

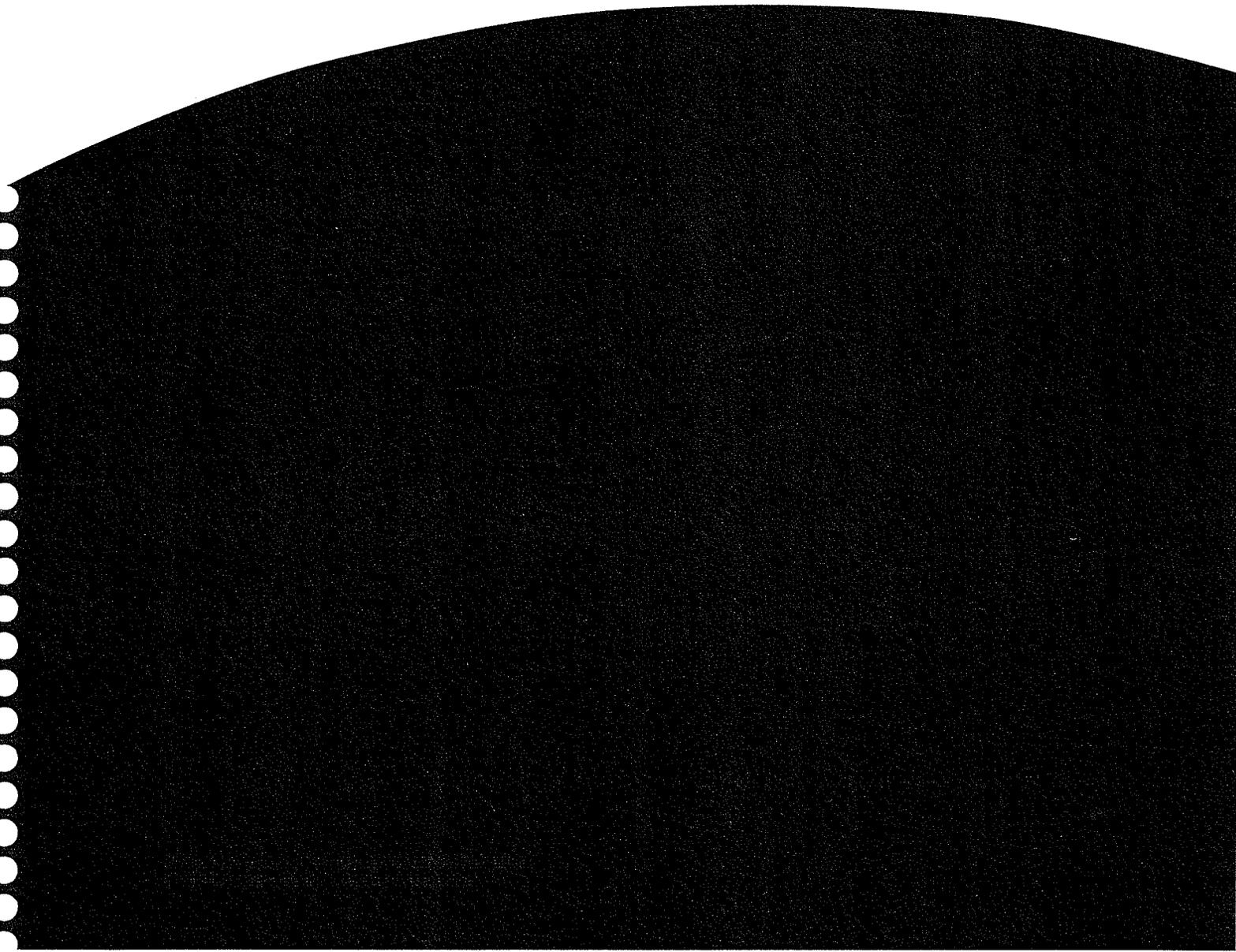
McGladrey & Pullen

Certified Public Accountants

VILLAGE OF WORTH, ILLINOIS

FINANCIAL REPORT

YEAR ENDED APRIL 30, 2007



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, 2007, 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.

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, 2007, 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 2-10), pension related schedules (pages 43-45) and budgetary schedule (page 46-55) 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 64 and 65 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 22, 2008

Contents

Financial Section	
Independent Auditor's Report	1
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Required Supplemental Information	
Management Discussion and Analysis (MD&A)	2 – 10
Basic Financial Statements	
Government-Wide Financial Statements (GWFS)	
Statement of Net Assets	11
Statement of Activities	12
Fund Financial Statements (FFS)	
Balance Sheet – Governmental Funds	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	14
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	15
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	16
Statement of Net Assets – Enterprise Funds	17
Statement of Revenues, Expenditures and Changes in Net Assets – Enterprise Funds	18
Statement of Cash Flows – Enterprise Funds	19
Statement of Fiduciary Net Assets – Pension Trust Funds	20
Statement of Changes in Fiduciary Net Assets – Pension Trust Funds	21
Notes to Basic Financial Statements	22 – 42
Required Supplemental Information	
Schedule of Funding Progress:	
Illinois Municipal Retirement Fund	43
Police Pension Fund	44
Fire Pension Fund	45
Schedule of General Fund Revenues – Budget and Actual	46
Schedule of General Fund Expenditures – Budget and Actual	47 – 54
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Motor Fuel Tax	55
Note to Required Supplementary Information	56
Supplementary Information	
Other Schedules	
Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections	57
Schedule of Debt Service Requirements	58 – 63
Information Required by Revenue Bond Ordinance (Unaudited)	64 – 65

REQUIRED SUPPLEMENTAL INFORMATION

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF WORTH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2007

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 11).

Using the Financial Section of this Comprehensive Annual Report

The management of the Village of Worth offers readers of the Village's Financial Statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2007. This correspondence is intended to serve as an introduction to the Village's basic financial statements, which comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements (see pages 11-12) 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 12) 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 13-16) 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 20-21). 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.

Management's Discussion and Analysis (Continued)

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 17-19) 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 14 and 16). 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 \$6.2 million as of April 30, 2007.

A significant portion of the Village's net assets (72.1%) 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, 2007
(in thousands)

	Governmental Activities	Business- Type Activities	Total Primary Government
Current Assets	5,078.5	280.8	5,359.4
Non Current Assets	10,069.6	3,789.8	13,859.4
Total Assets	<u>15,148.1</u>	<u>4,070.6</u>	<u>19,218.8</u>
Current Liabilities	3,383.4	358.8	3,742.1
Non Current Liabilities	8,635.6	671.8	9,307.4
Total Liabilities	<u>12,018.9</u>	<u>1,030.6</u>	<u>13,049.5</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	1,709.7	3,051.6	4,761.3
Unrestricted	1,419.5	(11.6)	1,408.0
Total Net Assets	<u><u>3,129.2</u></u>	<u><u>3,040.0</u></u>	<u><u>6,169.2</u></u>

Statement of Net Assets
As of April 30, 2006
(in thousands)

	Governmental Activities	Business- Type Activities	Total Primary Government
Current Assets	4,190.2	721.3	4,911.5
Non Current Assets	9,830.5	4,003.2	13,833.8
Total Assets	<u>14,020.7</u>	<u>4,724.6</u>	<u>18,745.3</u>
Current Liabilities	3,476.3	320.4	3,796.7
Non Current Liabilities	8,957.7	923.2	9,880.9
Total Liabilities	<u>12,434.0</u>	<u>1,243.6</u>	<u>13,677.6</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	1,191.6	3,198.6	4,390.2
Unrestricted	395.1	282.3	677.5
Total Net Assets	<u><u>1,586.7</u></u>	<u><u>3,481.0</u></u>	<u><u>5,067.7</u></u>

For more detailed information see the Statement of Net Assets (page 11).

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

The Village's combined net assets (which is the Village's equity) increased to \$6.2 million from \$5.1 million as a result of the increase in net assets primarily in the Governmental Activities. Net assets of the Village's governmental activities were \$3.1 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 \$1.4 million. The net assets of business-type activities decreased to \$3.0 million from \$3.5 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.

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 \$1.1 million and can be attributed to several factors. The Village's expenses decreased by \$1.0 million.

Changes in Net Assets

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

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

Table 2
Change in Net Assets
For the Fiscal Year Ended April 30, 2007
(in thousands)

	Governmental Activities	Business- Type Activities	Total Primary Government
REVENUES			
Program Revenues			
Charges for Services	3,395.2	1,773.6	5,168.8
Operating Grants & Contributions	480.5	-	480.5
General Revenues			
Property Taxes	2,556.5	-	2,556.5
Other Taxes	2,381.2	-	2,381.2
Other	313.6	163.5	477.1
Total Revenues	<u>9,127.0</u>	<u>1,937.1</u>	<u>11,064.1</u>
EXPENSES			
General Government	1,131.6	-	1,131.6
Building Department	104.1	-	104.1
Boat Launch	22.6	-	22.6
Health Department	4.4	-	4.4
Fire Department	161.9	-	161.9
Ambulance and Paramedic Department	919.2	-	919.2
Police Department	2,510.1	-	2,510.1
Street and Bridge	367.9	-	367.9
Crossing Guard	-	-	-
Golf Course	1,706.2	-	1,706.2
Worth Days	73.6	-	73.6
Motor Fuel Tax Project	108.7	-	108.7
Senior Citizens	-	-	-
Interest	474.2	-	474.2
Waterworks and Sewerage	-	2,289.3	2,289.3
Commuter Parking Lot	-	88.8	88.8
Total Expenses	<u>7,584.5</u>	<u>2,378.0</u>	<u>9,962.5</u>
Change in Net Assets	<u>1,542.5</u>	<u>(440.9)</u>	<u>1,101.5</u>
Beginning Net Assets	<u>1,586.7</u>	<u>3,481.0</u>	<u>5,067.7</u>
Ending Net Assets	<u><u>3,129.2</u></u>	<u><u>3,040.0</u></u>	<u><u>6,169.2</u></u>

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

Change in Net Assets
For the Fiscal Year Ended April 30, 2006
(in thousands)

