

McGladrey & Pullen

Certified Public Accountants

VILLAGE OF WORTH, ILLINOIS

FINANCIAL REPORT

YEAR ENDED APRIL 30, 2006

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Honorable Members of the Village Council
Village of Worth, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Worth, Illinois, as of and for the year ended April 30, 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Village of Worth, Illinois. Our responsibility is to express opinions on these financial statements based on our audit.

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

As described in Note 1 to the basic financial statements, in fiscal year 2006, the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 40, *Deposits and Investment Risks Disclosures – an amendment of GASB Statement No. 3*.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Worth, Illinois, as of April 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplemental information which includes management's discussion and analysis (pages 3 - 11), pension related schedules (pages 45 - 47) and budgetary schedule (page 48 - 57) is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information; however, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Worth, Illinois. The combining fund financial statements and other schedules listed in the table of contents as supplemental data are presented for purposes of additional analysis, and are not a required part of the basic financial statements. Such information, except for the information required by bond revenue ordinance on pages 66 and 67 which are marked unaudited and on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

Chicago, Illinois
January 23, 2007

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

VILLAGE OF WORTH, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2006

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements (beginning on page 12).

Using the Financial Section of this Comprehensive Annual Report

For the past 20 years, the primary focus of local governmental financial statements has been summarized fund type information on a current financial resource basis. This approach has been modified and the Village's financial statements present two kinds of statements, each with a different snapshot of the Village's finances. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government), and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 12-13) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see page 13) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including police, public works, parks, and administration. Shared state sales, local utility, and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Waterworks and Sewerage and the Commuter Parking Lot), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

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

The Governmental Funds (see pages 14-17) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Fire and Police Pension, see pages 21-22). While these Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 18-20) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Major Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 15 and 17). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide financial statements).

Infrastructure Assets

The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) be valued and reported within the Governmental column of the Government-wide Financial Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful lives. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

Government-Wide Financial Statements

Statement of Net Assets

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$5.1 million as of April 30, 2006.

A significant portion of the Village's net assets (86.6%) reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings, and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

Table 1
Statement of Net Assets
As of April 30, 2006
(in millions)

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total Primary Government</u> |
|----------------------------------------------------|--------------------------------|---------------------------------|---------------------------------|
| Current Assets | \$4.2 | \$0.7 | \$4.9 |
| Non Current Assets | <u>9.8</u> | <u>4.0</u> | <u>13.8</u> |
| Total Assets | 14.0 | 4.7 | 18.7 |
| Current Liabilities | 3.5 | 0.3 | 3.8 |
| Non Current Liabilities | <u>8.9</u> | <u>0.9</u> | <u>9.9</u> |
| Total Liabilities | 12.4 | 1.2 | 13.7 |
| Net Assets: | | | |
| Invested in Capital Assets, Net of Related Debt | 1.2 | 3.2 | 4.4 |
| Unrestricted | <u>0.4</u> | <u>0.3</u> | <u>0.7</u> |
| Total Net Assets | <u>\$1.6</u> | <u>\$3.5</u> | <u>\$5.1</u> |

Statement of Net Assets
As of April 30, 2005
(in millions)

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total Primary Government</u> |
|----------------------------------------------------|--------------------------------|---------------------------------|---------------------------------|
| Current Assets | \$ 3.1 | \$1.0 | \$4.1 |
| Non Current Assets | <u>10.2</u> | <u>4.2</u> | <u>14.4</u> |
| Total Assets | 13.3 | 5.2 | 18.5 |
| Current Liabilities | 3.2 | 0.3 | 3.5 |
| Non Current Liabilities | <u>9.0</u> | <u>1.2</u> | <u>10.2</u> |
| Total Liabilities | 12.2 | 1.5 | 13.7 |
| Net Assets: | | | |
| Invested in Capital Assets, Net of Related Debt | 1.1 | 3.4 | 4.5 |
| Restricted | 0.6 | - | 0.6 |
| Unrestricted | <u>(0.6)</u> | <u>0.3</u> | <u>(0.3)</u> |
| Total Net Assets | <u>\$1.1</u> | <u>\$3.7</u> | <u>\$4.8</u> |

For more detailed information see the Statement of Net Assets (page 12).

