

**\$8,945,000 Village of Cary  
McHenry County, Illinois  
Special Assessment Area Number One  
Special Tax Refunding Bonds, Series 2006**

**Annual Continuing Disclosure Report**

**For the Period Ending December 31, 2007**

Prepared by:

**MUNICAP, INC.**

April 15, 2008

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**APPENDIX A**

**Village of Cary Annual Financial Report**

## ***I.     UPDATED INFORMATION***

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Information provided below is updated from the official statement dated July 13, 2006:

- Special taxes were levied in 2005 for collection in 2006 in the amount of \$750,000. As of January 8, 2008, McHenry County reports collecting and transferring to the Village of Cary the special taxes in the amount of \$750,000, representing 100 percent of special taxes for calendar year 2005.
- Special taxes were levied in 2006 for collection in 2007 in the amount of \$600,001.56. As of January 25, 2008, McHenry County reports collecting and transferring to the Village of Cary the special taxes in the amount of \$600,001.56, representing 100 percent of special taxes for calendar year 2006.
- Special taxes were levied in 2007 for collection in 2008 in the amount of \$550,000.00. The special taxes are due in June and September 2008. As a result, there are no delinquent special taxes for calendar year 2007 at this time.
- According to the McHenry County's treasurer's web site, the representative calendar year 2006 tax rate for a single-family and a townhome unit located within School District 47 was 7.5248 per \$100 of assessed value.
- According to the McHenry County's treasurer's web site, the representative calendar year 2006 tax rate for a single-family and a townhome unit located within School District 26 was 7.4817 per \$100 of assessed value.
- According to the U.S Census Bureau's 2006 American Community Survey, the median household income for McHenry County and the State of Illinois were \$71,945 and \$52,006, respectively.
- According to the U.S Census Bureau's 2006 American Community Survey, the median home values for McHenry County and the State of Illinois were \$252,700 and \$200,200, respectively.

## ***II. INTRODUCTION***

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The Village of Cary, McHenry County, Illinois, Special Service Area Number One issued the \$8,945,000 Series 2006 Special Tax Refunding Bonds to refund and defease the \$10,600,000 Series 2000A Special Tax Bonds. The Series 2000A Special Tax Bonds were issued pursuant to a Trust Indenture, dated as of July 1, 2000, between the Village of Cary and J.P. Morgan Trust Company, National Association (formerly American National Bank and Trust Company of Chicago, Illinois). The Series 2006 Special Tax Refunding Bonds were issued pursuant to and in accordance with (i) the Illinois Constitution of 1970, (ii) the Special Service Area Tax Law of the State of Illinois, (iii) the Illinois Local Government Debt Reform Act, (iv) Ordinance No. 06-06-06, which was adopted by the village on June 20, 2006, providing for the issuance of the Series 2006 Special Tax Refunding Bonds, and (v) a Trust Indenture dated as of July 1, 2006, between the Village of Cary and Bank of New York Trust Company (formerly J.P. Morgan Trust Company, National Association of Chicago, Illinois).

According to the Official Statement for the Series 2006 Special Tax Refunding Bonds, the Village of Cary Special Service Area consists of approximately 139 acres of land located south of Three Oaks Road and east of State Route 31 in Cary, Illinois, commonly known as the Cambria Project.

The special service area consists of 235 single-family homes and 239 townhomes. The property in the special service area was developed by Cambria LLC., doing business as Concord Homes (the “Developer”). According to the Official Statement, dated as July 13, 2006, the developer has completed building all single-family homes and townhomes in the special service area.

Pursuant to the Official Statement, \$8,945,000 in Special Tax Refunding Bonds (Series 2006) were sold and used to refund and defease the \$10,600,000 Special Tax Bonds (Series 2000A). The Series 2000A bond proceeds were used to construct certain special services consisting of sewer tap, water tap, public park, earth works, sanitary sewers, storm sewers, water mains, curbs and gutters, pavements, side walk, street lights and other eligible costs to serve the area that were required in connection with the development of the area.

The information provided herein is not intended to supplement or otherwise relate to the information provided in the Official Statement and any such intent is expressly disavowed. Rather, this report responds to the specific requirements of the continuing disclosure agreement.