	Governmental Activities	Business- Type Activities	Total Primary Government
REVENUES			
Program Revenues			
Charges for Services	4,099.6	1,737.8	5,837.4
Operating Grants & Contributions	296.4	-	296.4
General Revenues			
Property Taxes	2,164.2	-	2,164.2
Other Taxes	2,462.7	-	2,462.7
Other	391.1	47.6	438.6
Total Revenues	<u>9,414.0</u>	<u>1,785.4</u>	<u>11,199.4</u>
EXPENSES			
General Government	1,742.6	-	1,742.6
Building Department	122.4	-	122.4
Boat Launch	15.7	-	15.7
Health Department	7.3	-	7.3
Fire Department	562.0	-	562.0
Ambulance and Paramedic Department	926.8	-	926.8
Police Department	2,637.0	-	2,637.0
Street and Bridge	491.8	-	491.8
Crossing Guard	-	-	-
Golf Course	1,598.5	-	1,598.5
Worth Days	65.2	-	65.2
Motor Fuel Tax Project	422.1	-	422.1
Senior Citizens	-	-	-
Interest	389.2	-	389.2
Waterworks and Sewerage	-	1,884.4	1,884.4
Commuter Parking Lot	-	81.0	81.0
Total Expenses	<u>8,980.7</u>	<u>1,965.4</u>	<u>10,946.1</u>
Change in Net Assets	<u>433.3</u>	<u>(180.0)</u>	<u>253.3</u>
Beginning Net Assets	<u>1,153.4</u>	<u>3,661.0</u>	<u>4,814.4</u>
Ending Net Assets	<u><u>1,586.7</u></u>	<u><u>3,481.0</u></u>	<u><u>5,067.7</u></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, 2007, revenues from all activities totaled \$11.1 million, \$.1 million under 2006. The Village has a very diversified revenue structure and depends on several key revenue sources to help pay for the services we provide.

Expenses:

The Village's total expenses for all activities for the year ended April 30, 2007 and 2006 were \$10.0 million and \$10.9 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 \$3.6 million of the total expenses in 2007 and \$4.1 million of the total expenses in 2006. 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.

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

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, 2007, the governmental funds (as presented on the balance sheet on page 13) reported a combined fund balance of \$2.8 million compared to \$1.9 million in 2006. Revenues exceeded expenditures and other financing sources (uses) in 2007 by \$1.0 million compared to \$1.0 million in 2006.

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 2007. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Table 3
General Fund Budgetary Highlights
(in thousands)

General Fund	Original Budget	Actual
Revenues and Other Financing Sources		
Taxes	2,911.8	3,357.5
Licenses, Permits and Fees	1,142.7	1,326.7
Intergovernmental	1,573.0	1,580.2
Fines and Forfeitures	197.5	182.4
Golf Course	2,168.6	1,695.6
Other	396.7	593.3
Total	8,390.3	8,735.6
Expenditures and Other Financing Uses		
General Government	1,579.7	1,095.9
Building Department	115.5	104.1
Boat Launch	2.0	22.6
Health Department	-	4.4
Fire Department	292.7	158.5
Ambulance and Paramedic Department	942.4	900.0
Police Department	2,629.2	2,457.8
Street and Bridge	523.6	360.2
Golf Course	1,601.6	1,670.6
Worth Days	-	73.6
Debt Service	443.9	1,079.5
Total	8,130.5	7,927.4
Change in Fund Balance	259.8	808.3

VILLAGE OF WORTH, ILLINOIS

Management's Discussion and Analysis (Continued)

As shown above the General Fund had a surplus budget of \$.3 million, while actual results were a \$0.8 million surplus. There are several factors that attributed to this Surplus.

CAPITAL ASSETS

At the end of the fiscal Year 2007, the Village had a combined total of capital assets of \$13.9 million (after accumulated depreciation of \$13.4 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).

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

	Balance April 30, 2006	Net Additions / Deletions	Balance April 30, 2007
Land	3,501.3	-	3,501.3
Building and Improvements	4,049.1	(195.6)	3,853.5
Waterworks and Sewerage System	3,518.5	(156.2)	3,362.3
Machinery & Equipment	1,816.6	10.3	1,826.9
Commuter Parking Lot	363.8	(24.9)	338.9
Infrastructure	584.6	(28.2)	556.4
Construction in Progress	-	420.2	420.2
Total Capital Assets	13,833.8	25.6	13,859.4

DEBT OUTSTANDING

The Village entered into various small debt certificates and installment contracts during 2007 amounting to \$0.3 million and retired debt amounting to \$0.96 million.

Economic Factors

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Worth during 2007 and is expected to continue in 2008. 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.

BASIC FINANCIAL STATEMENTS

GOVERNMENT – WIDE FINANCIAL STATEMENTS (GWFS)

VILLAGE OF WORTH, ILLINOIS

Statement of Net Assets
April 30, 2007

	Governmental Activities	Business-Type Activities	Total
Assets			
Current			
Cash and cash equivalents	\$ 2,521,593	\$ 362,075	\$ 2,883,668
Receivables:			
Property taxes	1,431,171	-	1,431,171
Other	89,722	246,107	335,829
Due from other governmental agencies	355,396	-	355,396
Prepaid expenses	196,929	72,006	268,935
Inventories	84,376	-	84,376
Internal balances	399,355	(399,355)	-
Total current assets	<u>5,078,542</u>	<u>280,833</u>	<u>5,359,375</u>
Noncurrent			
Capital assets not being depreciated	3,873,713	47,824	3,921,537
Capital assets being depreciated, net	6,195,889	3,741,982	9,937,871
Total noncurrent assets	<u>10,069,602</u>	<u>3,789,806</u>	<u>13,859,408</u>
Total assets	<u>\$ 15,148,144</u>	<u>\$ 4,070,639</u>	<u>\$ 19,218,783</u>
Liabilities and Net Assets			
Current			
Accounts payable	\$ 291,020	\$ 95,341	\$ 386,361
Accrued payroll	72,887	12,052	84,939
Accrued vacation	189,789	-	189,789
Due to fiduciary funds	143,493	-	143,493
Deferred revenue	1,487,188	-	1,487,188
Deposits	47,214	-	47,214
Installment contracts	125,503	-	125,503
General obligation bonds	55,000	-	55,000
General obligation debt certificates	536,257	53,393	589,650
Alternate revenue bonds	435,000	-	435,000
Revenue bonds	-	185,000	185,000
Capital lease	-	13,000	13,000
Total current liabilities	<u>3,383,351</u>	<u>358,786</u>	<u>3,742,137</u>
Noncurrent			
Installment contracts	327,067	-	327,067
General obligation bonds	685,000	-	685,000
General obligation debt certificates	541,098	587,321	1,128,419
Alternate revenue bonds	6,395,000	-	6,395,000
Capital lease	-	84,500	84,500
Compensated absences	60,210	-	60,210
Pension obligations	627,214	-	627,214
Total noncurrent liabilities	<u>8,635,589</u>	<u>671,821</u>	<u>9,307,410</u>
Total liabilities	<u>12,018,940</u>	<u>1,030,607</u>	<u>13,049,547</u>
Net Assets			
Invested in capital assets, net of related debt	1,709,677	3,051,592	4,761,269
Unrestricted	1,419,527	(11,560)	1,407,967
Total liabilities and net assets	<u>\$ 15,148,144</u>	<u>\$ 4,070,639</u>	<u>\$ 19,218,783</u>

See Notes to Basic Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Statement of Activities
Year Ended April 30, 2007

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	\$ 1,131,642	\$ 1,005,897	\$ 45,606	\$ (80,139)	\$ -	\$ (80,139)
Building department	104,139	196,470	-	92,331	-	92,331
Boat launch	22,581	-	-	(22,581)	-	(22,581)
Health department	4,440	8,625	-	4,185	-	4,185
Fire department	161,896	-	-	(161,896)	-	(161,896)
Ambulance and paramedic department	919,167	210,410	-	(708,757)	-	(708,757)
Police department	2,510,105	182,385	-	(2,327,720)	-	(2,327,720)
Street and bridge	367,857	-	-	(367,857)	-	(367,857)
Golf course	1,706,174	1,695,559	74,673	64,058	-	64,058
Worth days	73,577	95,856	-	22,279	-	22,279
Motor fuel tax project	108,737	-	360,204	251,467	-	251,467
Interest	474,186	-	-	(474,186)	-	(474,186)
Total governmental activities	7,584,502	3,395,202	480,483	(3,708,817)	-	(3,708,817)
Business-type activities:						
Waterworks and sewerage	2,289,259	1,716,137	-	-	(573,122)	(573,122)
Commuter parking lot	88,773	57,487	-	-	(31,286)	(31,286)
Total business-type activities	2,378,032	1,773,624	-	-	(604,408)	(604,408)
Total	\$ 9,962,534	\$ 5,168,826	\$ 480,483	(3,708,817)	(604,408)	(4,313,225)
General revenues						
Taxes:						
Property				2,556,498	-	2,556,498
Other				2,381,200	-	2,381,200
Interest				85,888	741	86,629
Miscellaneous				227,723	162,718	390,441
Total general revenues, contributions, and transfers				5,251,309	163,459	5,414,768
Change in net assets				1,542,492	(440,949)	1,101,543
Net assets:						
May 1, 2006				1,586,712	3,480,981	5,067,693
April 30, 2007				\$ 3,129,204	\$ 3,040,032	\$ 6,169,236

See Notes to Basic Financial Statements.