The Village's combined net assets (which is the Village's equity) increased to \$5.1 million from \$4.8 million as a result of the increase in net assets primarily in the Governmental Activities. Net assets of the Village's governmental activities were \$1.6 million. The Village's unrestricted net assets for governmental activities, the part of net assets that can be used to finance day-to-day operations, were \$0.4 million. The net assets of business-type activities decreased to \$3.5 million from \$3.7 million. The Village can use unrestricted net assets to finance the continuing operation of its waterworks and sewerage system.

Normal Impacts

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

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

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

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

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

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

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

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

CURRENT YEAR IMPACTS

The Village's total net assets increased \$.3 million and can be attributed to several factors. The Village's charges for services increased by \$0.5 million. Also, tax revenue increased by \$0.4 over 2005.

Changes in Net Assets

The following chart compares the revenue and expenses for the current fiscal year.

Table 2
Changes in Net Assets
For the Fiscal Year Ended April 30, 2006
(in millions)

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Total Primary Government</u> |
|------------------------------------|--------------------------------|---------------------------------|---------------------------------|
| REVENUES | | | |
| Program Revenues | | | |
| Charges for Services | \$4.1 | \$1.8 | \$5.9 |
| Operating Grants & Contributions | .3 | - | .3 |
| General Revenues | | | |
| Property Taxes | 2.2 | - | 2.2 |
| Other Taxes | 2.5 | - | 2.5 |
| Other | .4 | - | .4 |
| Total Revenues | <u>9.5</u> | <u>1.8</u> | <u>11.3</u> |
| EXPENSES | | | |
| General Government | 1.8 | - | 1.8 |
| Building Department | 0.1 | - | 0.1 |
| Boat Launch | - | - | - |
| Health Department | - | - | - |
| Fire Department | 0.6 | - | 0.6 |
| Ambulance and Paramedic Department | 0.9 | - | 0.9 |
| Police Department | 2.6 | - | 2.6 |
| Street and Bridge | 0.5 | - | 0.5 |
| Crossing Guard | - | - | - |
| Golf Course | 1.6 | - | 1.6 |
| Worth Days | 0.1 | - | 0.1 |
| Motor Fuel Tax Project | 0.4 | - | 0.4 |
| Senior Citizens | - | - | - |
| Interest | 0.4 | - | 0.4 |
| Waterworks and Sewerage | - | 1.9 | 1.9 |

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

| | | | |
|----------------------|--------------|--------------|--------------|
| Commuter Parking Lot | - | <u>.1</u> | <u>.1</u> |
| Total Expenses | 9.0 | 2.0 | 11.0 |
| CHANGE IN NET ASSETS | <u>.5</u> | <u>(.2)</u> | <u>.3</u> |
| ENDING NET ASSETS | <u>\$1.6</u> | <u>\$3.5</u> | <u>\$5.1</u> |

**Changes in Net Assets
For the Fiscal Year Ended April 30, 2005
(in millions)**

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Total Primary Government</u> |
|------------------------------------|--------------------------------|---------------------------------|---------------------------------|
| REVENUES | | | |
| Program Revenues | | | |
| Charges for Services | \$3.3 | \$1.6 | \$4.9 |
| Operating Grants & Contributions | 0.2 | - | 0.2 |
| General Revenues | | | |
| Property Taxes | 2.1 | - | 2.1 |
| Other Taxes | 2.4 | - | 2.4 |
| Transfers | - | - | - |
| Other | <u>0.3</u> | <u>-</u> | <u>0.3</u> |
| Total Revenues | 8.3 | 1.6 | 9.9 |
| EXPENSES | | | |
| General Government | 1.6 | - | 1.6 |
| Building Department | 0.1 | - | 0.1 |
| Boat Launch | - | - | - |
| Health Department | - | - | - |
| Fire Department | 0.3 | - | 0.3 |
| Ambulance and Paramedic Department | 0.9 | - | 0.9 |
| Police Department | 2.6 | - | 2.6 |
| Street and Bridge | 0.4 | - | 0.4 |
| Crossing Guard | - | - | - |
| Golf Course | 1.6 | - | 1.6 |
| Worth Days | 0.1 | - | 0.1 |
| Motor Fuel Tax Project | 0.3 | - | 0.3 |
| Senior Citizens | - | - | - |
| Interest | 0.5 | - | 0.5 |
| Waterworks and Sewerage | - | 1.8 | 1.8 |
| Commuter Parking Lot | <u>0.0</u> | <u>0.1</u> | <u>0.1</u> |
| Total Expenses | 8.4 | 1.9 | 10.3 |
| CHANGE IN NET ASSETS | <u>(0.1)</u> | <u>(0.3)</u> | <u>(0.4)</u> |
| ENDING NET ASSETS | <u>\$1.1</u> | <u>\$3.7</u> | <u>\$4.8</u> |

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

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

NORMAL IMPACTS

Revenues:

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

Increase/Decrease in Village Board approved rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, home rule sales tax, etc.)

