243	19,471	38,105	36,952	56,348	56,423
Long-term liabilities	14,056,313	14,478,091	1,071,174	1,185,321	15,127,487	15,663,412
Total liabilities	14,074,556	14,497,562	1,109,279	1,222,273	15,183,835	15,719,835
Net assets						
Invested in capital assets, net of debt	22,020,157	21,070,900	32,610,662	33,438,253	54,630,819	54,509,153
Restricted	1,893,599	2,513,840	0	0	1,893,599	2,513,840
Unrestricted	6,245,323	4,523,457	7,597,156	7,140,973	13,842,479	11,664,430
Total net assets	\$30,159,079	\$28,108,197	\$40,207,818	\$40,579,226	\$70,366,897	\$68,687,423

Total net assets of the Village increased by \$1,679,474 for the fiscal year ended 2012. Net assets related to governmental activities increased by \$2,050,882, while net assets related to business-type activities decreased by \$371,408.

In the governmental activities, current assets, mainly cash, increased \$1,100,397. General Fund cash increased \$134,577 and other governmental funds cash increased \$965,907. The increase in the General Fund is the result of fiscal year end 2012 revenues exceeding expenditures by over \$760,000, along with a reduction in cash for a \$630,411 advance repayment from the General Fund to the Working Cash Fund. All other governmental funds cash increased \$965,907 mainly due to the advance repayment of \$630,411 and the Motor Fuel Tax Fund having \$467,703 excess of revenues collected over expenditures paid. Other liabilities decreased slightly due to escrow deposit balances slightly lower in fiscal year end 2012. Long-term liabilities decreased \$421,778 mainly due to normal principal reductions for the Village's general obligation bonds and debt certificates.

In the business-type activities, current assets increased by \$448,189 mainly due to receipts from customers and interest income higher than payments to vendors and other items such as bond payments and capital assets purchased. Capital assets decreased by \$932,591 due to depreciation expense of \$1,150,732 and only \$218,142 in new capital assets. The slight increase in other liabilities is mainly water and sewer utility bill credits as a result of customer overpayments that are owed to them as of April 30, 2012. Long-term liabilities decreased by \$114,147 from the preceding fiscal year due to a \$105,000 principal payment made on the Village's 2010C outstanding debt series and the pay down of \$9,147 on a note payable balance in the Commuter Parking Lot Fund.

The table that follows summarizes the changes in net assets for the fiscal year just ended and the prior fiscal year.

**Village of Round Lake Changes in Net Assets
Fiscal Years Ended April 30th**

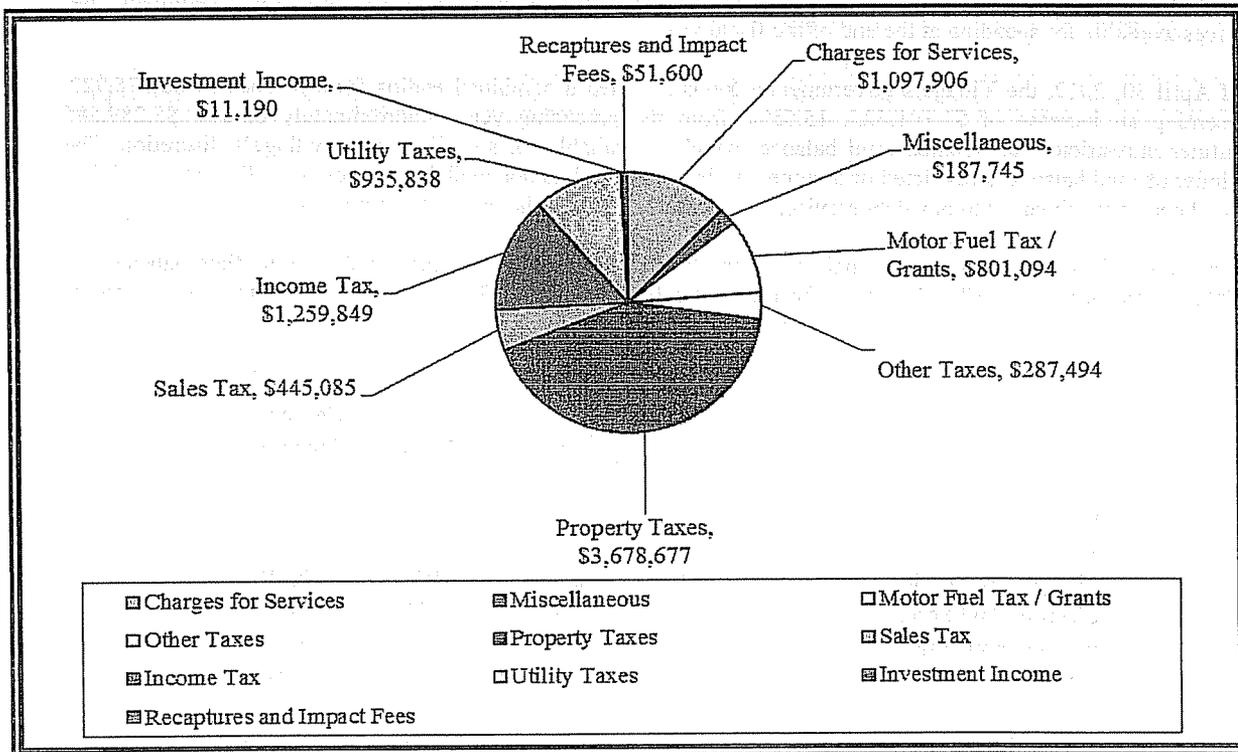
	Governmental Activities		Business - Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues						
Charges for services	\$1,097,906	\$1,043,220	\$3,754,972	\$3,529,442	\$4,852,878	\$4,572,662
Operating Grants	735,406	557,090	-	-	735,406	557,090
Capital Grants	65,688	145,313	-	-	65,688	145,313
General revenues						
Property taxes	3,678,677	3,614,980	-	-	3,678,677	3,614,980
Income tax	1,259,849	1,418,053	-	-	1,259,849	1,418,053
Utility taxes	935,838	1,067,115	-	-	935,838	1,067,115
Other taxes	732,579	675,701	-	-	732,579	675,701
Interest income	11,190	18,740	8,686	16,319	19,876	35,059
Impact fees and recaptures	51,600	28,220	-	-	51,600	28,220
Miscellaneous	187,745	116,165	135,848	56,820	323,593	172,985
Total revenues	8,756,478	8,684,597	3,899,506	3,602,581	12,655,984	12,287,178
Program expenses						
General government	1,294,498	1,992,808	-	-	1,294,498	1,992,808
Police department	3,150,846	3,323,515	-	-	3,150,846	3,323,515
Public works	1,056,661	1,288,027	-	-	1,056,661	1,288,027
Community development	417,019	393,667	-	-	417,019	393,667
Debt service	786,572	650,833	-	-	786,572	650,833
Parking Lot	-	-	42,557	66,212	42,557	66,212
Water and sewer	-	-	4,228,357	4,599,859	4,228,357	4,599,859
Total expenses	6,705,596	7,648,850	4,270,914	4,666,071	10,976,510	12,314,921
Changes in net assets before contributions and transfers						
	2,050,882	1,035,747	(371,408)	(1,063,490)	1,679,474	(27,743)
Contributions	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Increase (decrease) in net assets	2,050,882	1,035,747	(371,408)	(1,063,490)	1,679,474	(27,743)
Beginning of year	28,108,197	27,072,450	\$40,579,226	\$41,642,716	68,687,423	68,715,166
End of year	\$30,159,079	\$28,108,197	\$40,207,818	\$40,579,226	\$70,366,897	\$68,687,423

Governmental Activities

Program revenues (amounts charged to residents for programs plus operating and capital grants) for governmental activities totaled \$1,899,000 and general revenues totaled \$6,857,478 for a total of \$8,756,478 an increase of \$71,881 from the preceding year.

The following graph depicts both program and general revenues by major revenue sources for governmental activities.

Revenues by Source – Governmental Activities



Property taxes account for the largest revenue source in the governmental type activities of the Village at 42.0% of the overall revenues. Charges for services, 12.5% of the total, include items such as business licenses, building permits, and refuse pickup. Income Tax (14.4%) is the portion of state income tax that the State of Illinois distributes to the Village on a per capita basis. Utility taxes include electric, gas, and the municipal telecommunications tax, which accounted for 10.7% of the overall revenues. Other taxes of \$287,494 include use and replacement tax.

Expenses related to governmental activities totaled \$6,705,596 in the current fiscal year, representing a decrease of \$943,254 from the preceding fiscal year. The reduction is mainly due to donated land parcels in the amount of \$749,766 not included in the Government funds; however the amount is capitalized in the statement of activities.

There were no contributions or transfers reported by the governmental activities in fiscal year end 2012 and 2011.

Business-Type Activities

Program revenues for business type activities totaled \$3,754,972 and general revenues totaled \$144,534 for a total of \$3,899,506, an increase of \$296,925 from the preceding year. Charges for services increased \$225,530 from 2011 to 2012 due to increases in rates for water purchased and Village fees. Miscellaneous increased \$79,028 from 2011 due to higher permit and fee receipts, however, interest income decreased \$7,633.

Expenses from business-type activities totaled \$4,270,914, compared to \$4,666,071 in the preceding year, a decrease of \$395,157. From the previous year, operating expenses decreased \$312,286, depreciation expense decreased \$9,571, and interest expense decreased \$50,025.

There were no contributions or transfers reported by the business-type activities in fiscal year end 2012 and 2011.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As noted earlier, the Village of Round Lake 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.

As of April 30, 2012, the Village's governmental funds reported a combined ending fund balance of \$8,138,922, representing an increase of \$1,101,625, 15.65%, from the preceding year. Approximately 65.0%, \$5,289,586 constitutes unrestricted, unassigned fund balance, which is available for spending at the village's discretion. The remainder of fund balance is restricted or assigned, to indicate that it is not available for new spending because it has already been constrained: 1) to pay debt service, or 2) for a variety of other restricted purposes.

General Fund. The General Fund is the main operating fund of the Village. At April 30, 2012 total fund balance was \$5,289,586, an increase of \$766,129 over the prior year fund balance. The following table summarizes General Fund revenues and expenditures, with a comparison to the operating budget, for the fiscal year ended April 30, 2012.

	Operating Budget	Actual	Variance	Percent Variance
Revenues				
Taxes	3,345,441	3,651,095	305,654	9.14%
Charges For Service	560,915	556,936	(3,979)	(0.71%)
Licenses And Permits	75,610	157,338	81,728	108.09%
Intergovernmental	2,161,286	2,050,558	(110,728)	(5.12%)
Fines	179,750	178,056	(1,694)	(0.94%)
Franchise Fees	191,600	211,088	19,488	10.17%
Interest Income	12,250	6,571	(5,679)	(46.36%)
Miscellaneous Income	92,367	178,308	85,941	93.04%
Total Revenues	6,619,219	6,989,950	370,731	5.60%
Expenditures				
General Government	1,757,359	1,549,176	208,183	11.85%
Police Department	2,973,999	3,048,113	(74,114)	(2.49%)
Public Works	816,613	717,234	99,379	12.17%
Community Development	398,892	412,801	(13,909)	(3.49%)
Capital Outlay	253,917	121,497	132,420	52.15%
Other Financing Uses	375,000	375,000	0	0.00%
Total Expenditures	6,575,780	6,223,821	351,959	5.35%
Changes In Fund Balance	43,439	766,129	722,690	(1663.69%)

It should be noted for audit purposes the Police Pension Fund tax levy is included in the General Fund as revenue in the taxes category and as an expenditure in the Police Department, at \$314,268. As the chart shows, revenues were \$370,731, 5.60% above the operating budget amount. Besides taxes, the largest dollar variance is intergovernmental revenue, with actual charges \$110,728 under the budget amount due to income tax receipts lower than budget by \$203,271.