FUND FINANCIAL STATEMENTS (FFS)

VILLAGE OF WORTH, ILLINOIS

Balance Sheet - Governmental Funds
April 30, 2007

	General Fund	Motor Fuel Tax Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 1,807,050	\$ 714,543	\$ 2,521,593
Receivables:			
Property taxes	1,431,171	-	1,431,171
Other	63,473	26,249	89,722
Due from other funds	436,373	-	436,373
Due from other governmental agencies	355,396	-	355,396
Prepays	196,929	-	196,929
Inventories	84,376	-	84,376
Total assets	<u>\$ 4,374,768</u>	<u>\$ 740,792</u>	<u>\$ 5,115,560</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 284,487	\$ 6,533	\$ 291,020
Accrued payroll	72,493	394	72,887
Accrued vacation	189,789	-	189,789
Deferred revenue	1,487,188	-	1,487,188
Deposits	47,214	-	47,214
Due to other funds	143,493	37,018	180,511
Total liabilities	<u>2,224,664</u>	<u>43,945</u>	<u>2,268,609</u>
Fund Balances			
Reserved for:			
Prepays	196,929	-	196,929
Inventory	84,376	-	84,376
Unreserved (deficits):			
General fund	1,868,799	-	1,868,799
Special revenue funds	-	696,847	696,847
	<u>2,150,104</u>	<u>696,847</u>	<u>2,846,951</u>
Total liabilities and fund balances	<u>\$ 4,374,768</u>	<u>\$ 740,792</u>	<u>\$ 5,115,560</u>

See Notes to Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets
April 30, 2007

Total fund balances - governmental funds	\$ 2,846,951
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds	10,069,602
Some liabilities reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as liabilities in governmental funds:	
These activities consist of:	
Installment contracts	(452,570)
General obligation bonds	(740,000)
General obligation debt certificates	(1,077,355)
Alternate revenue bonds	(6,830,000)
Compensated absences	(60,210)
Pension obligations	(627,214)
	<hr/>
Net assets of governmental activities	<u>\$ 3,129,204</u>

See Notes to Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Governmental Funds
 Year Ended April 30, 2007

	General Fund	Motor Fuel Tax Fund	Total Governmental Funds
Revenues:			
Property taxes	\$ 2,556,498	\$ -	\$ 2,556,498
Sales taxes	801,015	-	801,015
Intergovernmental	1,580,185	360,204	1,940,389
Licenses, permits, and fees	1,326,702	-	1,326,702
Fines and forfeits	182,385	-	182,385
Charges for service:			
Golf course	1,695,559	-	1,695,559
Other	310,835	-	310,835
Interest	54,704	31,184	85,888
Other	227,723	-	227,723
Total revenues	8,735,606	391,388	9,126,994
Expenditures:			
Current			
General government	1,095,939	-	1,095,939
Building department	104,139	-	104,139
Boat launch	22,581	-	22,581
Health department	4,440	-	4,440
Fire department	158,523	-	158,523
Ambulance and paramedic department	900,016	-	900,016
Police department	2,457,806	-	2,457,806
Street and bridge	360,193	-	360,193
Golf course	1,670,626	-	1,670,626
Worth days	73,577	-	73,577
Motor fuel tax project	-	489,176	489,176
Capital projects	-	-	-
Debt service:			
Golf course principal	544,470	-	544,470
Other principal	70,544	28,750	99,294
Golf course interest	422,262	-	422,262
Other interest	42,239	9,685	51,924
Total expenditures	7,927,355	527,611	8,454,966
Excess (deficiency) of revenues over (under) expenditures	808,251	(136,223)	672,028
Other financing sources (uses):			
Debt certificate proceeds	100,000	-	100,000
Installment note proceeds	209,753	-	209,753
Net changes in fund balances	1,118,004	(136,223)	981,781
Fund balances:			
May 1, 2006	1,032,100	833,070	1,865,170
April 30, 2007	\$ 2,150,104	\$ 696,847	\$ 2,846,951

See Notes to Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended April 30, 2007

Net change in fund balances—total governmental funds \$ 981,781

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

Governmental funds report capital outlays as expenditures paid while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which depreciation exceeded capital outlay in the current period:

Capital outlay	\$ 819,265	
Depreciation expense	<u>(580,182)</u>	239,083

In governmental funds, long-term debt is considered other financing sources, but in the statement of net assets, debt is reported as a liability.

In the current period, proceeds were received from:

Alternative revenue bonds		
Installment note		(209,753)
General obligation debt certificates		<u>(100,000)</u>

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:

Installment contracts		187,978
General obligation bonds and debt certificates		90,786
Alternate revenue bonds		365,000
Compensated absences		<u>(12,383)</u>

Change in net assets of governmental activities		<u>\$ 1,542,492</u>
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See Notes to Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Statement of Net Assets - Enterprise Funds
April 30, 2007

	Business-Type Activities		
	Waterworks and Sewerage Fund	Commuter Parking Lot Fund	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 19,376	\$ 342,699	\$ 362,075
Accounts receivable:			
Customers	121,431	-	121,431
Unbilled services	122,969	-	122,969
Other	1,707	-	1,707
Prepaid insurance	72,006	-	72,006
Due from other funds	-	-	-
Total current assets	<u>337,489</u>	<u>342,699</u>	<u>680,188</u>
Deferred bond issuance costs	-	-	-
Property and equipment	8,357,161	946,967	9,304,128
Less: Accumulated depreciation	4,918,073	596,249	5,514,322
	<u>3,439,088</u>	<u>350,718</u>	<u>3,789,806</u>
Total assets	<u>3,776,577</u>	<u>693,417</u>	<u>4,469,994</u>
Liabilities			
Current Liabilities			
Accounts payable	94,927	414	95,341
Accrued payroll	11,549	503	12,052
Current maturities of revenue bonds	185,000	-	185,000
Current maturities of debt certificates	53,393	-	53,393
Current maturities of capital lease	13,000	-	13,000
Due to other funds	399,355	-	399,355
Total current liabilities	<u>757,224</u>	<u>917</u>	<u>758,141</u>
Long term Liabilities, net of current maturities			
Maturities of Revenue bonds	-	-	-
Maturities of Debt certificates	587,321	-	587,321
Maturities of Capital lease	84,500	-	84,500
Total liabilities	<u>1,429,045</u>	<u>917</u>	<u>1,429,962</u>
Net assets			
Invested in capital assets, net of related debt	2,700,874	350,718	3,051,592
Unrestricted, (deficit)	(353,342)	341,782	(11,560)
Total net assets	<u>\$ 2,347,532</u>	<u>\$ 692,500</u>	<u>\$ 3,040,032</u>

See Notes to Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Statement of Cash Flows - Enterprise Funds
Year Ended April 30, 2007

	Business-Type Activities		
	Waterworks and Sewerage Fund	Commuter Parking Lot Fund	Total
Cash Flows from Operating Activities			
Cash received for services	\$ 1,806,094	\$ 57,487	\$ 1,863,581
Payments to employees	(506,814)	(27,005)	(533,819)
Payments to suppliers	(1,545,802)	(22,938)	(1,568,740)
Net cash provided by (used in) operating activities	(246,522)	7,544	(238,978)
Cash Flows from Noncapital Financing Activities			
(Increases) decreases in due (to) from other funds	72,922	109,273	182,195
Net cash provided by noncapital financing activities	72,922	109,273	182,195
Cash Flows from Capital and Related Financing Activities			
Bond principal payments	(223,393)	-	(223,393)
Bond interest payments	(38,610)	-	(38,610)
Capital lease payments	(13,000)	-	(13,000)
Net cash (used in) capital and related financing activities	(275,003)	-	(275,003)
Cash Flows from Investing Activities,			
Interest received	-	741	741
Net increase (decrease) in cash and cash equivalents	(448,603)	117,558	(331,045)
Cash and cash equivalents:			
May 1, 2006	467,979	225,141	693,120
April 30, 2007	\$ 19,376	\$ 342,699	\$ 362,075
Reconciliation of operating (loss) to net cash provided by (used in) operating activities			
Operating (loss)	\$ (371,794)	\$ (31,286)	\$ (403,080)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:			
Depreciation and amortization	174,841	38,599	213,440
Changes in assets and liabilities			
Accounts receivable	(33,460)	-	(33,460)
Prepaid insurance	(39,301)		(39,301)
Accounts payable	18,149	42	18,191
Accrued payroll	5,043	189	5,232
Total adjustments	125,272	38,830	164,102
Net cash provided by operating activities	\$ (246,522)	\$ 7,544	\$ (238,978)

See Notes to Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Combining Statement of Fiduciary Net Assets
Pension Trust Funds
April 30, 2007

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 158,156	\$ 725,786	\$ 883,942
Investments	9,604,330	1,420,242	11,024,572
Accrued interest receivable	88,367	10,153	98,520
Due from other funds	115,114	28,379	143,493
Total assets	\$ 9,965,967	\$ 2,184,560	\$ 12,150,527
Liabilities and Net Assets			
Liabilities			
Accounts payable	\$ 7,373	\$ 57	\$ 7,430
Net assets held in trust for employees' benefits	9,958,594	2,184,503	12,143,097
Total liabilities and net assets	\$ 9,965,967	\$ 2,184,560	\$ 12,150,527

See Notes to Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended April 30, 2007

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
Additions			
Contributions			
Employer	\$ 243,819	\$ 215,499	\$ 459,318
Employee	146,733	60,866	207,599
Total contributions	<u>390,552</u>	<u>276,365</u>	<u>666,917</u>
Investment income			
Net appreciation in fair value of investments	586,285	35,746	622,031
Interest	114,356	102,940	217,296
Total investment income	<u>700,641</u>	<u>138,686</u>	<u>839,327</u>
Less investment expense	<u>25,921</u>	<u>649</u>	<u>26,570</u>
Net investment gain	<u>674,720</u>	<u>138,037</u>	<u>812,757</u>
Total additions	<u>1,065,272</u>	<u>414,402</u>	<u>1,479,674</u>
Deductions, benefits			
Administrative expenses	727,403	43,219	770,622
Total deductions	<u>21,732</u>	<u>13,486</u>	<u>35,218</u>
	<u>749,135</u>	<u>56,705</u>	<u>805,840</u>
Changes in net assets	316,137	357,697	673,834
Net assets held in trust for employee's benefits			
May 1, 2006	<u>9,642,457</u>	<u>1,826,806</u>	<u>11,469,263</u>
April 30, 2007	<u>\$ 9,958,594</u>	<u>\$ 2,184,503</u>	<u>\$ 12,143,097</u>

See Notes to Financial Statements.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Village of Worth, Illinois provides various municipal services to its residents. These services include police protection, fire protection, paramedic services, water and sewer systems, public works operations, road and bridge maintenance and general administration.

The accounting policies of the Village of Worth conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

Financial Reporting Entity

Accounting principles generally accepted in the United States of America require the reporting entity to include: (1) the primary government; (2) organizations for which the primary government is financially accountable; and (3) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on these criteria there are no potential component units which should be included with the Village's general purpose financial statements nor is the Village considered to be a potential component unit of any other government.