**No representation is made as to the materiality or completeness of the information provided herein or as to whether other relevant information exists with respect to the period covered by this report. Other matters or events may have occurred or become known during or since that period that may be material. All information is provided as of December 31, 2007, unless otherwise stated, and no representation is made that the information contained in this report is indicative of information that may pertain since the end of the period covered by this report or in the future.**

### ***III. TRUSTEE ACCOUNTS***

The trustee for the Series 2006 Refunding Bonds is the Bank of New York Trust Company (formerly J.P. Morgan Trust Company). The initial deposits for the Series 2006 Refunding Bonds, interest paid, additional proceeds, disbursements and account balances as of December 31, 2007, are shown in the following table:

**Table III-1**  
**Summary of Transactions**

	<b>Initial Deposits for the Series 2006 Refunding Bonds</b>	<b>Interest Paid</b>	<b>Additional Proceeds</b>	<b>Disbursements</b>	<b>Balance 12/31/07</b>
Bond & Interest Fund	\$0	\$32,414	\$1,395,092	\$569,062	\$858,444
Special Redemption	\$0	\$1,503	\$72,480	\$51,053	\$22,930
Reserve Fund	\$766,500	\$52,468	\$0	\$25,425	\$793,543
Cost of Issuance Account	\$170,992	\$195	\$0	\$171,166	\$21
Administrative Expense Fund	\$0	\$852	\$35,394	\$25,679	\$10,568
Escrow Account	\$10,419,831	\$493,606	\$0	\$2,556,929	\$8,356,509
Total	\$11,357,323	\$581,038	\$1,502,967	\$3,399,313	\$10,042,015

The additional proceeds to the Bond and Interest Fund were special tax revenues and transfers of Reserve Fund investment income for the payment of debt service. The additional proceeds to the Special Redemption Account represent special tax prepayments. The additional proceeds to the Administrative Expense Fund were transfers of special tax revenues from the Bond and Interest Fund to pay administrative expenses. The disbursements from the Reserve Fund consist of cash management fees and transfers of investment income to the Bond and Interest Fund for the payment of debt service. The disbursements from Special Redemption Account represent transfer of funds to the Bond and Interest Fund for redemption of the Series 2006 Refunding Bonds with prepayments. The disbursements from the Cost of Issuance Account represent the payment for the costs associated with the issuance of the Series 2006 Refunding Bonds. The disbursements from the Escrow Account were for the payment of debt service on the Series 2000A Bonds.

The interest paid through December 31, 2007 does not include interest accrued but not yet paid. The Defeasance Escrow Funds are invested in US Treasury Note earning 5.08 percent that matures on March 1, 2010. Other bond proceeds in each fund are invested in money market funds currently earning approximately 4.43 percent per year. Table III-2 below shows the approximate rates of return on the investments as of December 31, 2007.

Investment income in the Bond and Interest Fund will remain in the Bond and Interest Fund. The proceeds in the excess of reserve requirement in the Reserve Fund shall be transferred to the Interest Fund to be used for the payment of interest on bonds. Investment income in the Escrow Account will be used to pay debt service on the prior bonds.

**Table III-2**

<b>Account</b>	<b>Rate of Return</b>
Reserve Fund	4.43%
Special Redemption Account	4.43%
Escrow Account	5.08%
Bond and Interest Fund	4.43%

## ***IV. DISTRICT OPERATIONS AND FINANCIAL INFORMATION***

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### **A. VILLAGE'S FINANCIAL STATEMENTS**

A copy of the village's audited financial statements for the fiscal year ending April 30, 2007 is attached hereto as Appendix A.

### **B. SPECIAL ASSESSMENTS LEVIED AND COLLECTED**

The \$10,600,000 Cary Special Service Area Number One Series 2000A Special Tax Bonds were defeased and refunded on July 13, 2006 with the \$8,945,000 Cary Special Service Area Number One Series 2006 Special Tax Refunding Bonds.