Expenditures were 5.35% under the operating budget of \$6,575,780. The Police Department expenditures are \$240,154 under the operating budget after backing out the \$314,268 Police Pension tax levy. Besides capital outlay under budget by \$132,420, General Government is under budget by 11.85%.

General Government includes the Administration Department which had a number of categories less than budget, the more significant areas include payroll and related taxes at \$26,645, contractual services of \$154,892, and miscellaneous expenses \$14,338 under budget.

Other Governmental Funds. All other governmental fund type revenues were \$1,766,528, a decrease of \$80,644 from the prior year amount of \$1,847,172. The table below lists the revenue types and the change from the prior year.

	2012	2011	Dollar Change	Percent Change
Revenues				
Taxes	963,420	1,110,627	(147,207)	(13.25%)
Intergovernmental	737,801	662,993	74,808	11.28%
Recaptures	0	38,200	(38,200)	(100.00%)
Impact Fees	51,600	28,220	23,380	82.85%
Interest Income	4,619	7,132	(2,513)	(35.24%)
Miscellaneous Income	9,088	0	9,088	100.00%
Total Revenues	1,766,528	1,847,172	(80,644)	(4.37%)

Fiscal year end 2012 taxes were \$147,207 lower than 2011 due to five gas utility tax payments received in fiscal year end 2011. Intergovernmental revenues increased \$74,808 mainly due to the Village receiving capital project reimbursements totaling \$66,038 from the Illinois Department of Transportation.

The table below lists the expense types and the change from the prior year.

	2012	2011	Dollar Change	Percent Change
Expenditures				
General Government	165,093	59,275	105,818	178.52%
Public Works	59,910	79,812	(19,902)	(24.94%)
Capital Outlay	372,679	685,299	(312,620)	(45.62%)
Debt Service	1,278,742	1,133,003	145,739	12.86%
Total Expenditures	1,876,424	1,957,389	(80,965)	(4.14%)

All other governmental fund type expenditures were \$1,876,424, a decrease of \$80,965 from the prior year. As shown in the table above the major decreases were in the capital outlay category and increases in the general government and debt service category reductions. The General Government increase mainly relates to an \$112,671 increase in engineering services expenses.

Proprietary funds. The Village's proprietary funds, the Water and Sewer and the Commuter Parking Lot Fund, provides the same type of information found in the government-wide financial statements, but in more detail.

The Water and Sewer Fund reported total operating income before depreciation expense of \$719,868. Operating revenues totaled \$3,763,593, an increase of \$281,686 from the preceding year. Operating expenses excluding depreciation totaled \$3,043,725, a decrease of \$312,286 from the prior year. Operating loss before non-operating items, transfers and contributions totaled \$430,864. The total change in net assets reported for the current fiscal year was a negative \$456,184.

The Commuter Parking Lot Fund reported total operating income before depreciation expense of \$61,328. Operating revenue totaled \$103,198, a decrease of \$1,157 from the preceding year. Operating expenses excluding depreciation totaled \$41,870, a decrease of \$23,275 from the prior year. The total change in net assets reported for the current fiscal year was a positive \$84,766.

Fiduciary funds. The Village's fiduciary funds consist of five agency funds and one Police Pension Trust Fund. Net assets held by the Police Pension Trust Fund totaled \$4,574,871 at April 30, 2012, an increase of \$93,399 from the prior year. Additions to the pension trust fund totaled \$513,856 and deductions totaled \$420,457.

BUDGETARY INFORMATION

All funds actual expenses were under the overall appropriations by \$2.3 million, however, the 2003 Bonds Debt Service Fund had expenses \$69,275 over the amount appropriated, due to bond issuance costs related to the refunding of the 2003D series.

CAPITAL ASSETS

The Village's investment in capital assets for its governmental and business type activities as of April 30, 2012 was \$69,747,132 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, streets and related infrastructure. The total decrease in the Village's investment in capital assets for the year ended April 30, 2011 was \$405,112.

Capital Assets (net of depreciation) Fiscal Years Ended April 30th

Description	Governmental Activities		Business - Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$12,103,716	\$11,353,950	\$30,000	\$30,000	\$12,133,716	\$11,383,950
Construction in progress	255,574	520,127	20,721	164,402	276,295	684,529
Buildings	8,249,182	8,476,607	0	0	8,249,182	8,476,607
Land Improvements	414,660	450,370	0	0	414,660	450,370
Vehicles and Equipment	214,503	283,369	55,324	127,368	269,827	410,737
Infrastructure	14,838,835	14,464,568	33,564,617	34,281,483	48,403,452	48,746,051
Totals	\$36,076,470	\$35,548,991	\$33,670,662	\$34,603,253	\$69,747,132	\$70,152,244

Governmental activities capital assets increased \$527,479 from the prior year and business-type activities capital assets decreased 2.7%. Major capital asset events during the current fiscal year include the following:

- The capitalization of \$456,687 for Maple Lane improvements and \$553,128 for the Lawn Terrace roadway improvements.
- \$749,766 in land donations for properties located at the intersection of Hart Road/Route 134 and Park Avenue.
- Depreciation expense in the governmental and business-type activities totaled \$686,625 and \$1,150,732, respectively in the current fiscal year.

DEBT ADMINISTRATION

As of April 30, 2012, the Village had five debt issues outstanding which include five general obligation bonds and one debt certificate series, along with one note payable. At the end of the current fiscal year, the Village of Round Lake had \$15,875,174 of debt outstanding as shown by the table below.

Outstanding Debt Fiscal Year Ended April 30, 2012

Description	Governmental Activities	Business Type Activities	Total
General Obligation Bonds	\$14,559,000	\$1,060,000	\$15,619,000
Debt Securities	245,000	0	245,000
Notes Payable	0	11,174	11,174
Total	\$14,804,000	\$1,071,174	\$15,875,174

During the year the Village's total outstanding debt decreased by over \$600,000. \$415,000 of general obligation bonds, \$235,000 of debt certificates, and a notes payable in the amount of \$9,148 were retired. In addition, during fiscal year 2012 the Village issued \$2,955,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2011 that refunded the \$2,900,000 Series 2003D Debt Certificates.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

General economic conditions are expected to improve in the fiscal year beginning May 1, 2012 and ending April 30, 2013. However, it is anticipated that no new development will occur in the near future. Although economic revenues are balanced with property tax revenues, certain tax revenues that are impacted by the economy will need to be monitored carefully, such as sales and income tax. Both revenue sources are expected to increase in the upcoming year.

In addition, Village officials considered many factors when setting the fiscal year 2012-2013 budget and the associated property tax rates and charges for services. These factors include anticipated consumer priced indexed costs, economic driven revenue sources, completion of capital projects along with future projects, larger contracts that may be up for renewal, and an assessment of future staffing needs.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Round Lake for all those with an interest in the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Steven J. Shields, Director of Finance, Village of Round Lake, 442 N. Cedar Lake Road, Round Lake, IL 60073.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF NET ASSETS - MODIFIED CASH BASIS

April 30, 2012

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 8,157,103	\$ 7,646,435	\$ 15,803,538
Due from fiduciary funds	62	-	62
Capital assets not being depreciated	12,359,290	50,721	12,410,011
Capital assets (net of accumulated depreciation)	23,717,180	33,619,941	57,337,121
Total assets	44,233,635	41,317,097	85,550,732
LIABILITIES			
Payroll withholdings payable	559	-	559
Escrow deposits	17,684	-	17,684
Other liabilities	-	38,105	38,105
Noncurrent liabilities			
Due within one year	590,000	114,544	704,544
Due within more than one year	13,466,313	956,630	14,422,943
Total liabilities	14,074,556	1,109,279	15,183,835
NET ASSETS			
Invested in capital assets, net of related debt	22,020,157	32,610,662	54,630,819
Restricted for			
Streets	986,603	-	986,603
Working cash	658,791	-	658,791
Debt service	143,590	-	143,590
Specific purposes	104,615	-	104,615
Unrestricted	6,245,323	7,597,156	13,842,479
TOTAL NET ASSETS	\$ 30,159,079	\$ 40,207,818	\$ 70,366,897

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2012

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 1,294,498	\$ 924,729	\$ -	\$ -
Public safety	3,150,846	173,177	19,622	-
Public works	1,056,661	-	715,784	65,688
Community development	417,019	-	-	-
Interest	786,572	-	-	-
Total governmental activities	6,705,596	1,097,906	735,406	65,688
Business-Type Activities				
Water and sewer	4,228,357	3,651,774	-	-
Parking lot	42,557	103,198	-	-
Total business-type activities	4,270,914	3,754,972	-	-
TOTAL PRIMARY GOVERNMENT	\$ 10,976,510	\$ 4,852,878	\$ 735,406	\$ 65,688

<u>Net (Expense) Revenue and Change in Net Assets</u>			
<u>Primary Government</u>			
	<u>Governmental</u>	<u>Business-Type</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
	\$ (369,769)	\$ -	\$ (369,769)
	(2,958,047)	-	(2,958,047)
	(275,189)	-	(275,189)
	(417,019)	-	(417,019)
	(786,572)	-	(786,572)
	<u>(4,806,596)</u>	<u>-</u>	<u>(4,806,596)</u>
	-	(576,583)	(576,583)
	-	60,641	60,641
	-	(515,942)	(515,942)
	<u>(4,806,596)</u>	<u>(515,942)</u>	<u>(5,322,538)</u>
General Revenues			
Taxes			
Property	3,678,677	-	3,678,677
Replacement	20,680	-	20,680
Sales	445,085	-	445,085
Income	1,259,849	-	1,259,849
Utility	935,838	-	935,838
Other	266,814	-	266,814
Impact and traffic fees	51,600	-	51,600
Investment income	11,190	8,686	19,876
Miscellaneous	187,745	135,848	323,593
Total	<u>6,857,478</u>	<u>144,534</u>	<u>7,002,012</u>
CHANGE IN NET ASSETS	2,050,882	(371,408)	1,679,474
NET ASSETS, MAY 1	<u>28,108,197</u>	<u>40,579,226</u>	<u>68,687,423</u>
NET ASSETS, APRIL 30	<u>\$ 30,159,079</u>	<u>\$ 40,207,818</u>	<u>\$ 70,366,897</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH BASIS