Government-wide Financial Statements: The government-wide Statement of Net Assets and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double counting of internal activities of the Village. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Assets presents the Village's non-fiduciary assets and liabilities with the difference reported in three categories:

- 1) **Invested in capital assets, net of related debt** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.
- 2) **Restricted net assets** result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.
- 3) **Unrestricted net assets** consist of net assets that do not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first to finance qualifying activities, then unrestricted resources as they are needed.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide Financial Statements (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e., general services, public safety etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Village has the following major governmental funds - General Fund and Motor Fuel Tax Fund. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The Village has the following major enterprise funds - Waterworks and Sewerage Fund, and Commuter Parking Lot Fund.

The Village administers the following major governmental funds:

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

Motor Fuel Tax Fund - This Fund is used to account for revenue sources that are legally restricted for road maintenance projects.

The Village administers the following major proprietary funds:

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

Commuter Parking Lot Fund - Accounts for the provision of the Commuter Parking Lot services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Additionally, the Village administers fiduciary (pension trust) funds for assets held by the Village in a fiduciary capacity on behalf of certain public safety employees.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus and Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state-shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, state-shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 90 days of the end of the current fiscal year (60 days for property taxes).

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

The accrual basis of accounting is utilized by the proprietary and fiduciary funds. Under this method, revenues are recognized when earned and expenses, including pension contributions, benefits paid and refunds paid, are recognized at the time liabilities are incurred. Earned, but unbilled services in the enterprise fund are accrued and reported in the financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, Liabilities, and Net Assets or Equity

Cash and cash equivalents

For purposes of reporting cash flows, all highly liquid investments (including restricted amounts) with original maturities of three months or less when purchased are considered to be cash and cash equivalents.

Investments

Investments are stated at fair value, except for insurance contracts, which are carried at contract value, which approximates fair value.

Interfund Receivables, Payables, and Activity

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide statement of net assets.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Capital assets which include land and improvements, streets, sidewalks, buildings, storm sewers, sanitary sewers, water distribution system, furniture and fixtures, vehicles, and machinery and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation.

Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, Liabilities, and Net Assets or Equity (continued)

Capital Assets (continued)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets and is provided on the straight-line basis over the following estimated useful lives:

	<u>Estimated Useful Lives</u>
Buildings and Improvements	15 - 40 years
Waterworks and Sewerage system	10 - 50 years
Machinery and equipment	5 - 20 years
Infrastructure	40 years

Deferred Revenue

The Village defers revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

Compensated Absences

It is the Village's policy to permit employees to accumulated earned but unused vacation benefits. All vacation is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is recorded in the governmental funds only if they have matured, as a result of employee resignations or retirements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Assets. Items such as premiums, discounts, bond issuance costs and gains or losses on bond sales are capitalized and amortized over the life of the related debt.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, Liabilities, and Net Assets or Equity (continued)

Long-Term Obligations (continued)

In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. For other long-term obligations, only the portion expected to be financed with available financial resources is reported as a fund liability of a government fund.

Restricted Net Assets

For the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

- Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance Reserves or Designations

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designated fund balances, if any, represent tentative plans for future use of financial resources.

Elimination and Reclassification

In the process of aggregating data for the government-wide Statement of Activities, some amounts reported as interfund activity and interfund balances in the funds are eliminated or reclassified.

Use of Estimates

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

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 2. BUDGETS

The Village Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Village Treasurer submits to the Village board a proposed operating budget for the fiscal year. With the help of the budget the Village prepares an Appropriation Ordinance.
2. A public hearing is conducted to obtain taxpayer comments on the appropriation ordinance. Within the first quarter of the fiscal year the Appropriation Ordinance is legally enacted by board action.
3. Appropriation Ordinances for the General Fund, certain Special Revenue Funds, and all Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles.
4. Budgets/Appropriation authority lapses at year-end.
5. State law requires that expenditures may not exceed appropriations. Transfers may be made between line items, departments and funds. The level of legal control is considered the Appropriations Ordinance.
6. Budgeted amounts are originally adopted, or as amended. During fiscal 2007, no supplemental budgetary appropriations were necessary.

NOTE 3. PROPERTY TAXES

The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by its Village Board. Property taxes are recognized as a receivable at the time they are levied. In the governmental funds, since the 2006 tax levy is intended to finance the expenditures for the year ending April 30, 2008, the entire 2006 tax levy has been reflected as deferred revenue as of April 30, 2007, except for employee pension taxes which are recognized as revenue in the year in which they are received. The 2005 property tax levy, together with any prior levy year collections, has been recognized as revenue of the governmental funds for the year ended April 30, 2007. A reduction of collection losses, based on historical collection experience, has been provided to reduce the taxes receivable to the estimated amounts to be collected.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 3. PROPERTY TAXES (continued)

The property tax calendar for the 2006 tax levy is as follows:

Levy Date	December 14, 2006
Lien Date	January 1, 2006
Tax Bills Mailed (At least 30 days prior to collection deadline)	
First Installment Due	March 1, 2007
Second Installment Due	September 1, 2007

Property taxes are billed and collected by the County Treasurer of Cook County, Illinois.

NOTE 4. CASH AND INVESTMENTS

Deposits

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a policy for custodial credit risk. As of April 30, 2007 the carrying amount of the Village's deposits was \$1,762,705, with bank balances totaling \$1,918,768. All of the Village's deposits were insured or collateralized at April 30, 2007.

Investments

As of April 30, 2007, the Village had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Notes	\$ 2,682,953	\$ -	\$ 2,487,684	\$ 3,116	\$ 192,153
U.S. agencies - FHLB	2,098,344	845,015	977,326	276,003	-
U.S. agencies - FHLMC	145,672	-	145,672	-	-
U.S. agencies - FNMA	1,535,906	744,843	791,063	-	-
U.S. agencies - GNMA	14,577	187	1,292	-	13,098
Illinois Funds	1,234,657	1,234,657	-	-	-
Money Market Mutual Funds	4,713,091	4,713,091	-	-	-
	<u>\$ 12,425,200</u>	<u>\$ 7,537,793</u>	<u>\$ 4,403,037</u>	<u>\$ 279,119</u>	<u>\$ 205,251</u>

The Illinois Funds are shown as maturing in less than one year because the weighted average maturity of the pool is less than one year.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 4. CASH AND INVESTMENTS (continued)

The Illinois Funds Investment Pool is not registered with the SEC. The pool is sponsored by the Treasurer of the State of Illinois, in accordance with State law. The fair value of the position in the Pool is the same as the value of the Pool shares.

Interest Rate Risk - The Village's investment policy does not specifically identify limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - State statutes authorize the Village to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may invest investments as allowed by Illinois Compiled Statutes. As of April 30, 2007, the Village's investments in U.S. Government agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Village's investments in the Illinois Funds were rated AAA by Standard & Poor's. The Money Market Mutual Funds were not rated. The Village's investment policy does not address credit risk.

Concentration of Credit Risk. The Village's investment policy requires diversified investments to eliminate the risk of loss resulting in over concentration in a specific issuer or class of securities. The diversification can be by type of investment, number of institutions invested in, and length of maturity. As of April 30, 2007, the Village is in compliance with their investment policy.

Custodial Credit Risk - For an investment, this is the risk, that in the event of failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The U.S. Treasury Notes, U.S. agency securities, and insurance contracts are held by the Village's agent in the Village's name. The Illinois Funds Investment Pool, Money Market Mutual Funds, and Equity Mutual Funds are not subject to custodial credit risk. The Village's investment policy does not address custodial credit risk for investments.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 5. CAPITAL ASSETS (continued)

A summary of changes in the capital assets for business-type activities of the Village for the year ended April 30, 2007, is as follows:

	Balance at April 30, 2006	Additions	Deletions	Balance at April 30, 2007
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 47,824	\$ -	\$ -	\$ 47,824
Capital assets being depreciated:				
Waterworks and sewerage system	8,060,532	-	-	8,060,532
Machinery and equipment	433,056	-	-	433,056
Commuter parking lot	762,716	-	-	762,716
Total capital assets being depreciated	9,256,304	-	-	9,256,304
Less accumulated depreciation for:				
Waterworks and sewerage system	(4,542,058)	(156,171)	-	(4,698,229)
Machinery and equipment	(359,876)	(32,357)	-	(392,233)
Commuter parking lot	(398,948)	(24,912)	-	(423,860)
Total accumulated depreciation	(5,300,882)	(213,440)	-	(5,514,322)
Total capital assets being depreciated, net	3,955,422	(213,440)	-	3,741,982
Business-type activities				
Capital assets, net	\$ 4,003,246	\$ (213,440)	\$ -	\$ 3,789,806

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 5. CAPITAL ASSETS (continued)

Depreciation was charged to functions/programs as follows:

Governmental activities:			
General government		\$	89,150
Fire department			12,895
Ambulance and paramedic department			73,213
Police department			199,933
Street and bridge			29,300
Golf course			135,899
Motor fuel tax project			39,792
		<u>\$</u>	<u>580,182</u>
Business-type activities:			
Waterworks and sewerage		\$	174,841
Commuter parking lot			38,599
		<u>\$</u>	<u>213,440</u>

NOTE 6. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2007:

	Outstanding Debt as of May 1, 2006	Additions	Reductions	Outstanding Debt as of April 30, 2007	Due within one year
Installment contracts	\$ 430,795	\$ 209,753	\$ 187,978	\$ 452,570	\$ 125,503
General obligation bonds	795,000	-	55,000	740,000	55,000
Alternate revenue bonds	7,195,000	-	365,000	6,830,000	435,000
General obligation debt certificates	1,013,141	100,000	35,786	1,077,355	536,257
Compensated absences	47,827	12,383	-	60,210	-
Pension obligations	627,214	-	-	627,214	-
	<u>\$ 10,108,977</u>	<u>\$ 322,136</u>	<u>\$ 643,764</u>	<u>\$ 9,787,349</u>	<u>\$ 1,151,760</u>

The following is a summary of long-term obligation activity for the Village associated with business-type activities for the year ended April 30, 2007:

	Outstanding Debt as of May 1, 2006	Additions	Reductions	Outstanding Debt as of April 30, 2007	Due within one year
Revenue bonds	\$ 355,000	\$ -	\$ 170,000	\$ 185,000	\$ 185,000
General obligation debt certificates	694,107	-	53,393	640,714	53,393
Capital lease	110,500	-	13,000	97,500	13,000
	<u>\$ 1,159,607</u>	<u>\$ -</u>	<u>\$ 236,393</u>	<u>\$ 923,214</u>	<u>\$ 251,393</u>

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 6. LONG-TERM OBLIGATIONS (continued)

Outstanding debt as of April 30, 2007, consists of the following:

General Obligation Bonds:

General Obligation Working Cash Bonds, Series 1994 dated January 16, 1995 with bonds due in annual principal maturities of \$55,000 in 2007 and 2008, \$60,000 in 2009 and \$65,000 in 2010. Interest at rates between 4.30% and 7.00% due on June 1 and December 1. This bond is serviced by the Village's General Fund. \$ 180,000

General Obligation Limited Tax Bonds, Series 1999B dated May 1, 1999 with bonds due in annual principal maturities of \$80,000 in 2011, \$85,000 in 2012, \$95,000 in 2013, and \$100,000 in 2014, 2015 and 2016 and interest at a rate of 9% due on January 1 and June 1. This bond is serviced by the Golf Course Fund. 560,000

\$ 740,000

General Obligation Debt Certificates:

2004 General Obligation Debt Certificates dated January 26, 2004 with bonds due in principal maturities of \$82,143 in 2007 through 2018, and \$82,141 in 2019. Interest between 1.85% and 4.90% is due on January 26 and July 26. \$400,000 general government and \$750,000 enterprise fund. \$400,000 of this debt certificate is to be serviced from the General Fund and \$750,000 is to be serviced from the Water and Sewer Fund. \$ 985,714

2006 General Obligation Debt Certificates dated March 8, 2007 with principal due March 8, 2008 and interest due quarterly. This debt certificate is to be serviced from the General Fund. 500,000

2005 General Obligation Debt Certificates issued during 2005 with principal maturities in 2010. This debt certificate is to be serviced from the Golf Course Fund. 200,000

2006 General Obligation Debt Certificates issued during 2006 with principal maturities of \$7,036 in 2007, \$7,507 in 2008, \$8,010 in 2009, \$8,546 in 2010, and \$8,292 in 2011. This debt certificate is to be serviced from the Street and Bridge Fund. 32,355

\$ 1,718,069

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 6. LONG-TERM OBLIGATIONS (continued)

Installment Notes:

Installment note dated March 1, 2004 for the purchase of the GPS system for golf carts is due in monthly payments (May through October) of \$10,100 including principal and interest at a rate of approximately 5% each year through 2008. This note is serviced by the Golf Course Fund.	\$ 58,254
Installment note dated June 1, 2003 for the purchase of a groundskeeping mower is due in monthly payments (June through November) of \$1,068 including principal and interest at a rate of approximately 5% each year through 2008. This note is serviced by the Golf Course Fund.	6,159
Installment note dated December 2, 2005 for the purchase of an ambulance is due in monthly payments of \$1,678 including principal and interest at a rate of approximately 4.65% each year through 2011. This note is serviced by the General Fund.	68,100
Installment note dated May 9, 2005 for the purchase of a fire truck is due in annual payments of \$6,128 each year through 2025. This note is serviced by the General Fund.	110,304
Installment note dated November 2006 for the purchase of golf carts is due in monthly payments from May through October of \$7,291 each year through 2012. This note is serviced by the Golf Course Fund.	190,798
Installment note dated November 2006 for the purchase of golf course equipment is due in monthly payments from June through November of \$207 each year through 2012. This note is serviced by the Golf Course Fund.	5,229
Installment note dated November 2006 for the purchase of golf course equipment is due in monthly payments from May through October of \$207 each year through 2012. This note is serviced by the Golf Course Fund.	5,229
Installment note dated November 2006 for the purchase of golf course equipment is due in monthly payments from May through October of \$336 each year through 2012. This note is serviced by the Golf Course Fund.	8,497
	<hr/> <u>\$ 452,570</u> <hr/>

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 6. LONG-TERM OBLIGATIONS (continued)

Alternate Revenue Bonds:

General Obligation Bond (Golf Course Alternate Revenue Source), Series 1996 dated October 1, 1996 with bonds due in annual principal maturities of \$325,000 in 2007 and \$390,000 in 2008. Interest is at rates between 5.4% and 9.0%. The Village has pledged revenues from the Golf Course Fund operations to fund the repayment of the alternate revenue bonds. This bond is serviced by the Golf Course Fund. \$ 390,000

General Obligation Refunding Bonds (Alternate Revenue Source) Series 1999A dated May 1, 1999 with bonds due in annual principal maturities of \$40,000 in 2007, \$45,000 in 2008, \$505,000 in 2009, \$560,000 in 2010, \$620,000 in 2011, \$685,000 in 2012, \$755,000 in 2013, \$820,000 in 2014, \$905,000 in 2015, and \$980,000 in 2016. Interest at rates between 3.6% and 4.8% due on January 1 and June 1. This bond is serviced by the Golf Course Fund. 5,875,000

Golf Course and Recreational Facility Alternate Revenue Refunding Bonds, Series 2004 dated December 27, 2004 with Bonds due in principal maturity of \$240,000 in 2010, with a 3.9% interest rate. The Village has pledged revenues from the Golf Course Fund operations to fund the repayment of the alternate revenue bonds. This bond is serviced by the Golf Course Fund. 240,000

Golf Course and Recreational Facility Alternate Revenue Refunding Bonds, Series 2005 with Bonds due in principal maturity of \$325,000 in 2011, with a 3.9% interest rate. The Village has pledged revenues from the Golf Course Fund operations to fund the repayment of the alternate revenue bonds. This bond is serviced by the Golf Course Fund. 325,000

\$ 6,830,000

Revenue Bonds:

1994 Water and Sewer Refunding Bonds dated November 1, 1994 with bonds due in principal maturities of \$50,000 in 2007 and \$185,000 in 2008. Interest at 6.35% is due on May 1 and September 1. The Village has pledged revenues from the Waterworks and Sewerage Fund operations for the repayment of these revenue bonds. This bond is serviced by the Water and Sewer Fund. \$ 185,000

Capital Lease:

Capital lease dated May 1, 2004 for the purchase of truck mounted high pressure cleaner is due in annual installments of \$6,500. Interest is at an average rate of 2%. This lease is serviced by the Water and Sewer Fund. \$ 97,500

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 6. LONG-TERM OBLIGATIONS (continued)

The future annual debt service requirements on the outstanding debt, other than compensated absences of \$60,210 and net pension obligation of \$627,214 and including interest of \$2,427,652, are as follows:

	General Obligation Bonds	General Obligation Debt Certificates	Installment Notes	Capital Lease	Alternate Revenue Bonds	Revenue Bonds	Total
2007 - 2011	\$ 615,562	\$ 1,284,316	\$ 421,324	\$ 76,007	\$ 4,055,398	\$ 841,154	\$ 7,293,761
2012 - 2016	484,550	498,546	30,640	34,524	3,885,399	-	4,933,659
2017 and beyond	-	174,347	49,024	-	-	-	223,371
	<u>\$ 1,100,112</u>	<u>\$ 1,957,209</u>	<u>\$ 500,988</u>	<u>\$ 110,531</u>	<u>\$ 7,940,797</u>	<u>\$ 841,154</u>	<u>\$ 12,450,791</u>

NOTE 7. PRIOR-YEAR DEFEASANCE OF DEBT

The Village has defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's financial statements. As of April 30, 2007, \$165,000 of bonds outstanding are considered defeased.

NOTE 8. EMPLOYEE RETIREMENT PLANS

Substantially all Village employees are covered under one of the following employee retirement plans:

Illinois Municipal Retirement Fund

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

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

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2007 was 7.88 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2006 was 26 years.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 8. EMPLOYEE RETIREMENT PLANS (continued)

For April 30, 2007, the Village's annual pension cost of \$86,146 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2004 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from .4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002-2004 experience study.

Trend Information

Fiscal Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
4/30/07	\$ 86,146	100	%
4/30/06	73,500	100	
4/30/05	56,423	100	

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 contribution levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois Legislature. The plan provides retirement benefits as well as death and disability benefits. The Police Pension Plan is a fund of the Village and does not issue separate financial statements.

Costs of administering the plan are financed through employee and employer contributions. Covered employees are required to contribute 9.91 percent of their base salary to the Police Pension Plan. The member rate is determined by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year 2006 was 17.43 percent of covered payroll. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 8. EMPLOYEE RETIREMENT PLANS (continued)

The Village's annual pension cost and net pension asset to the Plan for the year ended April 30, 2006, were as follows:

Annual required contribution	
Interest on net pension obligation	\$ 223,436
Adjustment to annual requirement contribution	-
Annual pension cost	<u>223,436</u>
Contributions made	<u>225,192</u>
Increase in net pension obligation	(1,756)
Net pension obligation, beginning of year	<u>-</u>
Net pension obligation, end of year	<u>\$ (1,756)</u>

The annual required contribution for the year ended April 30, 2007, was determined as part of the April 30, 2006, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included (a) 7.5% investment rate of return, (b) projected salary increases of 5.5%, (c) 3% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of Police Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Police Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2005, was 29 years.

Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Required Contribution (ARC)</u>	<u>Annual Contributions Made</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
4/30/05	\$ 223,436	\$ 225,192	100	\$ (1,756)
4/30/04	159,427	159,427	100	-
4/30/03	*	*	*	*

* Information not available

Membership in the plan consisted of the following as of April 30, 2006:

Retirees and beneficiaries receiving benefits	16
Terminated plan members entitled to but not yet receiving benefits	2
Active vested plan members	13
Active nonvested plan members	<u>12</u>
Total members	<u><u>43</u></u>

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 8. EMPLOYEE RETIREMENT PLANS (continued)

Firefighters' Pension Plan

Fire-sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The plan does not issue a separate stand-alone report.