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

Market Impacts on Investment income – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

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

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 80% of the Village's operating costs.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

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

CURRENT YEAR IMPACTS

Revenues:

For the fiscal year ended April 30, 2006, revenues from all activities totaled \$11.3 million, \$1.4 million over 2005. The Village has a very diversified revenue structure and depends on several key revenue sources to help pay for the services we provide.

Even though the Village increased its property tax in 2006 compared to previous years, we saw an increase in the equalized assessed valuation (EAV) to \$176 million, an increase of 15%.

Operating grant revenues increased in 2006 as well by \$.1 million.

Licenses, permits and fees revenue increased from \$1.0 million in 2005 to \$1.6 million in 2006, a 60% increase.

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

Expenses:

The Village's total expenses for all activities for the year ended April 30, 2006 and 2005 were \$11.0 million and \$10.3 million, respectively. The Village provides Lake Michigan water to its residents by purchasing its water supply from the City of Chicago. The waterworks and sewerage accounted for 96% of the total Public Works activities. The remaining public works activities relate to the maintaining of Village streets and storm sewers.

Public safety expenses relate to the operations of the Police Department, Fire Department, and Ambulance Department and they accounted for \$4.1 million of the total expenses in 2006 and \$3.8 million of the total expenses in 2005. Personnel costs including pension benefits accounted for 66% of this total. The Village has an authorized strength of 27 sworn personnel. The patrol officers are members of the Illinois Fraternal Order of Police Labor Chapter 143. The fiscal year was the third year of a three-year contract.

The cost of providing employee benefits continued to increase. The most significant increases were in Workmen's Compensation claims, which the Village self-insures. The Village also incurred a significant increase in employee pension benefits.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At April 30, 2006, the governmental funds (as presented on the balance sheet on page 14) reported a combined fund balance of \$1.9 million compared to \$.9 million in 2005. Revenues exceeded expenditures and other financing sources (uses) in 2006 by \$1.0 million compared to \$.7 million in 2005.

General Fund Budgetary Highlights

At the first Village Board meeting in May, the Mayor submits to the Village Council a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in fiscal year 2006. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

Table 3
General Fund Budgetary Highlights
(in millions)

| <u>General Fund</u> | <u>Original Budget</u> | <u>Actual</u> |
|---------------------------------------|------------------------|---------------------|
| Revenues and Other Financing Sources | | |
| Taxes | \$2.8 | \$2.9 |
| Licenses, permits and fees | 1.1 | 1.6 |
| Intergovernmental | 2.2 | 1.6 |
| Fines and forfeitures | 0.1 | 0.2 |
| Golf course | 2.0 | 1.9 |
| Other | 0.3 | 0.4 |
| Other financing sources | <u>0.2</u> | <u>0.3</u> |
| Total | 8.7 | 8.9 |
| Expenditures and Other Financing Uses | | |
| General Government | 1.6 | 1.6 |
| Building Department | 0.1 | 0.1 |
| Boat Launch | 0.0 | 0.0 |
| Health Department | 0.0 | 0.0 |
| Fire Department | 0.4 | 0.5 |
| Ambulance and Paramedic Department | 0.9 | 0.9 |
| Police Department | 2.3 | 2.4 |
| Street and Bridge | 1.9 | 0.5 |
| Crossing Guard | 0.0 | 0.0 |
| Golf Course | 1.2 | 1.5 |
| Worth Days | 0.0 | 0.1 |
| Capital Projects | - | .2 |
| Debt Service | <u>0.7</u> | <u>1.0</u> |
| Total | <u>9.1</u> | <u>8.7</u> |
| Change in Fund Balance | <u>\$(0.4)</u> | <u>\$0.5</u> |

As shown above the General Fund had a deficit budget, while actual results were a \$0.5 million surplus. There are several factors that attributed to this Surplus.