The special tax roll is to be amended each year to reflect: (i) the Maximum Special Taxes and the Maximum Parcel Special Taxes for the current Calendar Year, (ii) the Special Taxes as abated for the Calendar Year, (iii) prepayment of the special tax by any parcel, and (iv) any subdivisions of Parcels in the SSA that result in any reallocation of the special taxes.

The maximum annual special tax is the aggregate amount levied each calendar year on all of the parcels within the SSA. Special taxes have been levied at the maximum rate for the years 2000 - 2028. Special taxes levied in 2007 are for collection in 2008. After accounting for prepaid special taxes, the maximum annual special tax for 2007 (for collection in 2008) is \$817,756.16.

The maximum special taxes per unit for 2007 (which are for collection in 2008) are shown in Table IV-1. Beginning in 2002 and each calendar year thereafter, the Maximum Special Taxes for the Series 2006 Refunding Bonds is to be increased by 1.5 percent of the amount from the previous year.

**Table IV-1**  
**Maximum Parcel Special Tax Rates**  
**2007 Calendar Year**

	<b>2007 Maximum Parcel Special Tax</b>
Townhouse	\$1,740.76
Single-family	\$2,208.76

#### **(i) Abatement of Special Taxes**

Special taxes have been levied at the maximum special tax rate for each year. The special tax is abated each year to the amount actually required to pay debt service and administrative expenses. The special tax requirement is, generally, equal to (i) annual debt service, administrative expenses and funds required for replenishment of any required reserve, less (iii) investment income and available capitalized interest.

Special taxes are to be abated from the maximum annual special tax of \$817,756.16 such that the amount collected in 2008 is equal to \$550,000.00.

Table IV-2 in the following page provides a summary of the special tax requirement for calendar year 2007 for the Series 2006 Bonds. Special taxes are to be abated such that the amount to be collected in 2008 is equal to \$550,000. The special tax requirement for the Series 2006 Bonds is explained in the following sections.

**Table IV-2**  
**Special Tax Requirement for 2007**

Debt service:	
Interest payment, September 1, 2008	\$206,987
Interest payment, March 1, 2009	\$206,987
Principal payment, March 1, 2009	\$149,000
Total debt service	\$562,974
Special service area operations	\$22,515
Bonds to be called from surplus	\$500,000
Contingency	\$54,096
Sub-total expenses	\$1,139,585
Reserve fund investment income	(\$30,513)
Surplus from prior year	(\$559,073)
Special tax requirement for calendar year 2007	\$550,000

**(ii) Debt Service**

The special taxes collected in 2008 will be used to make the payments on the Series 2006 Bonds due on September 1, 2008 and March 1, 2009. The Term 2016 Bonds have been reduced by \$10,000.00 in prepayments and \$419,000.00 in regularly scheduled principal payments, and the Term 2030 Bonds have been reduced by \$36,000.00 in prepayments. As a result, debt service is calculated based on the outstanding Term 2016 Bonds of \$1,671,000.00 at an interest rate of 4.40 percent and the outstanding Term 2030 Bonds of \$6,809,000.00 at an interest rate of 5.00 percent. Additional refunding bonds in the amount of \$23,000.00 will be redeemed with special tax prepayments on single-family lot 147, which was collected in November 2007. To be conservative, however, debt service is calculated based on current outstanding Term 2016 Bonds of \$1,671,000.00 and the current outstanding Term 2030 Bonds of \$6,809,000.00. Accordingly, interest on the outstanding bonds each six months is \$206,987.00. There is a principal payment of \$149,000.00 due on March 1, 2009. As a result, total debt service is equal to \$562,974.00.

**(iii) Special Service Area Operations**

Special service area operations generally include the charges of the trustee, administrator, expenses of the village and the expenses of the special service area counsel. The annual charge of the trustee is estimated to be \$4,080.00. The annual charge of the administrator is estimated to be \$13,485.00 (including annual expenses and charges for annual arbitrage rebate and continuing disclosure services). The expenses of the village are estimated to be \$3,009.00, which includes \$1,581.00 for the annual charge of the Village's Auditor. The expenses of the special service area counsel are estimated to be \$1,500.00. Increasing these amounts by two percent for inflation results in total estimated administrative expenses for 2008 of \$22,515.48.