Covered employees are required to contribute 9.455 percent of their salary to the Firefighters' Pension Plan. The Village is required to contribute at an actuarially determined rate. The employer rate for fiscal year ended April 30, 2006, was 25.327 percent of covered payroll. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

The Village's annual pension cost and net pension obligation to the Plan for the year ended April 30, 2006, were as follows:

Annual required contribution	\$ 170,872
Interest on net pension obligation	43,446
Adjustment to annual requirement contribution	<u>(26,150)</u>
Annual pension cost	188,168
Contributions made	<u>138,473</u>
Increase in net pension obligation	49,695
Net pension obligation, beginning of year	<u>579,275</u>
Net pension obligation, end of year	<u><u>\$ 628,970</u></u>

The required contribution for the year ended April 30, 2006, was determined as part of the April 30, 2005, actuarial valuation report using the entry age normal cost method. The actuarial assumptions included: (a) 7.5% investment rate of return; (b) projected salary increases of 5.5%; and (c) 3.0% per year cost of living adjustments. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of Firefighters' Pension assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The Firefighters' Pension Plan's unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at April 30, 2005, was 29 years.

<u>Fiscal Year Ending</u>	<u>Annual Required Contribution (ARC)</u>	<u>Annual Contributions Made</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
4/30/05	\$ 188,168	\$ 138,473	74	\$ 628,970
4/30/04	214,172	92,243	43	579,275
4/30/03	*	*	*	*

* Information not available

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 8. EMPLOYEE RETIREMENT PLANS (continued)

Membership in the plan consisted of the following as of April 30, 2006:

Retirees and beneficiaries receiving benefits	1
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	5
Active nonvested plan members	8
	<hr/>
Total members	14

NOTE 9. OTHER FINANCIAL DISCLOSURES (FFS LEVEL ONLY)

Individual interfund receivable and payable balances as of April 30, 2007, are as follows:

Fund	Due from	Due to
Major Governmental:		
General:		
Motor Fuel Tax	\$ 37,018	\$ -
Waterworks and Sewerage	399,355	-
Agency	-	143,493
	<hr/>	<hr/>
	436,373	143,493
Motor Fuel Tax:		
General	-	37,018
	<hr/>	<hr/>
Major Business-type,		
Waterworks and Sewerage,		
General	-	399,355
	<hr/>	<hr/>
	-	399,355
Agency,		
Fire Pension,		
General	28,379	-
Police Pension,		
General	115,114	-
	<hr/>	<hr/>
	143,493	-
	<hr/>	<hr/>
Total	\$ 579,866	\$ 579,866

Interfund debt reflects operating loans which are expected to be repaid in the following fiscal year.

VILLAGE OF WORTH, ILLINOIS

Notes to Basic Financial Statements

NOTE 10. NURSING HOME REVENUE BONDS

The Village issued nursing home revenue bonds to provide financial assistance in a previous year to a private sector entity for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loan. Upon payment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the Village nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of April 30, 2007, there was \$24,450,000 of bonds outstanding.

NOTE 11. PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED

GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, will be effective for the Village beginning with its year ending April 30, 2008. This statement establishes uniform financial reporting standards for other postemployment benefit plans (OPEB plans) and supersedes existing guidance.

GASB Statement No. 45, *Accounting and Financial Reporting by Employees for Postemployment Benefits Other Than Pensions*, will be effective for the Village beginning with its year ended April 30, 2009. This statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. Management has not yet determined the impact this Statement will have on the financial position and results of operations of the Village.

GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, will be effective for the Village beginning with its year ending April 30, 2008. This statement establishes criteria that governments will use to ascertain whether the proceeds received from specific receivables or future revenues should be reported as revenue or as a liability.

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, will be effective for the Village beginning with its year ending April 30, 2009. This statement establishes uniform accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups.

GASB Statement No. 50, *Pension Disclosure-an Amendment of GASB Statement No. 25 and 27*, will be effective for the Village beginning with its year ending April 30, 2009. This statement aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits.

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, will be effective for the Village beginning with its year ending April 30, 2011. The objective of this statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments.

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF WORTH, ILLINOIS

Illinois Municipal Retirement Fund
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	(Overfunded) AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	(Overfunded) AAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2006	\$ 2,867,132	\$ 2,791,910	\$ (75,222)	102.69 %	\$ 1,058,388	(7.11) %
12/31/2005	2,787,180	2,666,262	(120,918)	104.54	1,034,884	(11.68)
12/31/2004	2,497,284	2,346,867	(150,417)	106.41	974,543	(15.43)
12/31/2003	2,399,900	2,081,884	(318,016)	115.28	883,491	(36.00)
12/31/2002	2,236,556	1,905,633	(330,923)	117.37	914,274	(36.20)
12/31/2001	2,109,121	1,685,815	(423,306)	125.11	837,235	(50.56)
12/31/2000	1,927,025	1,565,580	(361,445)	123.09	840,412	(43.01)

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2003-2005 experience study. The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For regular members, fewer normal and more early retirements are expected to occur.

VILLAGE OF WORTH, ILLINOIS

Police Pension Fund
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL is a Percentage of Covered Payroll ((b-a)/c)
04/30/2005	\$ 9,581,011	\$ 11,484,288	\$ 1,903,277	83.43	\$ 1,292,145	147.30
04/30/2004	10,917,260	12,496,567	1,579,307	87.36	1,048,628	150.61
04/30/2003	N/A	N/A	N/A	N/A	N/A	N/A

VILLAGE OF WORTH, ILLINOIS

Fire Pension Fund
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/2005	\$ 1,619,862	\$ 2,273,739	\$ 653,877	71.24	\$ 546,743	119.59
04/30/2004	1,472,092	2,264,537	792,445	65.01	678,122	116.86
04/30/2003	N/A	N/A	N/A	N/A	N/A	N/A

VILLAGE OF WORTH, ILLINOIS

Schedule of General Fund Revenues - Budget and Actual
Year Ended April 30, 2007

	Original and Final Budget	Actual
Property taxes	\$ 2,158,789	\$ 2,556,498
Sales taxes	753,000	801,015
Intergovernmental	1,573,000	1,580,185
Licenses, permits and fees	1,142,700	1,326,702
Fines and forfeits	197,500	182,385
Charges for service:		
Golf course	2,168,606	1,695,559
Other	242,500	310,835
Interest	11,800	54,704
Other	142,400	227,723
Total Revenues	\$ 8,390,295	\$ 8,735,606

VILLAGE OF WORTH, ILLINOIS

Schedule of General Fund Expenditures - Budget and Actual
Year Ended April 30, 2007

	Original and Final Budget	Actual
General Government:		
Village president salary	\$ 29,000	\$ 28,599
Liquor commissioner salary	4,500	4,566
Clerk/collector salary	23,000	24,151
Trustees salaries	34,200	34,740
Unemployment taxes	11,000	7,514
Insurance premiums	606,500	257,108
Dental insurance premium	1,900	993
Professional fees	22,000	4,685
Legal fees	160,000	97,570
Lawsuit settlement	-	-
Other legal	-	-
Programming costs	14,000	4,240
Publication of legal notices	1,500	961
Travel expenses for village officials	2,600	1,538
Officials expenses	2,000	354
Employee expenses	1,000	722
Hotel occupancy	7,800	7,760
Bank fees	175	208
Employment expenses	370	370
Training education	2,100	1,012
Professional memberships	5,800	5,779
Officials expense	200	50
Payroll software fee	4,500	825
Hearing officer	-	(180)
Postage	18,000	16,907
Telephone service	12,000	8,531
Utilities	3,400	2,323
Material Purchases	-	9
W/C benefit payments	1,700	
Self insurance payments	1,200	
Office supplies - other departments	-	
Maintenance expense vehicle	1,200	50
Building maintenance	4,000	8,649
Custodial services	-	1,092
Machine purchase other	-	220
Repair and maintenance	650	938
Public relations expense	900	348
General maintenance	800	99
Computer software	2,000	180
Paper yard bags	3,000	1,249
Salt Purchase	-	65
Purchase of office equipment	1,900	(1,456)
Purchase of furniture	1,200	
Computer purchase	6,500	3,512
Equipment lease	3,200	854
Purchase of other capital items	-	
Maintenance contracts	6,000	8,694
PATSE transportation services	-	944
Medical exams	450	
Senior citizen commission	1,300	16
Recreation services	-	
Foreign fire insurance premiums	-	

(continued)

VILLAGE OF WORTH, ILLINOIS

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2007

	Original and Final Budget	Actual
General Government: (continued)		
Credit card charges	\$ -	\$ 1,373
Filing fees	-	52
Computer repair and maintenance	2,500	1,928
Employee expenses	-	-
Office expense	7,350	6,377
Printing expense	8,100	10,464
Departmental supplies	1,800	1,413
Building maintenance expenses	-	-
Custodial expense	1,200	1,106
Building expense	-	-
EDC/Beautification	-	16,699
Administrative expenses	5,475	511
Village events expense	2,700	2,796
DNR fishing/hunting	700	1,466
Miscellaneous expense	800	37,960
Write off expense	-	1,018
Social security / Medicare	125,500	81,929
Illinois municipal retirement fund contributions	70,000	74,824
Auditing fees	35,000	20,329
Liability insurance	315,000	298,905
Contingencies/ miscellaneous	-	-
Total General Government	1,579,670	1,095,939
Building Department		
Building commissioner salary	\$ 25,000	\$ 25,799
Building inspector salary	28,000	30,901
Plumbing inspector salary	4,000	2,531
Electrical inspector salary	5,000	4,787
HVAC inspector salary	1,000	2,018
Clerical staff salary	27,800	24,285
Ordinance officer salary	8,000	5,253
Professional fees	1,400	1,595
Hearing officer	2,000	788
Engineering fees	6,000	1,647
Officials costs	250	100
Printing expenses	100	483
Departmental supplies	700	333
Telephone service	600	311
Building maintenance	-	-
Training and education	650	430
Legal notices	2,000	1,194
Miscellaneous	3,000	1,684
Total Building Department	115,500	104,139