CAPITAL ASSETS

At the end of the fiscal Year 2006, the Village had a combined total of capital assets of \$9.8 million (after accumulated depreciation of \$7.3 million) invested in a broad range of capital assets including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 4 below).

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

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

| | <u>Balance 4/30/05</u> | <u>Net Additions/Deletions</u> | <u>Balance 4/30/06</u> |
|--------------------------------|------------------------|--------------------------------|------------------------|
| Land | \$3.8 | \$(0.3) | \$3.5 |
| Building and Improvements | 6.3 | 0.0 | 6.3 |
| Waterworks and Sewerage system | 8.0 | 0.0 | 8.0 |
| Machinery & Equipment | 3.6 | 0.3 | 3.9 |
| Commuter Parking Lot | 0.8 | 0.0 | 0.8 |
| Infrastructure | 3.9 | 0.0 | 3.9 |
| Construction in Progress | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> |
| Total Capital Assets | <u>\$26.4</u> | <u>\$0.0</u> | <u>\$26.4</u> |

DEBT OUTSTANDING

The Village entered into various small debt certificates and a capital lease during 2006 amounting to \$0.7 million and retired debt amounting to \$0.6 million.

Economic Factors

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Worth during 2006 and is expected to continue in 2007. Grant assistance is extremely competitive and previously reliable state shared revenues (especially the income tax and use tax) have been materially reduced. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their finances in order.

The Illinois General Assembly has imposed property tax legislation on municipalities to give property taxpayers some relief by delaying tax increases each year. The legislation limits the levy increase to the lesser of the consumer price index (CPI) or five percent and mandates the use of prior year equalized assessed valuation (EAV) amounts to generate property tax receipts. This "tax cap" continues to limit the Village's tax collection ability.

Contacting The Village's Financial Management

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Barbara Maziarek, Treasurer, Village of Worth, 7112 West 111th Street, Worth, Illinois 60482.

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BASIC FINANCIAL STATEMENTS

GOVERNMENT – WIDE FINANCIAL STATEMENTS (GWFS)

VILLAGE OF WORTH, ILLINOIS

Statement of Net Assets
April 30, 2006

| | Governmental Activities | Business-Type Activities | Total |
|-------------------------------------------------|----------------------------|-----------------------------|----------------------|
| Assets | | | |
| Current | | | |
| Cash and cash equivalents | \$ 1,647,596 | \$ 693,120 | \$ 2,340,716 |
| Receivables: | | | |
| Property taxes | 1,577,655 | - | 1,577,655 |
| Other | 54,115 | 212,647 | 266,762 |
| Due from other governmental agencies | 429,854 | - | 429,854 |
| Prepaid expenses | 177,584 | 32,705 | 210,289 |
| Inventories | 86,223 | - | 86,223 |
| Internal balances | 217,160 | (217,160) | - |
| Total current assets | <u>4,190,187</u> | <u>721,312</u> | <u>4,911,499</u> |
| Noncurrent | | | |
| Capital assets not being depreciated | 3,453,482 | 47,824 | 3,501,306 |
| Capital assets being depreciated, net | 6,377,037 | 3,955,422 | 10,332,459 |
| Total noncurrent assets | <u>9,830,519</u> | <u>4,003,246</u> | <u>13,833,765</u> |
| Total assets | <u>\$ 14,020,706</u> | <u>\$ 4,724,558</u> | <u>\$ 18,745,264</u> |
| Liabilities and Net Assets | | | |
| Current | | | |
| Accounts payable | \$ 139,342 | \$ 77,150 | \$ 216,492 |
| Accrued payroll | 66,945 | 6,820 | 73,765 |
| Accrued vacation | 193,797 | - | 193,797 |
| Due to fiduciary funds | 243,754 | - | 243,754 |
| Deferred revenue | 1,633,077 | - | 1,633,077 |
| Deposits | 48,102 | - | 48,102 |
| Installment contracts | 142,124 | - | 142,124 |
| General obligation bonds | 55,000 | - | 55,000 |
| General obligation debt certificates | 589,179 | 53,393 | 642,572 |
| Alternate revenue bonds | 365,000 | - | 365,000 |
| Revenue bonds | - | 170,000 | 170,000 |
| Capital lease | - | 13,000 | 13,000 |
| Total current liabilities | <u>3,476,320</u> | <u>320,363</u> | <u>3,796,683</u> |
| Noncurrent | | | |
| Installment contracts | 288,671 | - | 288,671 |
| General obligation bonds | 740,000 | - | 740,000 |
| General obligation debt certificates | 423,962 | 640,714 | 1,064,676 |
| Alternate revenue bonds | 6,830,000 | - | 6,830,000 |
| Revenue bonds | - | 185,000 | 185,000 |
| Capital lease | - | 97,500 | 97,500 |
| Compensated absences | 47,827 | - | 47,827 |
| Pension obligations | 627,214 | - | 627,214 |
| Total noncurrent liabilities | <u>8,957,674</u> | <u>923,214</u> | <u>9,880,888</u> |
| Total liabilities | <u>12,433,994</u> | <u>1,243,577</u> | <u>13,677,571</u> |
| Net Assets | | | |
| Invested in capital assets, net of related debt | 1,191,583 | 3,198,639 | 4,390,222 |
| Unrestricted | 395,129 | 282,342 | 677,471 |
| Total liabilities and net assets | <u>\$ 1,586,712</u> | <u>\$ 3,480,981</u> | <u>\$ 5,067,693</u> |
| Total liabilities and net assets | <u>\$ 14,020,706</u> | <u>\$ 4,724,558</u> | <u>\$ 18,745,264</u> |