**(iv) Bonds to be Called from Surplus**

As per Section 4.2 of the Trust Indenture, Series 2006 Refunding Bonds in the amount of \$500,000.00 are to be called on any date on or after March 1, 2016, at par, plus accrued interest with the surplus from the prior year as calculated below.

**(v) Contingency**

A contingency, equal to approximately nine percent of annual expenses, has been added in the event there are unanticipated expenses, special tax delinquencies, or the investment income earned is less than estimated.

**(vi) Reserve Fund**

As of October 31, 2007, the reserve fund balance was \$787,519.83, which included the reserve requirement of \$762,812.51 and investment income of \$24,707.32. The reserve requirement is invested in a JP Morgan Prime Money Market Fund earning 4.72 percent per annum when the special tax report was prepared in October 2007. Interest rates have been declining on money market funds recently and interest rates on treasuries have dropped below 4.00 percent. As a result, annual investment income on the reserve fund will be estimated using an interest rate of 4.00 percent. At this interest rate, the estimated annual investment income on these proceeds is \$30,512.50. These funds will be made available to pay debt service in 2008 and 2009.

**(vii) Surplus from Prior Year**

Table IV-3 below outlines the surplus from the prior year that may be applied to pay debt service and administrative expenses for calendar year 2007. Special taxes in the amount of \$600,001.56 were levied in 2007. Special taxes were due on June 5 and September 5, 2007. As of December 4, 2007, McHenry County had collected and transferred \$591,573.45 in calendar year 2006 special taxes to the Village of Cary. The Village of Cary transferred \$585,344.52 of this amount to the trustee on November 1, 2007. The village anticipates transferring the balance collected of \$6,228.93 in December 2007. The village anticipates transferring the uncollected balance of \$8,428.11 to the trustee when collected at tax sale and made available by McHenry County. The tax sale took place on November 28, 2007 and the final distribution of special taxes to the village will take place in January 2008. To be conservative, however, the balance of the calendar year 2006 special taxes collected at tax sale are not included for the purposes of calculating the surplus from the prior year. As of October 31, 2007, the balance in the bond and interest fund was \$269,524.56 and the balance in the cost of issuance account was \$21.11. These funds will be made available to pay debt service on the refunding bonds in the amount of \$343,935.00 on March 1, 2008.

As mentioned above, as of October 31, 2007, the balance in the reserve fund was \$787,519.83, which included the reserve requirement of \$762,812.51 and investment income of \$24,707.32. The investment income currently held in the reserve fund together with an additional \$10,170.83 in investment income earned through March 1, 2008 will be made available to pay debt service on March 1, 2008.

**Table IV-3**  
**Surplus from Prior Year**

Available Funds:	
CY06 special taxes to be transferred on November 1, 2007	(\$585,345)
CY06 special taxes to be transferred in December 2007	(\$6,229)
Available Bond and Interest Fund	(\$269,525)
Available Cost of Issuance Account	(\$21)
Reserve Fund Investment income at October 31, 2007	(\$24,707)
Estimated Reserve Fund Investment Income to March 1, 2008	(\$10,171)
Available Administrative Expenses Fund	(\$16,322)
<i>Total Funds Available</i>	(\$912,319)
Debt Service:	
Interest payment, March 1, 2008	\$209,935
Principal payment, March 1, 2008	\$134,000
<i>Sub-Total Expenses</i>	\$343,935
Administrative Expenses	\$9,311
<i>Total Expenses</i>	\$353,246
Surplus from prior year	(\$559,073)



As of October 31, 2007, the balance in the administrative expense fund was \$16,321.50. The administrative budget for calendar year 2006 was estimated to be \$22,600.00. As of October 31, 2007, administrative expenses totaling \$13,288.75 have been paid by the trustee. There is an estimated \$9,311.25 in unpaid administrative expenses to be funded with special taxes collected in 2007. Based on the funds available described above, an estimated aggregate surplus of \$559,072.52, will be available to pay debt service and administrative expenses in calendar year 2007.