VILLAGE OF WORTH, ILLINOIS

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2007

	Original and Final Budget	Actual
Boat Launch Department:		
Attendant	\$ 1,800	\$ 1,510
Telephone	-	236
Utilities	-	3,487
Maintenance	-	1,457
Equipment rental	-	1,031
Misc	200	1,831
Walking trail	-	13,029
Total Boat Launch Department	2,000	22,581
Health Department:		
Health inspector fees	\$ -	\$ 4,440
Department expenses	-	-
Total Health Department	-	4,440
Fire Department		
Fire chief salary	\$ 15,000	\$ 18,292
Contingency	80,000	1,346
Central dispatch	21,000	25,066
Uniforms and personal equipment	9,000	15,762
Training costs	3,000	3,062
Travel	300	202
Officials costs	200	-
Employment costs	6,000	6,773
Membership and subscriptions	2,300	620
Departmental supplies	750	348
Office expenses	1,100	1,961
Postage	-	-
Telephone	4,800	3,095
Utilities	8,500	6,731
Custodial supplies	3,100	1,075
Fire prevention materials	1,000	-
Radio purchase and maintenance	3,000	407
Other equipment purchase	-	1,257
Maintenance - Equipment	12,250	5,816
Principal on note	-	-
Vehicle maintenance	-	3,011
Fuel	20,000	19,433
Building maintenance	-	1,159
Furniture purchase	-	485
Hazardous material	8,500	13,917
Grant Expenses	-	26,868
Custodial expenses	925	1,837
Employer pension contribution	92,000	-
Total Fire Department	292,725	158,523

VILLAGE OF WORTH, ILLINOIS

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2007

	Original and Final Budget	Actual
Paramedic Department	\$ 15,000	\$ 18,154
Chief salary	115,000	101,168
Overtime salary	34,611	36,801
Holiday	3,000	2,190
EMS coordinator	662,800	617,862
Paramedics	13,000	10,517
Professional fees	20,900	25,066
Central dispatch	1,200	3,511
Payroll Software	1,500	2,086
Uniforms and personal equipment	2,000	1,062
Training costs	500	-
Officials costs	100	237
Memberships and subscriptions	-	165
Maintenance contract	500	411
Office supplies	1,100	119
Departmental supplies	3,000	4,665
Telephone	500	371
Custodial supplies	5,200	3,551
Medical supplies	250	-
Furniture purchase	-	16,457
Other equipment purchase	2,000	2,401
Dental	4,326	3,969
Para engineer/driver	4,326	4,607
Para acting lt	2,710	11,879
Para OT Straight	7,000	8,517
Maintenance expense	-	569
Maintenance costs vehicles	20,000	19,433
Fuel	-	885
Office equipment	1,200	1,692
Building maintenance	20,650	1,671
Miscellaneous	942,373	900,016
Total Paramedic Department	942,373	900,016

VILLAGE OF WORTH, ILLINOIS

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2007

	Original and Final Budget	Actual
Police Department:		
Clerical salary	\$ 134,930	\$ 121,507
Chief salary	83,434	75,029
Administrative assistant salary	28,300	27,387
Sergeants salary	336,700	379,332
Officers salary	1,182,000	931,568
Court time salary	15,600	8,391
Overtime salary	125,408	93,303
Holiday	53,560	66,193
Emergency police	15,000	9,039
Temporary Director of public safety	-	10,517
Hearing officer	2,500	788
Payroll services	1,200	891
Animal warden	4,000	-
Crossing guards	44,000	44,954
Payment to southwest central dispatch	500	-
Management fees	1,000	(335)
Clothing allowance	14,500	13,379
Computer repair and maintenance	1,300	165
Other legal fees	2,500	-
Professional fees	8,500	6,417
Central dispatch	217,214	245,120
Uniforms and personal equipment	10,000	5,970
Training costs	7,500	3,782
Travel	300	465

(continued)

VILLAGE OF WORTH, ILLINOIS

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2007

	Original and Final Budget	Actual
Street and Bridge:		
Clerical salary	\$ 12,000	\$ 1,212
Chipper labor	20,250	24,891
Street and alley labor	150,000	93,286
Drainage	13,500	8,359
Weed cutting	5,000	2,155
Signs	3,000	9,464
Refuse pickup	9,000	8,302
Leaf vacuum labor	10,000	9,301
Tree trim	3,000	1,879
Equipment maintenance	13,000	26,423
Engineering fees	36,000	11,048
Uniforms and personal equipment	5,700	3,343
Employment costs	1,000	1,000
Membership and subscriptions	250	120
Office supplies	250	25
Departmental supplies	7,000	4,254
Telephone	4,700	5,819
Utilities	27,000	13,083
Custodial supplies	400	262
Material purchases	15,000	31,286
Street signs	1,500	3,303
Tree planting and removal	9,000	14,363
Materials for streets and alleys	2,500	(236)
Maintenance contracts	1,000	2,851
Repair maintenance equipment	10,000	7,033
Equipment rental	7,500	4,432
Maintenance - Vehicles	9,000	15,925
Fuel	20,000	18,507
Insurance premiums	-	1,050
Building maintenance	2,500	859
Machine and equipment purchase	8,600	15,703
Walking trail	2,000	1,006
Hot patch	3,000	2,205
Vehicle rental	9,000	6,880
Miscellaneous costs	101,900	10,800
Total Street and Bridge	523,550	360,193

VILLAGE OF WORTH, ILLINOIS

Schedule of General Fund Expenditures - Budget and Actual (continued)
 Year Ended April 30, 2007

	Original and Final Budget	Actual
Golf Course Operations:		
Payroll expense	\$ 767,431	\$ 654,613
General administration	233,745	238,770
Course and grounds	214,780	214,811
Cart	116,066	116,128
Pro shop	72,982	56,122
Food and beverage	182,120	144,337
Range	14,430	12,666
Improvements	-	233,179
Total Golf Course Operations	<u>1,601,554</u>	<u>1,670,626</u>
Worth Days:		
Worth Days Expense	\$ -	\$ 73,577
Debt Service:		
Golf course principal	\$ 88,912	\$ 544,470
Other principal	105,722	70,544
Golf course interest	193,321	422,262
Other interest	55,953	42,239
	<u>443,908</u>	<u>1,079,515</u>
Total Expenditures	<u>\$ 8,130,526</u>	<u>\$ 7,927,355</u>

VILLAGE OF WORTH, ILLINOIS

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual

Motor Fuel Tax
Year Ended April 30, 2007

	Original and Final Budget	Actual
Revenues:		
Intergovernmental	\$ 320,000	\$ 360,204
Interest	-	31,184
Total Revenues	<u>320,000</u>	<u>391,388</u>
Expenditures, current, motor fuel tax project	258,700	489,176
Debt service:		
Principal	-	28,750
Interest	-	9,685
Total Expenses	<u>258,700</u>	<u>527,611</u>
Excess revenues or (expenditures)	<u>\$ 61,300</u>	(136,223)
Fund balance:		
May 1, 2006		<u>833,070</u>
April 20, 2007		<u>\$ 696,847</u>

VILLAGE OF WORTH, ILLINOIS

Note to Required Supplementary Information

Note 1. **Budgetary Basis of Accounting**

The General Fund and the Motor Fuel Tax Fund budgets are adopted on a basis consistent with generally accepted accounting principles. For the year ended April 30, 2007 the Motor Fuel Tax Fund's actual expenditures exceeded budget by \$268,911.

SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF WORTH, ILLINOIS

Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections

	Tax Year						
	2006*	2005	2004	2003	2002	2001	2000
Assessed Valuations	\$ 176,436,473	\$ 176,436,473	\$ 154,099,262	\$ 151,601,636	\$ 152,886,719	\$ 127,285,512	\$ 122,137,629
Tax Rates:							
General	0.9184	0.8694	0.9900	1.0041	1.0358	1.2160	1.2093
Garbage	0.0000	0.0000	0.0000	0.0000	0.0070	0.0081	0.0081
IMRF	0.1108	0.1133	0.1007	0.1000	0.1011	0.1180	0.1176
Police Pension	0.1579	0.1265	0.1434	0.1551	0.0662	0.0773	0.0770
Fire Pension	0.0758	0.1139	0.1087	0.0776	0.0488	0.0570	0.0567
Debt Service	0.2792	0.2740	0.0472	0.0465	0.0480	0.0556	0.0600
Total	1.5421	1.4971	1.3900	1.3833	1.3069	1.5320	1.5287
Extended Tax Rate	1.542	1.497	1.391	1.384	1.307	1.532	1.529
Tax Extensions:							
General	\$ 1,620,400	\$ 1,533,945	\$ 1,525,642	\$ 1,522,238	\$ 1,583,596	\$ 1,546,150	\$ 1,478,228
Garbage	-	-	-	-	10,702	10,308	10,300
IMRF	195,500	199,902	155,177	151,601	154,568	150,573	149,350
Police Pension	278,663	223,192	220,978	235,134	101,211	98,376	97,850
Fire Pension	133,730	200,837	169,046	117,642	74,608	72,514	72,100
Debt Service	492,563	483,407	72,752	70,455	73,409	70,784	73,304
	2,720,856	2,641,283	2,143,595	2,097,070	1,998,094	1,948,705	1,881,132
Road and Bridge	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Totals	\$ 2,742,856	\$ 2,663,283	\$ 2,165,595	\$ 2,119,070	\$ 2,020,094	\$ 1,970,705	\$ 1,903,132
Tax collections	\$ 1,178,315	\$ 2,556,223	\$ 2,151,150	\$ 2,090,067	\$ 1,976,417	\$ 1,929,237	\$ 1,889,760
Percent collections	42.96%	95.98%	99.33%	98.63%	97.84%	97.90%	99.30%

*Estimate

VILLAGE OF WORTH, ILLINOIS

Debt Service Requirements
April 30, 2007

	Year Ended April 30,	Principal	Interest	Total
General Obligation				
Working Cash Bonds, Series 1994:				
Dated January 16, 1995	2008	\$ 55,000	\$ 12,462	\$ 67,462
Interest payable on June	2009	60,000	8,750	68,750
and December 1 at rates	2010	65,000	4,550	69,550
between 4.30% and 7.00%				
Paying Agent: Founders Bank		<u>\$ 180,000</u>	<u>\$ 25,762</u>	<u>\$ 205,762</u>
General Obligation				
Limited Tax Bonds, Series 1999B:				
Dated May 1, 1999	2008	\$ -	\$ 50,400	\$ 50,400
Interest payable on January 1	2009	-	50,400	50,400
and June 1 at a rate of 9.00%	2010	-	50,400	50,400
Paying Agent: The Depository	2011	80,000	50,400	130,400
Trust Company	2012	85,000	43,200	128,200
	2013	95,000	35,550	130,550
	2014	100,000	27,000	127,000
	2015	100,000	18,000	118,000
	2016	100,000	9,000	109,000
		<u>\$ 560,000</u>	<u>\$ 334,350</u>	<u>\$ 894,350</u>