See Notes to Basic Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Statement of Activities
Year Ended April 30, 2006

| Functions/Programs | Expenses | Program Revenues | | Net (Expense), Revenue and Changes in Net Assets | | |
|------------------------------------|---------------|----------------------|------------------------------------|--------------------------------------------------|--------------------------|-------------|
| | | Charges for Services | Operating Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Governmental activities: | | | | | | |
| General government | \$ 1,742,618 | \$ 1,541,971 | \$ 222,572 | \$ 21,925 | \$ - | \$ 21,925 |
| Building department | 122,425 | 96,144 | - | (26,281) | - | (26,281) |
| Boat launch | 15,714 | - | - | (15,714) | - | (15,714) |
| Health department | 7,254 | 5,530 | - | (1,724) | - | (1,724) |
| Fire department | 562,025 | - | - | (562,025) | - | (562,025) |
| Ambulance and paramedic department | 926,839 | 229,287 | - | (697,552) | - | (697,552) |
| Police department | 2,637,043 | 190,247 | 73,841 | (2,372,955) | - | (2,372,955) |
| Street and bridge | 491,764 | - | - | (491,764) | - | (491,764) |
| Golf course | 1,598,512 | 1,948,309 | - | 349,797 | - | 349,797 |
| Worth days | 65,174 | 88,136 | - | 22,962 | - | 22,962 |
| Motor fuel tax project | 422,131 | - | - | (422,131) | - | (422,131) |
| Interest | 389,194 | - | - | (389,194) | - | (389,194) |
| Total governmental activities | 8,980,694 | 4,099,624 | 296,413 | (4,584,657) | - | (4,584,657) |
| Business-type activities: | | | | | | |
| Waterworks and sewerage | 1,884,355 | 1,697,645 | - | - | (186,710) | (186,710) |
| Commuter parking lot | 81,031 | 40,153 | - | - | (40,878) | (40,878) |
| Total business-type activities | 1,965,386 | 1,737,798 | - | - | (227,588) | (227,588) |
| Total | \$ 10,946,080 | \$ 5,837,422 | \$ 296,413 | (4,584,657) | (227,588) | (4,812,245) |

| | | |
|------------------------------------------------------|--|--------------|
| General revenues | | |
| Taxes: | | |
| Property | | 2,164,191 |
| Other | | 2,462,727 |
| Interest | | 33,773 |
| Miscellaneous | | 357,281 |
| Total general revenues, contributions, and transfers | | 5,017,972 |
| Change in net assets | | 433,315 |
| Net assets: | | |
| May 1, 2005 | | 1,153,397 |
| April 30, 2006 | | \$ 1,586,712 |
| | | \$ 3,660,985 |
| | | \$ 5,067,693 |

See Notes to Basic Financial Statements.

FUND FINANCIAL STATEMENTS (FFS)