### **C. DELINQUENCY RATES**

Special taxes were levied in 2005 for collection in 2006 in the amount of \$750,000.00, which were due on June 5 and September 5, 2006. As of January 8, 2008, McHenry County reports collecting and transferring to the Village of Cary the special taxes in the amount of \$750,000.00. Of this amount, \$16,987.28 was collected at tax sale, which took place on November 13, 2006. As a result, there were no delinquent special taxes for calendar year 2005.

Special taxes were levied in 2006 for collection in 2007 in the amount of \$600,001.56. As of January 25, 2008, McHenry County reports collecting and transferring to the Village of Cary the special taxes in the amount of \$600,001.56. Of this amount, \$8,428.11 was collected at tax sale, which took place in November 28, 2007. As a result, there were no delinquent special taxes for calendar year 2006.

Table IV-4 below provides the summary of special tax collection and delinquency history updated from the Official Statement dated as of July 13, 2006. The table includes the calendar year in which special taxes were levied, the special tax collected and percent delinquent.

**Table IV-4**  
**Delinquency History**

<b>Fiscal Year</b>	<b>Special Tax Levied</b>	<b>Special Taxes Collected</b>	<b>Percent Collected</b>
2001	\$570,000	\$570,000	100%
2002	\$730,004	\$730,004	100%
2003	\$746,998	\$746,998	100%
2004	\$730,003	\$730,003	100%
2005	\$750,000	\$750,000	100%
2006	\$600,002	\$600,002	100%

### **D. TAX COLLECTION**

Special taxes were levied in 2005 for collection in 2006 in the amount of \$750,000, which were due on June 5 and September 5, 2006. As of January 8, 2008, McHenry County reports collecting and transferring to the Village of Cary the special taxes in the amount of \$750,000, representing 100 percent of special taxes for calendar year 2005.

Special taxes were levied in 2006 for collection in 2007 in the amount of \$600,001.56. As of January 25, 2008, McHenry County reports collecting and transferring to the Village of Cary the special taxes in the amount of \$600,001.56, representing 100 percent of special taxes for calendar year 2006.

Special taxes were levied in 2007 for collection in 2008 in the amount of \$550,000.00. The special taxes are due in June and September 2008. As a result, there are no delinquent special taxes for calendar year 2007 at this time.

## E. SPECIAL TAX AND DEBT SERVICE COVERAGE

The following debt service schedule is adjusted to reflect the actual debt service and debt service reserve earnings as per the Continuing Disclosure Agreement. The Reserve Fund earnings, trustee and administrative fees, and adjusted debt service for the bond year ending 2007 are actual figures. The maximum special taxes are based on 200 single-family home and 216 townhome parcels. Debt service reflects an additional \$46,000 in Series 2006 Refunding Bonds redeemed with prepayments through December 31, 2007. As of December 31, 2007, the outstanding Series 2006 Refunding Bonds are equal to \$8,614,000.