VILLAGE OF WORTH, ILLINOIS

Debt Service Requirements (Continued)
April 30, 2007

	Year Ended April 30,	Principal	Interest	Total
General Obligation Refunding Bonds				
(Alternate Revenue Source)				
Series 1996	2008	\$ 390,000	\$ 53,235	\$ 443,235
General Obligation Refunding Bonds				
(Alternate Revenue Source)				
Series 1999A:	2008	\$ 45,000	\$ 269,615	\$ 314,615
Dated May 1, 1999	2009	505,000	267,658	772,658
Interest payable on January 1	2010	560,000	245,690	805,690
and June 1 at rates	2011	620,000	221,050	841,050
between 3.60% and 4.80%	2012	685,000	193,150	878,150
Paying Agent: Depository Trust	2013	755,000	161,983	916,983
Company	2014	820,000	127,253	947,253
	2015	905,000	89,123	994,123
	2016	980,000	47,040	1,027,040
		<u>\$ 5,875,000</u>	<u>\$ 1,622,562</u>	<u>\$ 7,497,562</u>
General Obligation				
Recreational Facility Revenue Refunding				
Bonds Series 2005 Note 1				
	2008	\$ -	\$ 9,360	\$ 9,360
	2009	-	9,360	9,360
	2010	240,000	9,360	249,360
		<u>\$ 240,000</u>	<u>\$ 28,080</u>	<u>\$ 268,080</u>
General Obligation				
Recreational Facility Revenue Refunding				
Bonds Series 2005 Note 2				
	2008	\$ -	\$ 14,300	\$ 14,300
	2009	-	14,300	14,300
	2010	-	14,300	14,300
	2011	325,000	14,300	339,300
		<u>\$ 325,000</u>	<u>\$ 57,200</u>	<u>\$ 382,200</u>

VILLAGE OF WORTH, ILLINOIS

Debt Service Requirements (Continued)
April 30, 2007

	Year Ended April 30,	Principal	Interest	Total
General Obligation Debt Certificates				
Dated January 26, 2004	2008	\$ 82,143	\$ 28,473	\$ 110,616
Interest payable on January 26	2009	82,143	29,140	111,283
and July 26 at rates	2010	82,143	26,429	108,572
between 1.85% and 4.90%	2011	82,143	27,672	109,815
Paying Agent Founders Bank	2012	82,143	25,146	107,289
	2013	82,143	23,010	105,153
	2014	82,143	21,254	103,397
	2015	82,143	17,558	99,701
	2016	82,143	14,940	97,083
	2017	82,143	11,069	93,212
	2018	82,143	7,044	89,187
	2019	82,141	3,019	85,160
		<u>\$ 985,714</u>	<u>\$ 234,754</u>	<u>\$ 1,220,468</u>
General Obligation Debt Certificates				
Dated March 8, 2006	2008	\$ 500,000	\$ -	\$ 500,000
Interest payable quarterly				
and principal on March 8, 2007				
Variable interest rate				
General Obligation Debt Certificates				
Series 2005	2008	\$ -	\$ -	\$ -
	2009	-	-	-
	2010	200,000	-	200,000
		<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ 200,000</u>
General Obligation Debt Certificates				
Series 2006	2008	\$ 7,507	\$ 1,885	\$ 9,392
	2009	8,010	1,382	9,392
	2010	8,546	846	9,392
	2011	8,292	273	8,565
		<u>\$ 32,355</u>	<u>\$ 4,386</u>	<u>\$ 36,741</u>

VILLAGE OF WORTH, ILLINOIS

Debt Service Requirements (Continued)
April 30, 2007

	Year Ended April 30,	Principal	Interest	Total
Revenue Bonds				
1994 Water and Sewer Refunding Bonds Dated November 1, 1994	2008	\$ 185,000	\$ 5,874	\$ 190,874
Interest payable on May 1 and November 1 at a rate of 6.35%				
Paying Agent: Founders Bank				

VILLAGE OF WORTH, ILLINOIS

Debt Service Requirements (Continued)
April 30, 2007

	Year Ended April 30,	Principal	Interest	Total
Installment Note				
Dated March 1, 2004				
Principal and Interest payable on May through October of each year at a rate of approximately 5%	2008	\$ 58,254	\$ 2,837	\$ 61,091
Installment Note				
Dated June 1, 2003				
Principal and Interest payable on June through November of each year at a rate of approximately 5%	2008	\$ 6,159	\$ 248	\$ 6,407
Installment Note				
Dated December 2, 2005				
Variable interest rate	2008	\$ 17,335	\$ 2,800	\$ 20,135
	2009	18,160	1,977	20,137
	2010	19,020	1,114	20,134
	2011	13,585	245	13,830
		\$ 68,100	\$ 6,136	\$ 74,236
Installment Note				
Dated May 9, 2005				
Variable interest rate	2008	\$ 6,128	\$ -	\$ 6,128
	2009	6,128	-	6,128
	2010	6,128	-	6,128
	2011	6,128	-	6,128
	2012	6,128	-	6,128
	2013	6,128	-	6,128
	2014	6,128	-	6,128
	2015	6,128	-	6,128
	2016	6,128	-	6,128
	2017	6,128	-	6,128
	2018	6,128	-	6,128
	2019	6,128	-	6,128
	2020	6,128	-	6,128
	2021	6,128	-	6,128
	2022	6,128	-	6,128
	2023	6,128	-	6,128
	2024	6,128	-	6,128
	2025	6,128	-	6,128
		\$ 110,304	\$ -	\$ 110,304

VILLAGE OF WORTH, ILLINOIS

Debt Service Requirements (Continued)
April 30, 2007

	Year Ended April 30,	Principal	Interest	Total
Installment Note				
Dated November 2006				
Principal and Interest payable on	2008	\$ 34,227	\$ 11,064	\$ 45,291
May through October of each year	2009	35,423	9,868	45,291
at a rate of approximately 6.5%	2010	37,795	7,496	45,291
	2011	40,326	4,965	45,291
	2012	43,027	2,264	45,291
		<u>\$ 190,798</u>	<u>\$ 35,657</u>	<u>\$ 226,455</u>
Installment Note				
Dated November 2006				
Principal and Interest payable on	2008	\$ 938	\$ 303	\$ 1,241
June through November of each year	2009	971	270	1,241
at a rate of approximately 6.5%	2010	1,036	205	1,241
	2011	1,105	136	1,241
	2012	1,179	62	1,241
		<u>\$ 5,229</u>	<u>\$ 976</u>	<u>\$ 6,205</u>
Installment Note				
Dated November 2006				
Principal and Interest payable on	2008	\$ 938	\$ 303	\$ 1,241
May through October of each year	2009	971	270	1,241
at a rate of approximately 6.5%	2010	1,036	205	1,241
	2011	1,105	136	1,241
	2012	1,179	62	1,241
		<u>\$ 5,229</u>	<u>\$ 976</u>	<u>\$ 6,205</u>
Installment Note				
Dated November 2006				
Principal and Interest payable on	2008	\$ 1,524	\$ 493	\$ 2,017
May through October of each year	2009	1,578	439	2,017
at a rate of approximately 6.5%	2010	1,683	334	2,017
	2011	1,796	221	2,017
	2012	1,916	101	2,017
		<u>\$ 8,497</u>	<u>\$ 1,588</u>	<u>\$ 10,085</u>
Capital Lease				
Dated May 1, 2004				
With an average interest rate of 2%	2008	\$ 13,000	\$ 2,610	\$ 15,610
	2009	13,000	2,533	15,533
	2010	13,000	2,252	15,252
	2011	13,000	1,966	14,966
	2012	13,000	1,646	14,646
	2013	13,000	1,181	14,181
	2014	13,000	697	13,697
	2015	6,500	146	6,646
		<u>\$ 97,500</u>	<u>\$ 13,031</u>	<u>\$ 110,531</u>

VILLAGE OF WORTH, ILLINOIS

Information Required By Revenue Bond Ordinance
(Unaudited)
April 30, 2007

Consumer data:

Number of customers:

Water and sewer service:

Residential	2,447
Commercial	139

Total

Sewer service only:

Residential	2
Commercial	2

Total

Water usage:

		<u>Percent</u>
Gallage purchased	401,586	100%
Gallage billed	400,534	99%
Gallage lost and/or unaccounted for	<u>1,052</u>	<u>1%</u>

Insurance coverage data:

Employee Benefits Plan Liability - Each claim	\$ 8,000,000
Law Enforcement Liability - Each wrongful act	8,000,000
Paramedic Liability - Each occurrence	8,000,000
General Liability - Each occurrence	8,000,000
Public Officials Liability - Each wrongful act	2,500,000
Public Officials Liability - Aggregate	8,000,000
Pollution Liability - Aggregate	4,000,000

(continued)

VILLAGE OF WORTH, ILLINOIS

Information Required By Revenue Bond Ordinance (Continued)

(Unaudited)

April 30, 2007

Insurance coverage data: (continued)

Auto Liability - Each accident	\$	8,000,000
Property		9,688,770
Extra Expense		50,000
Contractor's (Mobile) Equipment		389,260
Valuable Papers		50,000
Flood		5,000,000
Earthquake		5,000,000
Equipment Breakdown:		
Expediting Equipment		25,000
Pollution Clean Up and Removal		250,000
Liquor		1,000,000
Crime:		
Public Employee Dishonesty		50,000
Money and Securities (inside premises)		50,000
Money and Securities (outside premises)		50,000
Forgery or Alteration		50,000
Workers' Compensation - Aggregate		Statutory
Workers' Compensation - Each occurrence		Statutory