April 30, 2012

	General	Capital Projects	Nonmajor Governmental	Total
ASSETS				
Cash	\$ 5,307,767	\$ 955,737	\$ 1,893,599	\$ 8,157,103
Due from fiduciary funds	62	-	-	62
TOTAL ASSETS	\$ 5,307,829	\$ 955,737	\$ 1,893,599	\$ 8,157,165
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Payroll withholdings payable	\$ 559	\$ -	\$ -	\$ 559
Escrow deposits	17,684	-	-	17,684
Total liabilities	18,243	-	-	18,243
FUND BALANCES				
Restricted				
Streets	-	-	986,603	986,603
Working cash	-	-	658,791	658,791
Debt service	-	-	143,590	143,590
Specific purposes			104,615	104,615
Assigned				
Specific purposes	-	955,737	-	955,737
Unrestricted				
Unassigned	5,289,586	-	-	5,289,586
Total fund balances	5,289,586	955,737	1,893,599	8,138,922
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,307,829	\$ 955,737	\$ 1,893,599	\$ 8,157,165

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

RECONCILIATION OF FUND BALANCES ARISING FROM CASH BASIS
OF THE GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES
IN THE STATEMENT OF NET ASSETS - MODIFIED CASH BASIS

April 30, 2012

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 8,138,922
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	36,076,470
Long-term liabilities, including installment contracts, are not due and payable in the current period and, therefore, are not reported in the governmental funds	<u>(14,056,313)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 30,159,079</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCES - CASH BASIS

For the Year Ended April 30, 2012

	General	Capital Projects	Nonmajor Governmental	Total
REVENUES COLLECTED				
Taxes	\$ 3,651,095	\$ 125,344	\$ 838,076	\$ 4,614,515
Intergovernmental	2,050,558	177,368	560,433	2,788,359
Licenses and permits	157,338	-	-	157,338
Fines	178,056	-	-	178,056
Charges for service	556,936	-	-	556,936
Impact fees	-	51,600	-	51,600
Investment income	6,571	3,354	1,265	11,190
Miscellaneous	389,396	-	9,088	398,484
Total revenues collected	6,989,950	357,666	1,408,862	8,756,478
EXPENDITURES PAID				
Current				
General government	1,549,176	138,037	27,056	1,714,269
Public safety	3,048,113	-	-	3,048,113
Public works	717,234	-	59,910	777,144
Community development	412,801	-	-	412,801
Capital outlay	121,497	339,392	33,287	494,176
Debt service				
Principal retirement	-	-	545,000	545,000
Interest and fiscal charges	-	-	733,742	733,742
Total expenditures paid	5,848,821	477,429	1,398,995	7,725,245
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	1,141,129	(119,763)	9,867	1,031,233
OTHER FINANCING SOURCES (USES)				
Bonds issued at par	-	-	2,955,000	2,955,000
Premium on bonds	-	-	161,182	161,182
Payment to refunded bond escrow	-	-	(3,045,790)	(3,045,790)
Transfers in	-	-	375,000	375,000
Transfers (out)	(375,000)	-	-	(375,000)
Total other financing sources (uses)	(375,000)	-	445,392	70,392
NET CHANGE IN FUND BALANCES	766,129	(119,763)	455,259	1,101,625
FUND BALANCES, MAY 1	4,523,457	1,075,500	1,438,340	7,037,297
FUND BALANCES, APRIL 30	\$ 5,289,586	\$ 955,737	\$ 1,893,599	\$ 8,138,922

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES
COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES -
CASH BASIS - TO THE GOVERNMENTAL ACTIVITIES IN
THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2012

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,101,625
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	1,216,183
Proceeds from the disposal of capital assets is reported in governmental funds, but gain or loss on the disposal of capital assets is calculated and reported in the statement of activities	(2,079)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(2,955,000)
The premium on the issuance of long-term debt is capitalized and amortized in the statement of activities	(161,182)
The payment to advance refund a portion of long-term debt is reported as an other financing use in governmental funds but as a reduction in principal outstanding in the statement of activities	3,045,790
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(686,625)
Amortization	(52,830)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	<u>545,000</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 2,050,882</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
ARISING FROM MODIFIED CASH BASIS
PROPRIETARY FUNDS

April 30, 2012

	Water and Sewer	Nonmajor Enterprise Fund	Total
ASSETS			
Cash and investments	\$ 7,394,443	\$ 251,992	\$ 7,646,435
Capital assets not being depreciated	50,721	-	50,721
Capital assets (net of accumulated depreciation)	33,619,941	-	33,619,941
Total assets	41,065,105	251,992	41,317,097
LIABILITIES			
Current liabilities			
Other liabilities	38,105	-	38,105
Noncurrent liabilities			
Due within one year	105,000	9,544	114,544
Due within more than one year	955,000	1,630	956,630
Total liabilities	1,098,105	11,174	1,109,279
NET ASSETS			
Invested in capital assets, net of related debt	32,610,662	-	32,610,662
Unrestricted	7,356,338	240,818	7,597,156
TOTAL NET ASSETS	\$ 39,967,000	\$ 240,818	\$ 40,207,818

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN NET ASSETS - MODIFIED CASH BASIS
PROPRIETARY FUNDS

For the Year Ended April 30, 2012

	Water and Sewer Fund	Nonmajor Enterprise Fund	Total
OPERATING REVENUES			
Charges for services	\$ 3,651,774	\$ 103,198	\$ 3,754,972
Miscellaneous	111,819	-	111,819
Total operating revenues	<u>3,763,593</u>	<u>103,198</u>	<u>3,866,791</u>
OPERATING EXPENSES			
Operations	<u>3,043,725</u>	<u>41,870</u>	<u>3,085,595</u>
Total operating expenses	<u>3,043,725</u>	<u>41,870</u>	<u>3,085,595</u>
OPERATING INCOME BEFORE DEPRECIATION			
	719,868	61,328	781,196
Depreciation	<u>1,150,732</u>	<u>-</u>	<u>1,150,732</u>
OPERATING INCOME (LOSS)	<u>(430,864)</u>	<u>61,328</u>	<u>(369,536)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	8,580	106	8,686
Interest expense	(33,900)	(687)	(34,587)
Miscellaneous income	-	24,029	24,029
Total nonoperating revenues (expenses)	<u>(25,320)</u>	<u>23,448</u>	<u>(1,872)</u>
CHANGE IN NET ASSETS	(456,184)	84,776	(371,408)
NET ASSETS, MAY 1	<u>40,423,184</u>	<u>156,042</u>	<u>40,579,226</u>
NET ASSETS, APRIL 30	<u>\$ 39,967,000</u>	<u>\$ 240,818</u>	<u>\$ 40,207,818</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2012

	Water and Sewer Fund	Nonmajor Enterprise Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 3,764,747	\$ 103,198	\$ 3,867,945
Payments to suppliers	(3,043,725)	(41,870)	(3,085,595)
Net cash from operating activities	<u>721,022</u>	<u>61,328</u>	<u>782,350</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Miscellaneous receipts	-	24,029	24,029
Net cash from noncapital financing activities	<u>-</u>	<u>24,029</u>	<u>24,029</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital assets purchased	(218,142)	-	(218,142)
Bond principal payments	(105,000)	-	(105,000)
Note principal payments	-	(9,147)	(9,147)
Bond interest payments	(33,900)	-	(33,900)
Note interest payments	-	(687)	(687)
Net cash from capital and related financing activities	<u>(357,042)</u>	<u>(9,834)</u>	<u>(366,876)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	8,580	106	8,686
Net cash from investing activities	<u>8,580</u>	<u>106</u>	<u>8,686</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	372,560	75,629	448,189
CASH AND CASH EQUIVALENTS, MAY 1			
	<u>7,021,883</u>	<u>176,363</u>	<u>7,198,246</u>
CASH AND CASH EQUIVALENTS, APRIL 30			
	<u>\$ 7,394,443</u>	<u>\$ 251,992</u>	<u>\$ 7,646,435</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (430,864)	\$ 61,328	\$ (369,536)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	1,150,732	-	1,150,732
Other liabilities	1,154	-	1,154
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 721,022</u>	<u>\$ 61,328</u>	<u>\$ 782,350</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
ARISING FROM MODIFIED CASH BASIS
FIDUCIARY FUNDS

April 30, 2012

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 287,350	\$ 1,457,629
Investments		
U.S. Treasury obligations	593,883	-
U.S. agency obligations	972,821	-
Corporate bonds	537,236	-
Money market mutual funds	151,183	-
Mutual funds	1,952,449	-
Life insurance contracts	79,949	-
	<u>4,574,871</u>	<u>\$ 1,457,629</u>
Total assets		
LIABILITIES		
Deposits payable	-	\$ 44,101
Due to other funds	-	62
Other payables	-	1,413,466
	<u>-</u>	<u>\$ 1,457,629</u>
Total liabilities		
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS		
	<u>\$ 4,574,871</u>	

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN NET ASSETS - MODIFIED CASH BASIS
PENSION TRUST FUND

For the Year Ended April 30, 2012

ADDITIONS	
Contributions - employer	\$ 314,268
Contributions - employee	147,348
Contributions - other	<u>1,162</u>
Total contributions	<u>462,778</u>
Investment income	
Net appreciation in fair value of investments	(15,571)
Interest earned on investments	<u>83,039</u>
Total investment income	67,468
Less investment expense	<u>(16,390)</u>
Net investment income	<u>51,078</u>
Total additions	<u>513,856</u>
DEDUCTIONS	
Benefits and refunds	
Retirement pension	215,761
Disability pension	153,660
Refund of contribution	20,766
Administrative	<u>30,270</u>
Total deductions	<u>420,457</u>
NET INCREASE	93,399
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
May 1	<u>4,481,472</u>
April 30	<u>\$ 4,574,871</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Round Lake, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)), except as described in Note 1d. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a body corporate and politic established under Illinois Compiled Statutes (ILCS) governed by an elected Mayor/Board of Trustees. These financial statements present the Village and its component units as required by GAAP. The following component units have all been blended into the Village's reporting entity since, while governed by boards appointed by the Trustees of the Village, the component units are not legally separate entities as defined by ILCS: Police Pension Employees Retirement System.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds) and the management of funds held in trust that can be used for governmental services (permanent fund). The general fund is used to account for all activities of the Village not accounted for in some other fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting*, the Village has chosen to apply all GASB pronouncements as well as those Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

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

c. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the Village, except those required to be accounted for in another fund.

The Capital Projects Fund is used to account for village-wide capital projects.

The Village reports the following major proprietary funds:

The Water and Sewer Fund accounts for the provision of water and wastewater services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund and agency funds for special service areas and impact fees.

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

The government-wide, proprietary and fiduciary financial statements are reported using the economic resources measurement focus and using the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Revenues are recorded at the time of receipt by the Village. Expenses are recorded when the funds are disbursed. Depreciation of capital assets has also been shown on the government-wide financial statements. Payroll withholdings from employees and escrow deposits are reflected on the statement of net assets and balance sheets as liabilities. Other liabilities are primarily credit balances in customer accounts. Finally, debt payable and the unamortized loss on refunding related to capital assets are reflected as liabilities on the statement of net assets and proprietary fund balance sheet. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with accounting principles generally accepted in the United States of America.

Governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Revenues are recorded at the time of receipt by the Village. Expenditures are recorded when the funds are disbursed. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with accounting principles generally accepted in the United States of America.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, nonnegotiable certificates of deposit and investments with a maturity of less than one year at date of purchase are stated at amortized cost. All other investments are stated at fair value. All investments of the pension trust fund are stated at fair value. Fair value has been based on quoted market prices at April 30, 2012 for debt and equity securities.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. Short-term interfund loans, if any, are classified as “interfund receivables/payables.” Long-term portions are classified as “advances from other funds” or “advances to other funds.”

g. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$5,000 (except for land which has no threshold) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-45
Equipment and vehicles	5-10
Water and sewer infrastructure	30-50
Other infrastructure	10-50

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Principal payments on long-term debt are recorded as expenditures in the fund financial statements but as a reduction of a liability on the government-wide and proprietary fund statements.

i. Fund Balance/Net Assets

In the fund financial statements, governmental funds can report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Administrator; however, this has not been authorized through a formal policy. Any residual fund balance in the General Fund is reported as unassigned.

The Village has not adopted a fund balance policy as of April 30, 2012. Therefore, the Village's flow of funds assumption defaults to that contained in GASB Statement No. 54. Therefore, the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt, represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

2. DEPOSITS AND INVESTMENTS

The Village's investment policy authorizes the Village to invest in debt securities guaranteed by the United States (explicitly or implicitly), interest-bearing savings and money market accounts (also interest-bearing time deposits if FDIC insured and credit if main office is located in Illinois), interest-bearing certificates of deposit and Illinois Funds (a money market fund created by the state legislature under the control of the State Treasurer that maintains a \$1 share value).

2. DEPOSITS AND INVESTMENTS (Continued)

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds using "good judgment and care" for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

The Village maintains a cash pool that is available for use by all funds. In addition, cash and investments are separately held by several of the Village's funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral at a minimum of 110% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name.

Village Investments

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to meet daily cash flow requirements for ongoing operations in order to maximize yield on longer term investments by avoiding having to sell securities on the open market before maturity and by investing operating funds in shorter term securities, money market mutual funds or external investment pools.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in Illinois Funds. Illinois Funds is rated AAA.

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

Concentration of credit risk is the risk that the Village has too high a percentage of their investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Village Investments (Continued)

Police Pension Investments

The Police Pension Fund's investment policy authorizes the fund to invest in instruments allowable under Illinois statutes and limits the equity investments to 45% of the net asset market value.

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2012:

	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury	\$ 593,883	\$ 146,221	\$ 139,346	\$ 308,316	\$ -
U.S. agency securities	972,821	51,800	128,069	66,458	726,494
Corporate bonds	537,236	94,660	337,235	105,341	-
TOTAL	\$ 2,103,940	\$ 292,681	\$ 604,650	\$ 480,115	\$ 726,494

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to meet daily cash flow requirements for ongoing operations in order to maximize yield on longer term investments by avoiding having to sell securities on the open market before maturity and by investing operating funds in shorter term securities, money market mutual funds or external investment pools. The Police Pension Fund's investment policy requires that securities purchased will not have a maturity of more than one year unless matched to a specific cash flow.

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in investments approved by the Illinois Pension Code. The U.S. agency obligations and money market mutual funds are rated AAA.

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

Concentration of credit risk is the risk that the Police Pension Fund has too high a percentage of their investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

3. PROPERTY TAX CALENDAR

The following information gives significant dates on the property tax calendar of the Village.

- The property tax lien date is January 1;
- Property taxes are due to the County Collector in two installments, June 1 and September 1; and
- Property taxes for 2011 were levied in December 2011 and are normally received monthly beginning in June and generally ending by December 2012.

4. CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year ended April 30, 2012 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 11,353,950	\$ 749,766	\$ -	\$ 12,103,716
Construction in progress	520,127	434,223	698,776	255,574
Total capital assets not being depreciated	11,874,077	1,183,989	698,776	12,359,290
Capital assets being depreciated				
Buildings	9,865,131	-	-	9,865,131
Land improvements	877,587	-	-	877,587
Vehicles and equipment	1,857,894	32,204	20,787	1,869,311
Infrastructure	15,875,555	698,766	-	16,574,321
Total capital assets being depreciated	28,476,167	730,970	20,787	29,186,350
Less accumulated depreciation for				
Buildings	1,388,524	227,425	-	1,615,949
Land improvements	427,217	35,710	-	462,927
Vehicles and equipment	1,574,525	98,991	18,708	1,654,808
Infrastructure	1,410,987	324,499	-	1,735,486
Total accumulated depreciation	4,801,253	686,625	18,708	5,469,170
Total capital assets being depreciated, net	23,674,914	44,345	2,079	23,717,180
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 35,548,991	\$ 1,228,334	\$ 700,855	\$ 36,076,470

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Governmental Activities (Continued)

Depreciation expense was charged to functions of the primary government as follows:

GOVERNMENTAL ACTIVITIES

General government	\$ 272,327
Public safety	78,365
Public works	332,435
Community development	<u>3,498</u>
 TOTAL	 <u>\$ 686,625</u>

Business-Type Activities

Business-type capital asset activity for the year ended April 30, 2012 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Construction in progress	\$ 164,402	\$ 167,368	\$ 311,049	\$ 20,721
Land	30,000	-	-	30,000
Total capital assets not being depreciated	<u>194,402</u>	<u>167,368</u>	<u>311,049</u>	<u>50,721</u>
Capital assets being depreciated				
Infrastructure	42,185,664	340,372	-	42,526,036
Vehicles and equipment	623,539	21,450	-	644,989
Total capital assets being depreciated	<u>42,809,203</u>	<u>361,822</u>	<u>-</u>	<u>43,171,025</u>
Less accumulated depreciation for				
Infrastructure	7,904,181	1,057,238	-	8,961,419
Vehicles and equipment	496,171	93,494	-	589,665
Total accumulated depreciation	<u>8,400,352</u>	<u>1,150,732</u>	<u>-</u>	<u>9,551,084</u>
Total capital assets being depreciated, net	<u>34,408,851</u>	<u>(788,910)</u>	<u>-</u>	<u>33,619,941</u>
 BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 34,603,253</u>	<u>\$ (621,542)</u>	<u>\$ 311,049</u>	<u>\$ 33,670,662</u>

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

A summary of long-term debt of the Village for the year ended April 30, 2012 consisted of the following:

a. General Obligation Bonds

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General Obligation (Alternate Revenue Source) Bonds, Series 2005, are due in annual installments ranging from \$35,000 to \$275,000 through January 1, 2018, interest rates range from 2.60% to 4.10%, and payments are due semiannually on January 1 and July 1.	2005 Bonds Debt Service	\$ 1,659,000	\$ -	\$ 205,000	\$ 1,454,000	\$ 245,000
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2010A, are due in annual installments ranging from \$50,000 to \$1,320,000 through January 1, 2029, interest rates range from 3.60% to 4.65%, and payments are due semiannually on January 1 and July 1.	2010 Bonds Debt Service	9,100,000	-	-	9,100,000	-
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2010B, are due in annual installments ranging from \$105,000 to \$255,000 through January 1, 2021, interest rates range from 2.25% to 3.60%, and payments are due semiannually on January 1 and July 1.	2010 Bonds Debt Service	1,155,000	-	105,000	1,050,000	115,000
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2010C, are due in annual installments ranging from \$105,000 to \$135,000 through January 1, 2021, interest rates range from 2.00% to 3.70%, and payments are due semiannually on January 1 and July 1.	Water and Sewer	1,165,000	-	105,000	1,060,000	105,000

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2011, are due in annual installments ranging from \$20,000 to \$500,000 through January 1, 2022, interest rates range from 2.00% to 4.00%, and payments are due semiannually on January 1 and July 1.	2011 Bonds Debt Service	\$ -	\$ 2,955,000	\$ -	\$ 2,955,000	\$ 20,000
TOTAL		\$ 13,079,000	\$ 2,955,000	\$ 415,000	\$ 15,619,000	\$ 450,000

b. Certificates

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General Obligation Debt Certificates, Series 2003D, are due in annual installments ranging from \$205,000 to \$515,000 through January 1, 2022, interest rates range from 4.40% to 5.30%, and payments are due semiannually on January 1 and July 1.	2003 Bonds Debt Service	\$ 3,380,000	\$ -	\$ 3,135,000	\$ 245,000	\$ 245,000
TOTAL		\$ 3,380,000	\$ -	\$ 3,135,000	\$ 245,000	\$ 245,000

c. Notes Payable

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
Note payable in the amount of \$80,000, dated June 2003, interest rate of 4.25%, with a final maturity date of June 17, 2013.	Commuter Parking Lot Fund	\$ 20,322	\$ -	\$ 9,147	\$ 11,175	\$ 9,544
TOTAL		\$ 20,322	\$ -	\$ 9,147	\$ 11,175	\$ 9,544

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

d. Long-Term Liabilities Summarized

Transactions for the year ended April 30, 2012 are summarized as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities					
General obligation bonds	\$ 11,914,000	\$ 2,955,000	\$ 310,000	\$ 14,559,000	\$ 345,000
Debt certificates	3,380,000	-	3,135,000	245,000	245,000
Unamortized premium on bonds	-	161,182	-	161,182	-
Unamortized loss on refunding	(815,909)	(145,790)	(52,830)	(908,869)	-
Total governmental activities	14,478,091	2,970,392	3,392,170	14,056,313	590,000
Business-Type Activities					
General obligation bonds	1,165,000	-	105,000	1,060,000	105,000
Notes payable	20,322	-	9,148	11,174	9,544
Total business-type activities	1,185,322	-	114,148	1,071,174	114,544
TOTAL GOVERNMENT	\$ 15,663,413	\$ 2,970,392	\$ 3,506,318	\$ 15,127,487	\$ 704,544

e. Debt Service to Maturity

The annual requirements to amortize all debt outstanding of the Village as of April 30, 2012 are as follows:

Bonds

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 345,000	\$ 580,580	\$ 925,580	\$ 105,000	\$ 30,383	\$ 135,383
2014	620,000	562,560	1,182,560	110,000	28,283	138,283
2015	629,000	545,835	1,174,835	110,000	25,808	135,808
2016	645,000	526,765	1,171,765	115,000	23,333	138,333
2017	725,000	506,635	1,231,635	115,000	20,458	135,458
2018-2022	4,390,000	2,134,393	6,524,393	505,000	45,881	550,881
2023-2027	4,685,000	1,231,925	5,916,925	-	-	-
2028-2029	2,520,000	177,360	2,697,360	-	-	-
TOTAL	\$14,559,000	\$ 6,266,053	\$ 20,825,053	\$ 1,060,000	\$ 174,146	\$ 1,234,146

5. LONG-TERM DEBT (Continued)

e. Debt Service to Maturity (Continued)

Notes Payable

Fiscal Year	Principal	Interest	Total
2013	\$ 9,544	\$ 290	\$ 9,834
2014	1,630	8	1,638
TOTAL	<u>\$ 11,174</u>	<u>\$ 298</u>	<u>\$ 11,472</u>

Certificates

Fiscal Year	Principal	Interest	Total
2013	<u>\$ 245,000</u>	<u>\$ 160,183</u>	<u>\$ 405,183</u>

f. Special Service Area Debt without Village Obligation

Special Service Area #1 - The Village issued special tax bonds in the fiscal year ended 2003 in the amount of \$12,600,000 for improvements within SSA #1. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #1 issued Special Tax Refunding Bonds, Series 2007 with a face value of \$13,000,000, bearing interest ranging from 5.00% to 9.00%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund the Prior SSA One Bonds. These bonds are payable by tax levy from the Special Service Area #1 only, and are not Village obligations. SSA One Bonds outstanding at April 30, 2012 were \$12,088,000, and Refunding Bonds outstanding at April 30, 2012 were \$12,375,000.