**Table IV-5**  
**Special Tax and Debt Service Coverage**

<b>Bond Year Ending</b>	<b>Debt Service</b>	<b>Estimated Trustee and Administrative Fees</b>	<b>Estimated Reserve Fund Earnings</b>	<b>Projected Adjusted Debt Service</b>	<b>Maximum Special Tax</b>	<b>Projected Debt Service Coverage</b>
2007	\$551,827	\$11,622	(\$27,277)	\$536,172	\$806,174	1.50
2008	\$553,870	\$20,300	(\$22,995)	\$551,175	\$818,266	1.48
2009	\$562,974	\$20,605	(\$22,995)	\$560,584	\$817,756	1.46
2010	\$566,418	\$20,914	(\$22,995)	\$564,337	\$830,022	1.47
2011	\$584,422	\$21,227	(\$22,995)	\$582,654	\$842,472	1.45
2012	\$591,326	\$21,546	(\$22,995)	\$589,877	\$855,109	1.45
2013	\$602,570	\$21,869	(\$22,995)	\$601,444	\$867,936	1.44
2014	\$607,934	\$22,197	(\$22,995)	\$607,136	\$880,955	1.45
2015	\$617,638	\$22,530	(\$22,995)	\$617,173	\$894,169	1.45
2016	\$625,462	\$22,868	(\$22,995)	\$625,335	\$907,582	1.45
2017	\$634,450	\$23,211	(\$22,995)	\$634,666	\$921,196	1.45
2018	\$643,750	\$23,559	(\$22,995)	\$644,314	\$935,014	1.45
2019	\$652,850	\$23,912	(\$22,995)	\$653,767	\$949,039	1.45
2020	\$660,700	\$24,271	(\$22,995)	\$661,976	\$963,274	1.46
2021	\$672,300	\$24,635	(\$22,995)	\$673,940	\$977,723	1.45
2022	\$677,400	\$25,005	(\$22,995)	\$679,410	\$992,389	1.46
2023	\$691,250	\$25,380	(\$22,995)	\$693,635	\$1,007,275	1.45
2024	\$697,350	\$25,760	(\$22,995)	\$700,115	\$1,022,384	1.46
2025	\$708,000	\$26,147	(\$22,995)	\$711,152	\$1,037,720	1.46
2026	\$716,900	\$26,539	(\$22,995)	\$720,444	\$1,053,286	1.46
2027	\$729,050	\$26,937	(\$22,995)	\$732,992	\$1,069,085	1.46
2028	\$739,200	\$27,341	(\$22,995)	\$743,546	\$1,085,121	1.46
2029	\$751,350	\$27,751	(\$22,995)	\$756,106	\$1,101,398	1.46
2030	\$762,300	\$28,168	(\$22,995)	\$767,473	\$1,117,919	1.46

## F. REPRESENTATIVE PROPERTY TAXES

### (i) School District Number 47

Table IV-6 below describes the general ad valorem tax rate that was assessed against a randomly selected single-family home and a townhome at Village of Cary for calendar year 2006. According to the McHenry County's treasurer's web site, the representative calendar year 2006 tax rate for a single-family and a townhome unit located within School District 47 was 7.5248 per \$100 of assessed value.

**Table IV-6**  
**Representative Property Taxes**

	<b>Detached Single Family Home</b>	<b>Townhome</b>
Market Value	\$325,032	\$185,763
Assessed Value	\$108,344	\$61,921
Multiplier	1	1
Homeowner Exemption	\$5,000	\$5,000
Taxable valuation	\$103,344	\$56,921
<b>Taxing Agency</b>	<b>Tax Rate Per \$100 of Assessed Value</b>	<b>Tax Rate Per \$100 of Assessed Value</b>
McHenry County	0.7060	0.7060
McHenry County Conservation District	0.1425	0.1425
Community College District	0.2741	0.2741
School District Number 47	2.7302	2.7302
School District Number 155	1.8697	1.8697
Cary Fire Department	0.3724	0.3724
Algonquin Library	0.3678	0.3678
Cary Park District	0.5240	0.5240
Algonquin Township	0.0523	0.0523
Algonquin Road and Bridge	0.1154	0.1154
Village of Cary	0.3704	0.3704
Total Tax Rate for 2006	7.5248	7.5248
Representative Ad Valorem Tax	\$7,776	\$4,283

### (ii) School District Number 26

Table IV-7 in the following page describes the general ad valorem tax rate that was assessed against a randomly selected single-family home and a townhome at Village of Cary for calendar year 2006. According to the McHenry County's treasurer's web site, the representative calendar year 2006 tax rate for a single-family and a townhome unit located within School District 26 was 7.4817 per \$100 of assessed value.

**Table IV-7**  
**Representative Property Taxes**

	<b>Detached Single Family Home</b>	<b>Townhome</b>
Market Value	\$426,099	\$188,439
Assessed Value	\$142,033	\$59,890
Multiplier	1	1
Homeowner Exemption	\$5,000	\$5,000
Taxable valuation	\$137,033	\$57,813
<b>Taxing Agency</b>	<b>Tax Rate Per \$100 of Assessed Value</b>	<b>Tax Rate Per \$100 of Assessed Value</b>
McHenry County	0.7060	0.7060
McHenry County Conservation District	0.1425	0.1425
Community College District	0.2741	0.2741
School District Number 26	2.6871	2.6871
School District Number 155	1.8697	1.8697
Cary Fire Department	0.3724	0.3724
Algonquin Library	0.3678	0.3678
Cary Park District	0.5240	0.5240
Algonquin Township	0.0523	0.0523
Algonquin Road and Bridge	0.1154	0.1154
Village of Cary	0.3704	0.3704
Total Tax Rate for 2006	7.4817	7.4817
Representative Ad Valorem Tax	\$10,252	\$4,325