Special Service Area #3 - The Village issued special tax bonds in the fiscal year ended 2004 in the amount of \$3,570,000 for improvements within SSA #3. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #3 issued Special Tax Refunding Bonds, Series 2007 with a face value of \$4,040,000 bearing interest ranging from 4.70% to 5.50%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund Prior SSA Three Bonds. These bonds are payable by tax levy from the Special Service Area #3 only, and are not Village obligations. SSA Three Bonds outstanding at April 30, 2012 were \$3,391,000, and Refunding Bonds outstanding at April 30, 2012 were \$3,770,000.

5. LONG-TERM DEBT (Continued)

f. Special Service Area Debt without Village Obligation (Continued)

Special Service Area #4 - The Village issued special tax bonds in the fiscal year ended 2004 in the amount of \$5,040,000 for improvements within SSA #4. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #4 issued Special Tax Refunding Bonds, Series 2007 with a face value of \$5,750,000 and an interest rate of 6.75%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund Prior SSA Four Bonds. These bonds are payable by tax levy from the Special Service Area #4 only, and are not Village obligations. SSA Four Bonds outstanding at April 30, 2012 were \$4,829,000, and Refunding Bonds outstanding at April 30, 2012 were \$5,354,000.

These Special Service Area Bonds are treated as special service area no commitment debt without Village obligation. The Village acts only as an agent for the property owners in collecting property taxes and forwarding payments to the bond paying agent. Transactions are recorded in an agency fund. The bonds are not reflected in long-term debt.

g. Refunding

On December 6, 2011, the Village issued \$2,955,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2011, dated December 6, 2011, with principal maturing January 1, 2013 - 2022, ranging from \$20,000 to \$500,000, interest payable semiannually each January 1 and July 1, commencing July 1, 2011 at rates of 2.00% to 4.00%. \$3,045,790 of the proceeds of the bonds, including reoffering premium, have been deposited into an irrevocable trust to advance refund, through an in-substance defeasance, \$2,900,000 of the Series 2003D Debt Certificates. Through the refunding, the Village decreased its overall debt service by \$262,565 and had an economic gain of \$227,015. This gain is not recognized in the modified cash basis financial statements. As of April 30, 2012, \$2,900,000 of the defeased certificates were outstanding to be paid from escrow.

6. INTERFUND ACTIVITY

Interfund transfers during the year ended April 30, 2012 consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 375,000
Nonmajor Governmental Funds	375,000	-
	<u>\$ 375,000</u>	<u>\$ 375,000</u>
TOTAL	<u>\$ 375,000</u>	<u>\$ 375,000</u>

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. INTERFUND ACTIVITY (Continued)

Significant transfers between funds for the year ended April 30, 2012 consist of the following:

- \$375,000 transferred from the General Fund to Nonmajor Governmental Funds to support debt service payments for the 2010 debt series. This transfer will not be repaid.

Interfund payables and receivables at April 30, 2012 consisted of the following:

	Payable Fund	Receivable Fund
General Fund	\$ -	\$ 62
Agency Funds	62	-
TOTAL	\$ 62	\$ 62

Interfund payables and receivables at April 30, 2012 consist of the following:

- \$62 payable to the General Fund from Agency Funds represents interest earned on cash balances in those funds. Repayment is expected within one year.

7. RISK MANAGEMENT

The Village purchases property, auto, general liability, public officials bonds and health, dental, vision and life insurance from various insurance brokers for the benefit of its employees.

Illinois Public Risk Fund

The Village participates in the Illinois Public Risk Fund (IPRF). IPRF is an organization of Illinois municipalities and special districts in Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its workers' compensation needs.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

8. COMMITMENTS AND CONTINGENCIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

c. The Village's contract with Solid Waste Agency of Lake County (SWALCO) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

d. Construction Contracts

The Village has entered into contracts for the construction or renovation of various facilities as follows:

	Purpose	Expended to Date	Total Commitment
Hart Road Engineering Phase 1	Phase 1 engineering for Hart Road between Route 134 and Cedar Lake Road.	\$ 139,330	\$ 184,668
MacGillis Drive Bridge Engineering Phase 1	Engineering service for replacement of MacGillis bridge.	84,451	110,000
Lawn Terrace Road and Watermain Project	Roadway and watermain improvement on Lawn Terrace.	456,799	470,407
Maple Lane Road and Watermain Project	Roadway and watermain improvement on Maple Lane.	394,686	453,060

9. JOINT VENTURES

Solid Waste Agency of Lake County (SWALCO)

Description of Joint Venture

The Village is a member of SWALCO, which consists of 42 municipalities. SWALCO is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWALCO is empowered under the Act to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members.

The members form a contiguous geographic service area, which is located in Lake County. Under the Agency Agreement, additional members may join SWALCO upon the approval of each member.

SWALCO is governed by a Board of Directors, which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWALCO are appointed by the Board of Directors. The Board of Directors determines the general policy of SWALCO; makes all appropriations; approves contracts; adopts resolutions providing for the issuance of bonds or notes by SWALCO; adopts bylaws, rules and regulations; and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the bylaws.

SWALCO is an oversight advisory board providing long-range planning services to member municipalities. The Village is a participant in SWALCO, but no agreement has been reached as to services to be provided. Payments to SWALCO during the current fiscal year totaled \$6,206.

Complete financial statements can be obtained from the Solid Waste Agency of Lake County, 1300 N. Skokie Highway, Suite 103, Gurnee, Illinois 60031.

The Village does not have an equity interest in SWALCO at April 30, 2012.

CenCom E-911 Joint Emergency Telephone System (CenCom)

The Village is a member of CenCom E-911 Joint Emergency Telephone System. The Village's contribution to CenCom is reflected as an operating disbursement of the general fund.

The purpose of the joint agreement is to provide joint and mutual operation of an E-911 emergency telephone system.

9. JOINT VENTURES (Continued)

Solid Waste Agency of Lake County (SWALCO) (Continued)

Description of Joint Venture (Continued)

CenCom E-911 Joint Emergency Telephone System (CenCom) (Continued)

At April 30, 2012, CenCom had eight members. Each member is represented on the Board of Directors, which governs CenCom and establishes the budget.

CenCom is financed by a telephone surcharge. In addition, participating members pay a share of operating costs for dispatching services. Payments to CenCom during the current fiscal year totaled \$254,531. The entity is not considered a component unit of the Village.

10. EMPLOYEE RETIREMENT SYSTEMS

a. Plan Descriptions and Provisions

The Village contributes to three defined benefit pension plans (collectively referred to as the Pension Plans), the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Sheriff's Law Enforcement Personnel Fund (SLEP), which is administered by IMRF and is also an agent multiple-employer public employee retirement system; and the Police Pension Plan, which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Pension Plans do not issue separate reports on the plans. However, IMRF issues a publicly available report that includes financial statements and required supplementary information for the plan as a whole, but not for individual employers. Those reports can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Illinois Municipal Retirement Fund

All employees (other than those covered by SLEP or the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. IMRF also provides death and disability benefits.

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Illinois Municipal Retirement Fund (Continued)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the coverage of its own employees in the system, using the actuarial basis specified by state statute (entry-age normal). The employer required annual contribution rate for the calendar year 2011 was 11.83% of covered payroll.

Sheriff's Law Enforcement Personnel

Sheriff's Law Enforcement Personnel (SLEP) having accumulated at least 20 years of SLEP service and terminating IMRF participation or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited service up to 20 years, 2.0% of their final earnings rate for the next ten years of credited service and 1.0% for each year thereafter. For SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by ILCS. Participating members are required to contribute 7.5% of their annual salary to SLEP. The Village is required to contribute the remaining amounts necessary to fund SLEP as specified by statute. The employer required annual contribution rate for the calendar year 2011 was 12.88% of covered payroll, however as of January 1, 2011 the Village had no participants in SLEP.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by ILCS (Chapter 40 - Article 5/3) and can be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. At April 30, 2011, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	7
Terminated employees entitled to benefits but not yet receiving them	1
Current employees	
Vested	5
Nonvested	17
	<hr/>
TOTAL	<u>30</u>

The following is a summary of the Police Pension Plan as provided for in ILCS.

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

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Police Pension Plan (Continued)

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

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. The Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded by the year 2033. The employer contribution for the fiscal year ended April 30, 2012 was 19.84% of covered payroll.

b. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: The financial statements are prepared using the modified cash basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee contributions are withheld and the employer contributions are received.

Method Used to Value Investments: Investments are reported at fair value. Investment income is recognized as earned.

Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Significant Investments: There were no investments (other than U.S. Government and U.S. Government guaranteed obligations) in any one organization that represents 5% or more of net assets available for benefits.

Related Party Transactions: There were no securities of the employer or any other related parties included in plan assets, including any loans.

Administrative costs for the Police Pension Plan are financed primarily through investment earnings.

c. Annual Pension Cost

Employer contributions have been determined as follows:

	Sheriff's Law Enforcement Personnel	Illinois Municipal Retirement	Police Pension
Actuarial valuation date	December 31, 2009	December 31, 2009	April 30, 2010
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	5 Year Smoothed Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	30 Years, Open	30 Years, Open	23 Years, Closed

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Cost (Continued)

	Sheriff's Law Enforcement Personnel	Illinois Municipal Retirement	Police Pension
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	7.50% Compounded Annually	7.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	4.00% Compounded Annually	5.50% Compounded Annually
c) Additional projected salary increases - seniority/merit	.40% to 10.00%	.40% to 10.00%	Not Available

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

	For Fiscal Year	Sheriff's Law Enforcement Personnel	Illinois Municipal Retirement	Police Pension
Annual pension cost (APC)	2010	\$ 13,167	\$ 166,565	\$ 342,824
	2011	N/A	167,420	409,081
	2012	N/A	164,453	462,910
Actual contribution	2010	\$ 13,167	\$ 166,565	\$ 239,907
	2011	N/A	165,731	294,349
	2012	N/A	164,417	314,268
Percentage of APC contributed	2010	100.00%	100.00%	69.98%
	2011	N/A	98.99%	71.95%
	2012	N/A	99.98%	67.89%
NPO (asset)	2010	\$ -	\$ -	\$ 102,917
	2011	N/A	1,689	217,649
	2012	N/A	1,725	366,291

A net pension obligation (asset) has not been included in the basic financial statements of the Village, as it is not a requirement for cash basis presentation.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Cost (Continued)

The NPO (asset) has been calculated as follows as of April 30, 2012:

	Illinois Municipal Retirement	Police Pension
Annual required contributions	\$ 164,417	\$ 459,452
Interest on net pension obligation	127	15,235
Adjustment to annual required contribution	(91)	(11,778)
Annual pension cost	164,453	462,910
Contributions made	164,417	314,268
Increase in net pension obligation	36	148,642
Net pension obligation, May 1	1,689	217,649
NET PENSION OBLIGATION, APRIL 30	\$ 1,725	\$ 366,291

Funded Status and Funding Progress: Based on actuarial valuations as of December 31, 2011 and April 30, 2011, the funded status of the plans as of April 30, 2012 was as follows:

	Illinois Municipal Retirement	Sheriff's Law Enforcement Personnel	Police Pension
Actuarial accrued liability (AAL)	\$ 2,749,088	\$ -	\$ 7,840,806
Actuarial value of plan assets	1,907,753	51,114	4,481,472
Unfunded actuarial accrued liability (UAAL)	841,335	(51,114)	3,359,334
Funded ratio (actuarial value of plan assets/AAL)	69.40%	0.00%	57.16%
Covered payroll (active plan members)	\$ 1,432,499	\$ -	\$ 1,483,736
UAAL as a percentage of covered payroll	58.73%	0.00%	226.41%

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

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

c. Membership

At April 30, 2010, membership consisted of:

Retirees and beneficiaries currently receiving benefits	4
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>49</u>
 TOTAL	 <u>53</u>
 Participating Employers	 <u>1</u>

d. Funding Policy

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

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Village first had an actuarial valuation performed for the Plan as of April 30, 2010 to determine the funded status of the Plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2011. The Village's annual OPEB cost (expense) of \$25,348 was equal to the ARC for the fiscal year, as the transition liability was set at zero as of April 30, 2009. The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2012 and the two preceding years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2010	\$ 25,348	\$ 16,333	64.44%	\$ 9,015
April 30, 2011	25,241	17,845	70.70%	16,411
April 30, 2012	25,365	9,088	35.83%	32,688

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

Annual required contribution	\$ 25,091
Interest on net OPEB obligation	821
Adjustment to annual required contribution	(547)
Annual OPEB cost	25,365
Contributions made	9,088
Increase in net OPEB obligation	16,277
Net OPEB obligation, beginning of year	16,411
NET OPEB OBLIGATION, END OF YEAR	\$ 32,688

A net other postemployment benefit obligation (asset) has not been included in the basic financial statements of the Village, as it is not a requirement for cash basis presentation.

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2010 was as follows:

Actuarial accrued liability (AAL)	\$ 175,402
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	175,402
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 2,911,431
UAAL as a percentage of covered payroll	6.02%

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

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

In the April 30, 2010 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included no investment rate of return and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption and 5.0% wage inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2010 was 30 years.

GENERAL FUND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CONTINUED

THE UNIVERSITY OF MARYLAND

2010
2011
REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
GENERAL FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
REVENUES COLLECTED		
Property taxes	\$ 3,345,441	\$ 3,651,095
Charges for service	560,915	556,936
Licenses and permits	75,610	157,338
Intergovernmental	2,161,286	2,050,558
Fines	179,750	178,056
Franchise fees	191,600	211,088
Investment income	12,250	6,571
Miscellaneous income	92,367	178,308
Total revenues collected	6,619,219	6,989,950
EXPENDITURES PAID		
Current		
General government	1,757,359	1,549,176
Public safety	2,973,999	3,048,113
Public works	816,613	717,234
Community development	398,892	412,801
Capital outlay	253,917	121,497
Total expenditures paid	6,200,780	5,848,821
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	418,439	1,141,129
OTHER FINANCING SOURCES (USES)		
Transfers (out)	(375,000)	(375,000)
NET CHANGE IN FUND BALANCE	\$ 43,439	766,129
FUND BALANCE, MAY 1		4,523,457
FUND BALANCE, APRIL 30		\$ 5,289,586

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2012

Schedule of Funding Progress

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2006	\$ 2,358,720	\$ 2,678,374	88.07%	\$ 319,654	\$ 1,520,757	21.02%
2007	2,242,161	2,660,046	84.29%	417,885	1,710,825	24.43%
2008	2,055,947	2,846,652	72.22%	790,705	1,864,145	42.42%
2009	1,384,125	2,401,393	57.64%	1,017,268	1,699,152	59.87%
2010	1,618,945	2,602,860	62.20%	983,915	1,518,888	64.78%
2011	1,907,753	2,749,088	69.40%	841,335	1,432,499	58.73%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2007	\$ 143,103	\$ 143,103	100.00%
2008	161,502	161,502	100.00%
2009	178,771	178,771	100.00%
2010	166,565	166,565	100.00%
2011	165,731	167,420	98.99%
2012	164,417	164,417	100.00%

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SHERIFF'S LAW ENFORCEMENT PERSONNEL PLAN

April 30, 2012

Schedule of Funding Progress

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2006	\$ 22,715	\$ 195,683	11.61%	\$ 172,968	\$ 82,272	210.24%
2007	41,050	184,604	22.24%	143,554	90,961	157.82%
2008	64,775	232,612	27.85%	167,837	96,910	173.19%
2009	49,815	-	0.00%	(49,815)	98,958	0.00%
2010	53,897	-	0.00%	(53,897)	98,958	0.00%
2011	51,114	-	0.00%	(51,114)	-	0.00%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2007	\$ 11,082	\$ 11,082	100.00%
2008	11,197	11,197	100.00%
2009	22,793	22,793	100.00%
2010	13,167	13,167	100.00%
2011	NA	NA	NA
2012	NA	NA	NA

NA - The Village began participation in the plan in fiscal year 2007. As of April 30, 2011, the Village no longer contributed to the plan. The Village no longer has any employees in the Sheriff's Law Enforcement Personnel Plan as of April 30, 2011.

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
POLICE PENSION FUND

April 30, 2012

Schedule of Funding Progress

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2006	\$ 2,911,917	\$ 5,036,023	57.82%	\$ 2,124,106	\$ 1,133,899	187.33%
2007	3,246,110	4,924,860	65.91%	1,678,750	1,049,875	159.90%
2008	3,615,290	5,893,880	61.34%	2,278,590	1,250,304	182.24%
2009	3,382,221	6,581,524	51.39%	3,199,303	1,303,735	245.40%
2010	4,046,216	7,181,102	56.35%	3,134,886	1,495,709	209.59%
2011	4,481,472	7,840,806	57.16%	3,359,334	1,483,736	226.41%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2007	222,712	223,427	99.68%
2008	245,451	245,451	100.00%
2009	276,974	276,974	100.00%
2010	239,907	342,824	69.98%
2011	294,349	409,081	71.95%
2012	314,268	459,452	68.40%

Note: The actuarial valuations performed by the State of Illinois Department of Insurance were used for fiscal year 2007 and prior and by an independent actuary for 2008 through 2012.

The Village contributes to the Police Pension Fund based on the State of Illinois Department of Insurance actual valuation. Fiscal years 2010 through 2012 annual required contributions (ARC) are based on an independent actuarial valuation.

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2012

Schedule of Funding Progress

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2010	\$ -	\$ 175,402	0.00%	\$ 175,402	\$ 2,911,431	6.02%
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Employer Contributions

Fiscal Year April 30,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	\$ 16,333	\$ 25,348	64.44%
2011	17,845	25,241	70.70%
2012	9,088	25,241	36.00%

Note: The Village implemented GASB 45 as of April 30, 2010.
No information is available for prior periods.

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2012

BUDGETS AND BUDGETARY ACCOUNTING

The governmental, proprietary and pension trust funds (excluding the 2011 Bonds Debt Service, Special Service Area #1, #3 and #4, Impact Fee Funds and Agency Funds) have annual operating budgets prepared on the cash basis. Budgetary comparisons are reflected in the financial statements for all governmental and enterprise funds. The financial statements reflect the operating budget approved by the Village Board. The Village follows the procedures below for the appropriations process, or the legally adopted annual amounts.

1. The Finance Director submits a proposed appropriation ordinance to the Village Board for review and approval. The proposed ordinance is made available for public inspection at least ten days prior to final Village Board action.
2. A public hearing is conducted to obtain taxpayer comments on the proposed fiscal year appropriation ordinance.
3. The appropriation ordinance is legally enacted prior to August 1. Appropriations lapse at year end.
4. Per state statutes, the Board of Trustees may:

By two-thirds vote transfer within any department amounts appropriated for an object or purpose to another object or purpose. No object or purpose can be reduced below an amount sufficient to provide for all obligations incurred or to be incurred against the appropriation.

Adopt a supplemental appropriation ordinance in an amount not to exceed any additional revenue available, including unappropriated fund balances or amounts estimated to be received after adoption of the annual appropriation ordinance. A supplemental appropriation ordinance was passed.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

BUDGETS AND BUDGETARY ACCOUNTING (Continued)

5. The following table lists the individual funds and the variance from the appropriations amount:

Fund	Operating Budget	(a) Appropriation	(b) Actual	(b) - (a) Variance Over (Under)
General Fund	\$ 6,200,780	\$ 6,139,930	\$ 5,848,821	\$ (668,109)
Capital Projects Fund	949,796	933,218	477,429	(455,789)
Water and Sewer Fund	4,231,156	4,226,656	3,400,767	(825,889)
Motor Fuel Tax Fund	427,280	427,280	93,197	(334,083)
Bright Meadows SSA #1 Fund	29,525	29,525	17,856	(11,669)
2005 Bonds Debt Service Fund	272,316	272,316	271,850	(466)
2003 Bonds Debt Service Fund	416,794	416,794	486,069	69,275
2010 Bonds Debt Service Fund	530,033	530,033	530,023	(10)
Commuter Parking Lot Fund	59,615	59,615	51,704	(7,911)
Police Pension Fund	516,900	516,900	436,847	(80,053)

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROUND LAKE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES PAID -
BUDGET AND ACTUAL - CASH BASIS
GENERAL FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
EXPENDITURES PAID		
General government		
Administration		
Personal services	\$ 352,042	\$ 332,428
Taxes, pensions and insurance	99,372	92,341
Contractual services	1,243,922	1,089,030
Commodities	11,067	8,416
Repairs and replacement	28,767	19,110
Miscellaneous	22,189	7,851
Total administration	<u>1,757,359</u>	<u>1,549,176</u>
Capital outlay	<u>103,782</u>	<u>57,668</u>
Public safety		
Police		
Personal services	1,921,723	1,816,970
Taxes, pensions and insurance	421,741	691,428
Contractual services	441,396	394,118
Commodities	105,395	97,398
Repairs and replacement	68,892	36,944
Miscellaneous	14,852	11,255
Total police	<u>2,973,999</u>	<u>3,048,113</u>
Capital outlay	<u>62,005</u>	<u>22,289</u>
Public works		
Public works department		
Personal services	286,424	250,863
Taxes, pensions and insurance	110,692	92,888
Contractual services	196,101	179,618
Commodities	112,841	116,088
Repairs and replacement	110,555	77,777
Total public works	<u>816,613</u>	<u>717,234</u>
Capital outlay	<u>86,410</u>	<u>40,820</u>

(This schedule is continued on the following page.)

VILLAGE OF ROUND LAKE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES PAID -
 BUDGET AND ACTUAL - CASH BASIS (Continued)
 GENERAL FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
EXPENDITURES PAID (Continued)		
Community development		
Building department		
Personal services	\$ 271,650	\$ 279,448
Taxes, pensions and insurance	95,611	92,899
Contractual services	20,819	30,344
Commodities	9,312	8,395
Repairs and replacement	1,500	1,715
Total building department	398,892	412,801
Capital outlay	1,720	720
TOTAL EXPENDITURES PAID	\$ 6,200,780	\$ 5,848,821

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
REVENUES COLLECTED		
Utility tax	\$ 162,500	\$ 125,344
Intergovernmental	303,330	177,368
Impact fees	-	51,600
Investment income	2,734	3,354
Total revenues collected	468,564	357,666
EXPENDITURES PAID		
Current		
General government		
Contractual services	485,150	138,037
Capital outlay	464,646	339,392
Total expenditures paid	949,796	477,429
NET CHANGE IN FUND BALANCE	\$ (481,232)	(119,763)
FUND BALANCE, MAY 1		1,075,500
FUND BALANCE, APRIL 30		\$ 955,737

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

HONOLULU GOVERNMENTAL FUNDS
 GENERAL FUND BALANCE - CASH BASIS
 COMPREHENSIVE STATEMENT OF REVENUES, EXPENSES AND
 FINANCIAL POSITION FOR THE YEAR ENDED 2011

For the Year Ended June 30, 2012

	Debt Service	Debt Service	Debt Service	Permanent	
	2010 Bonds	2011 Bonds	2011 Bonds	Working Cash	Total
2003 Bonds	Debt Service	Debt Service	Debt Service	Fund	
Debt Service	Fund	Fund	Fund	Fund	Fund
\$ 57,797	\$ 30,011	\$ 9,094	\$ 658,791	\$ 1,893,599	
\$ 57,797	\$ 30,011	\$ 9,094	\$ 658,791	\$ 1,893,599	
\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	
-	-	-	-	986,603	
-	-	-	658,791	658,791	
57,797	30,011	9,094	-	143,590	
-	-	-	-	104,615	
57,797	30,011	9,094	658,791	1,893,599	
\$ 57,797	\$ 30,011	\$ 9,094	\$ 658,791	\$ 1,893,599	

(See independent auditor's report.)
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VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCES - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2012

	Special Revenue		Debt Service
	Motor Fuel Tax Fund	Bright Meadows SSA #1 Fund	2005 Bonds Debt Service Fund
REVENUES COLLECTED			
Property taxes	\$ -	\$ 23,970	\$ -
Utility taxes	-	-	270,602
Intergovernmental			
Motor fuel tax	488,466	-	-
Other	71,967	-	-
Investment income	467	360	73
Miscellaneous	-	-	-
Total revenues collected	<u>560,900</u>	<u>24,330</u>	<u>270,675</u>
EXPENDITURES PAID			
Current			
General government	-	17,856	-
Public works	59,910	-	-
Capital outlay	33,287	-	-
Debt service			
Principal	-	-	205,000
Interest and fiscal charges	-	-	66,850
Total expenditures paid	<u>93,197</u>	<u>17,856</u>	<u>271,850</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	<u>467,703</u>	<u>6,474</u>	<u>(1,175)</u>
OTHER FINANCING SOURCES (USES)			
Bonds issued at par	-	-	-
Premium on bonds	-	-	-
Payment to refunded bond escrow	-	-	-
Transfers in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	467,703	6,474	(1,175)
FUND BALANCES, MAY 1	<u>518,900</u>	<u>98,141</u>	<u>47,863</u>
FUND BALANCES, APRIL 30	<u>\$ 986,603</u>	<u>\$ 104,615</u>	<u>\$ 46,688</u>

MOTOR FUEL TAX FUND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
 STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
 VILLAGE OF BOUNDARY TOWNSHIP

2003 Bonds Debt Service Fund	Debt Service		Permanent		Total
	2010 Bonds Debt Service Fund	2011 Bonds Debt Service Fund	Working Cash Fund		
\$ -	\$ -	\$ -	\$ 3,612	\$ -	\$ 27,582
399,606	140,286	-	-	-	810,494
-	-	-	-	-	488,466
-	-	-	-	-	71,967
250	96	6	13	-	1,265
-	-	9,088	-	-	9,088
399,856	140,382	9,094	3,625	-	1,408,862
9,200	-	-	-	-	27,056
-	-	-	-	-	59,910
-	-	-	-	-	33,287
235,000	105,000	-	-	-	545,000
241,869	425,023	-	-	-	733,742
486,069	530,023	-	-	-	1,398,995
(86,213)	(389,641)	9,094	3,625	-	9,867
2,955,000	-	-	-	-	2,955,000
161,182	-	-	-	-	161,182
(3,045,790)	-	-	-	-	(3,045,790)
-	375,000	-	-	-	375,000
70,392	375,000	-	-	-	445,392
(15,821)	(14,641)	9,094	3,625	-	455,259
73,618	44,652	-	655,166	-	1,438,340
\$ 57,797	\$ 30,011	\$ 9,094	\$ 658,791	\$ -	\$ 1,893,599

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

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

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
REVENUES COLLECTED		
Intergovernmental		
Motor fuel tax	\$ 494,000	\$ 488,466
Other	-	71,967
Investment income	1,271	467
	<u>495,271</u>	<u>560,900</u>
EXPENDITURES PAID		
Current		
Public works		
Contractual services	15,150	13,511
Commodities	53,832	19,774
Repairs and replacement	2,324	1,625
Administrative charges	25,000	25,000
Capital outlay	330,974	33,287
	<u>427,280</u>	<u>93,197</u>
NET CHANGE IN FUND BALANCE	<u>\$ 67,991</u>	467,703
FUND BALANCE, MAY 1		<u>518,900</u>
FUND BALANCE, APRIL 30		<u>\$ 986,603</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
BRIGHT MEADOWS SSA #1 FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
REVENUES COLLECTED		
Property taxes	\$ 23,730	\$ 23,970
Investment income	228	360
Total revenues collected	<u>23,958</u>	<u>24,330</u>
EXPENDITURES PAID		
Current		
General government		
Contractual services	<u>29,525</u>	<u>17,856</u>
Total expenditures paid	<u>29,525</u>	<u>17,856</u>
NET CHANGE IN FUND BALANCE	<u>\$ (5,567)</u>	6,474
FUND BALANCE, MAY 1		<u>98,141</u>
FUND BALANCE, APRIL 30		<u>\$ 104,615</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
 2005 BONDS DEBT SERVICE FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
REVENUES COLLECTED		
Utility taxes	\$ 283,500	\$ 270,602
Investment income	145	73
Total revenues collected	<u>283,645</u>	<u>270,675</u>
EXPENDITURES PAID		
Debt service		
Principal	205,000	205,000
Interest and fiscal charges	67,316	66,850
Total expenditures paid	<u>272,316</u>	<u>271,850</u>
NET CHANGE IN FUND BALANCE	<u>\$ 11,329</u>	(1,175)
FUND BALANCE, MAY 1		<u>47,863</u>
FUND BALANCE, APRIL 30		<u>\$ 46,688</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
2003 BONDS DEBT SERVICE FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES COLLECTED			
Utility taxes	\$ 428,500	\$ 428,500	\$ 399,606
Investment income	231	231	250
Total revenues collected	<u>428,731</u>	<u>428,731</u>	<u>399,856</u>
EXPENDITURES PAID			
Current			
General government			
Utilities	7,500	9,300	9,200
Debt service			
Principal	235,000	235,000	235,000
Interest and fiscal charges	172,494	172,494	241,869
Total expenditures paid	<u>414,994</u>	<u>416,794</u>	<u>486,069</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	<u>13,737</u>	<u>11,937</u>	<u>(86,213)</u>
OTHER FINANCING SOURCES (USES)			
Bonds issued at par	-	-	2,955,000
Premium on bonds	-	-	161,182
Payment to refunded bond escrow	-	-	(3,045,790)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>70,392</u>
NET CHANGE IN FUND BALANCE	<u>\$ 13,737</u>	<u>\$ 11,937</u>	<u>(15,821)</u>
FUND BALANCE, MAY 1			<u>73,618</u>
FUND BALANCE, APRIL 30			<u>\$ 57,797</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
2010 BONDS DEBT SERVICE FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
REVENUES COLLECTED		
Utility taxes	\$ 165,500	\$ 140,286
Investment income	129	96
Total revenues collected	<u>165,629</u>	<u>140,382</u>
EXPENDITURES PAID		
Debt service		
Principal	105,000	105,000
Interest and fiscal charges	425,033	425,023
Total expenditures paid	<u>530,033</u>	<u>530,023</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	<u>(364,404)</u>	<u>(389,641)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	<u>375,000</u>	<u>375,000</u>
Total other financing sources (uses)	<u>375,000</u>	<u>375,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ 10,596</u>	(14,641)
FUND BALANCE, MAY 1		<u>44,652</u>
FUND BALANCE, APRIL 30		<u>\$ 30,011</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL - CASH BASIS
WORKING CASH FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
REVENUES COLLECTED		
Property tax	\$ 4,005	\$ 3,612
Investment income	62	13
Total revenues collected	<u>4,067</u>	<u>3,625</u>
EXPENDITURES PAID		
None	-	-
Total expenditures paid	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 4,067</u>	3,625
FUND BALANCE, MAY 1		<u>655,166</u>
FUND BALANCE, APRIL 30		<u>\$ 658,791</u>

(See independent auditor's report.)

For the Year Ending April 30, 2011

Page 2

Utility
Fund
10/1/11

ENTERPRISE FUNDS

Enterprise Fund

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL - MODIFIED CASH BASIS
WATER AND SEWER FUND

For the Year Ended April 30, 2012

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Water and sewer fees	\$ 3,673,405	\$ 3,651,774
Miscellaneous		
Permits and fees	-	109,500
Other	2,000	2,319
Total operating revenues	<u>3,675,405</u>	<u>3,763,593</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Water and sewer operations		
Personal services	396,382	329,173
Taxes, pensions and insurance	140,140	106,691
Contractual services	2,745,009	2,487,168
Commodities	60,654	51,623
Repairs and replacement	118,290	47,730
Capital outlay	631,005	239,482
Total operating expenses excluding depreciation	<u>4,091,480</u>	<u>3,261,867</u>
OPERATING INCOME (LOSS)	<u>(416,075)</u>	<u>501,726</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	17,633	8,580
Debt service		
Principal	(105,000)	(105,000)
Interest expense	(34,676)	(33,900)
Total nonoperating revenues (expenses)	<u>(122,043)</u>	<u>(130,320)</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u>\$ (538,118)</u>	<u>371,406</u>
ADJUSTMENTS TO MODIFIED CASH BASIS		
Debt principal payment		105,000
Capitalized assets		218,142
Depreciation		<u>(1,150,732)</u>
Total adjustments to modified cash basis		<u>(827,590)</u>
CHANGE IN NET ASSETS		(456,184)
NET ASSETS, MAY 1		<u>40,423,184</u>
NET ASSETS, APRIL 30		<u>\$ 39,967,000</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL - MODIFIED CASH BASIS
COMMUTER PARKING LOT FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Parking lot fees	\$ 108,000	\$ 108,000	\$ 103,198
Total operating revenues	108,000	108,000	103,198
OPERATING EXPENSES			
Parking lot operations			
Contractual services	12,650	12,650	9,466
Commodities	1,900	1,900	1,337
Repairs and replacement	14,100	33,100	28,764
Miscellaneous	2,130	2,130	2,303
Capital outlay	-	-	-
Total operating expenses	30,780	49,780	41,870
OPERATING INCOME	77,220	58,220	61,328
NONOPERATING REVENUES (EXPENSES)			
Investment income	449	449	106
Principal retirement	(9,147)	(9,147)	(9,147)
Interest expense	(688)	(688)	(687)
Miscellaneous income	-	-	24,029
Total nonoperating revenues (expenses)	(9,386)	(9,386)	14,301
NET INCOME - BUDGETARY BASIS	\$ 67,834	\$ 48,834	75,629
ADJUSTMENTS TO MODIFIED CASH BASIS			
Debt principal payment			9,147
Total adjustments to modified cash basis			9,147
CHANGE IN NET ASSETS			84,776
NET ASSETS, MAY 1			156,042
NET ASSETS, APRIL 30			\$ 240,818

(See independent auditor's report.)

STATE OF ALABAMA
 DEPARTMENT OF REVENUE
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BASIS
 FISCAL YEAR 2019

The following table shows the changes in fund balance for the fiscal year 2019. The actual fund balance is shown in the right column. The budgeted fund balance is shown in the left column. The difference between the actual and budgeted fund balance is shown in the middle column.

Original Budget Fund Balance Original Budget Fund Balance

FIDUCIARY FUNDS

Fund	Original Budget	Fund Balance	Original Budget	Fund Balance
100 - State	100	100	100	100
200 - Local	200	200	200	200
300 - Federal	300	300	300	300
400 - Other	400	400	400	400
500 - Trust	500	500	500	500
600 - Pension	600	600	600	600
700 - Insurance	700	700	700	700
800 - Miscellaneous	800	800	800	800
900 - Total	900	900	900	900

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
POLICE PENSION FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions - employer	\$ 313,753	\$ 313,753	\$ 314,268
Contributions - employee	135,000	135,000	147,348
Contributions - other	-	-	1,162
Total contributions	448,753	448,753	462,778
Investment income			
Net appreciation in fair value of investments	35,000	35,000	(15,571)
Interest earned on investments	80,000	80,000	83,039
Total investment income	115,000	115,000	67,468
Less investment expense	(16,100)	(16,100)	(16,390)
Net investment income	98,900	98,900	51,078
Total additions	547,653	547,653	513,856
DEDUCTIONS			
Benefits and refunds			
Retirement pension	216,000	216,000	215,761
Disability pension	79,000	154,000	153,660
Refund of contribution	5,000	90,000	20,766
Administrative	40,800	40,800	30,270
Total deductions	340,800	500,800	420,457
		16,100	
NET INCREASE	\$ 206,853	\$ 46,853	93,399
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
May 1			4,481,472
April 30			\$ 4,574,871

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - CASH BASIS
AGENCY FUNDS

For the Year Ended April 30, 2012

	Balances May 1	Additions	Deductions	Balances April 30
ALL FUNDS				
ASSETS				
Cash and investments	\$ 1,496,647	\$ 1,511,013	\$ 1,550,031	\$ 1,457,629
TOTAL ASSETS	\$ 1,496,647	\$ 1,511,013	\$ 1,550,031	\$ 1,457,629
LIABILITIES				
Deposits payable	\$ 48,352	\$ 17,826	\$ 22,077	\$ 44,101
Other payables	1,448,146	1,492,892	1,527,572	1,413,466
Due to other funds	149	-	87	62
TOTAL LIABILITIES	\$ 1,496,647	\$ 1,510,718	\$ 1,549,736	\$ 1,457,629
BUILDERS ESCROW FUND				
ASSETS				
Cash and investments	\$ 48,468	\$ 18,121	\$ 22,446	\$ 44,143
TOTAL ASSETS	\$ 48,468	\$ 18,121	\$ 22,446	\$ 44,143
LIABILITIES				
Deposits payable	\$ 48,352	\$ 17,826	\$ 22,077	\$ 44,101
Due to other funds	116	-	74	42
TOTAL LIABILITIES	\$ 48,468	\$ 17,826	\$ 22,151	\$ 44,143
IMPACT FEE FUND				
ASSETS				
Cash and investments	\$ 33	\$ -	\$ 13	\$ 20
TOTAL ASSETS	\$ 33	\$ -	\$ 13	\$ 20
LIABILITIES				
Due to other funds	\$ 33	\$ -	\$ 13	\$ 20
TOTAL LIABILITIES	\$ 33	\$ -	\$ 13	\$ 20

(This statement is continued on the following page.)

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - CASH BASIS (Continued)
AGENCY FUNDS

For the Year Ended April 30, 2012

	Balances May 1	Additions	Deductions	Balances April 30
LAKEWOOD GROVE SSA #1 FUND				
ASSETS				
Cash and investments	\$ 837,707	\$ 847,393	\$ 893,905	\$ 791,195
TOTAL ASSETS	\$ 837,707	\$ 847,393	\$ 893,905	\$ 791,195
LIABILITIES				
Other payables	\$ 837,707	\$ 847,393	\$ 893,905	\$ 791,195
TOTAL LIABILITIES	\$ 837,707	\$ 847,393	\$ 893,905	\$ 791,195
LAKEWOOD GROVE SSA #3 FUND				
ASSETS				
Cash and investments	\$ 252,423	\$ 276,880	\$ 265,152	\$ 264,151
TOTAL ASSETS	\$ 252,423	\$ 276,880	\$ 265,152	\$ 264,151
LIABILITIES				
Other payables	\$ 252,423	\$ 276,880	\$ 265,152	\$ 264,151
TOTAL LIABILITIES	\$ 252,423	\$ 276,880	\$ 265,152	\$ 264,151
LAKEWOOD GROVE SSA #4 FUND				
ASSETS				
Cash and investments	\$ 358,016	\$ 368,619	\$ 368,515	\$ 358,120
TOTAL ASSETS	\$ 358,016	\$ 368,619	\$ 368,515	\$ 358,120
LIABILITIES				
Other payables	\$ 358,016	\$ 368,619	\$ 368,515	\$ 358,120
TOTAL LIABILITIES	\$ 358,016	\$ 368,619	\$ 368,515	\$ 358,120

(See independent auditor's report.)

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SUPPLEMENTARY INFORMATION

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF TAX DATA

For the Last Eight Levy Years

	Levy Year			
	2011	2010	2009	2008
ASSESSED VALUATION	\$ 321,967,538	\$ 363,428,091	\$ 404,464,351	\$ 421,556,835
TAX RATES BY FUND				
Corporate	0.396	0.399	0.433	0.416
Municipal audit	0.007	0.006	0.006	0.006
Road and bridge	0.034	0.030	0.022	0.021
Garbage	0.078	0.069	0.049	0.076
Retirement	0.098	0.084	0.098	0.091
Bond and interest	-	-	-	-
Working cash	0.002	0.001	0.001	0.002
Liability insurance	0.043	0.046	0.039	0.041
Civil defense/ES&DA	0.002	0.001	0.001	0.001
Police protection	0.288	0.274	0.147	0.116
Police pension	0.123	0.087	0.073	0.057
TOTAL TAX RATES BY FUND	1.071	0.997	0.869	0.827
TAX EXTENSIONS BY FUND				
Corporate	\$ 1,274,991	\$ 1,450,078	\$ 1,751,331	\$ 1,753,676
Municipal audit	22,538	21,806	24,268	25,293
Road and bridge	109,469	109,028	88,982	88,527
Garbage	251,135	250,766	198,188	320,383
Retirement	135,226	305,280	396,375	383,617
Bond and interest	-	-	-	-
Working cash	6,439	3,634	4,044	8,431
Liability insurance	138,446	167,177	157,741	172,838
Civil defense/ES&DA	6,439	3,634	4,044	4,216
Police protection	927,267	995,793	594,563	489,006
Police pension	396,020	316,182	295,259	240,287
TOTAL TAX EXTENSIONS BY FUND	\$ 3,267,970	\$ 3,623,378	\$ 3,514,795	\$ 3,486,274
TAX COLLECTIONS - ALL FUNDS				
Levy Collections Through Year End	\$ -	\$ 3,600,578	\$ 3,503,869	\$ 3,481,655
PERCENT COLLECTED	N/A	99.37%	99.69%	99.87%

Levy Year			
2007	2006	2005	2004
\$ 407,703,238	\$ 377,475,750	\$ 319,702,385	\$ 243,920,458
0.386	0.359	0.246	0.234
0.008	0.012	0.014	0.016
0.029	0.031	0.048	0.057
0.078	0.103	0.168	0.155
0.118	0.125	0.136	0.164
-	-	-	0.037
0.003	0.007	0.035	0.050
0.050	0.056	0.064	0.077
0.001	0.001	-	-
0.083	0.076	0.074	0.070
0.068	0.065	0.070	0.068
0.824	0.835	0.855	0.928
\$ 1,573,735	\$ 1,355,138	\$ 786,468	\$ 570,774
32,616	45,297	44,758	39,027
80,992	76,099	117,115	105,084
318,009	388,800	537,100	378,077
481,090	471,845	434,795	400,030
-	-	-	90,251
12,231	26,423	111,896	121,960
203,852	211,386	204,610	187,819
4,077	3,775	-	-
338,394	286,882	236,580	170,744
277,238	245,359	223,792	165,866
\$ 3,322,234	\$ 3,111,004	\$ 2,697,114	\$ 2,229,632
\$ 3,319,067	\$ 3,106,020	\$ 2,684,166	\$ 2,204,463
99.90%	99.84%	99.52%	98.87%

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF ASSESSED VALUATION BY TYPE OF PROPERTY

For the Last Ten Levy Years

Tax Levy Year	Real Estate	Railroad	Total
2002	122,024,880	-	122,024,880
2003	176,938,389	98,998	177,037,387
2004	243,920,458	-	243,920,458
2005	319,702,385	-	319,702,385
2006	377,475,750	-	377,475,750
2007	407,703,238	-	407,703,238
2008	421,556,835	-	421,556,835
2009	404,464,351	-	404,464,351
2010	363,428,091	-	363,428,091
2011	321,967,538	-	321,967,538

(See independent auditor's report.)