## **G. DEMOGRAPHIC INFORMATION**

### **(i) Median Household Income**

Table IV-8 in the following page provides the 2006 projected household income distributions for McHenry County and the State of Illinois. According to the U.S Census of Bureau's 2006 American Community Survey, the median household income for McHenry County and the City of Illinois were \$71,945 and \$52,006, respectively. The distributions of the household income for the Village of Cary are based on the 2000 Census with a median income of \$76,801 as shown in the Official Statement.

**Table IV-8**  
**Median Household Income**

Value	Village of Cary		McHenry County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	90	1.83%	3,357	3.15%	355,873	7.33%
\$10,000 - \$14,999	62	1.26%	3,972	3.72%	253,554	5.22%
\$15,000 - \$24,999	169	3.43%	6,716	6.29%	497,633	10.25%
\$25,000 - \$34,999	346	7.03%	8,286	7.76%	474,005	9.77%
\$35,000 - \$49,999	561	11.40%	12,591	11.80%	675,797	13.92%
\$50,000 - \$74,999	1,153	23.42%	20,836	19.52%	932,786	19.22%
\$75,000 - \$99,999	1,175	23.87%	18,359	17.20%	894,478	18.43%
\$100,000 - \$149,999	928	18.85%	20,866	19.55%	570,317	11.75%
\$150,000 - \$199,999	303	6.15%	6,679	6.26%	19,063	0.39%
200,000 or more	136	2.76%	5,059	4.74%	179,746	3.70%
Total	4,923	100.00%	106,721	100.00%	4,853,252	100.00%

Source: U.S. Census Bureau: 2006 American Community Survey

**(ii) Housing**

Table IV-9 below provides the 2006 projected home value distributions for McHenry County and the State of Illinois. According to the U.S. Census of Bureau's 2006 American Community Survey, the median home values for McHenry County and the City of Illinois were \$252,700 and \$200,200, respectively. The distributions of the home values for the Village of Cary are based on the 2000 Census with a median income of \$184,100 as shown in the Official Statement.

**Table IV-9**  
**Housing**

Value	Village of Cary		McHenry County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000	0	0.00%	193	0.22%	211,745	6.41%
\$50,000 - \$99,999	237	5.49%	1,614	1.80%	483,548	14.65%
\$100,000 - \$149,999	972	22.53%	7,459	8.31%	474,989	14.39%
\$150,000 - \$199,999	1,354	31.38%	15,888	17.70%	478,637	14.50%
\$200,000 - \$299,999	1,550	35.92%	31,835	35.47%	680,514	20.61%
\$300,000 - \$499,999	202	4.68%	25,422	28.33%	657,144	19.91%
\$500,000 - \$999,999	0	0.00%	7,165	7.98%	267,226	8.09%
\$1,000,000 or more	0	0.00%	169	0.19%	47,564	1.44%
Total	4,315	100.00%	89,745	100.00%	3,301,367	100.00%

Source: U.S. Census Bureau: American Community Survey

**(iii) Age Statistics**

Table IV-10 below provides the age groups statistics for the Village of Cary, McHenry County, and the State of Illinois.

**Table IV-10**  
**Age Statistics**

Age Groups	Village of Cary		McHenry County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
0 - 14 years	4,586	29.53%	381,243	61.02%	2,662,759	20.75%
15 - 34 years	3,457	22.26%	86,720	13.88%	3,614,897	28.17%
35 - 59 years	6,233	40.13%	116,370	18.63%	4,479,251	34.91%
60 - 84 years	1,189	7.66%	36,977	5.92%	1,852,278	14.43%
85+ years	66	0.42%	3,436	0.55%	222,785	1.74%
Total	15,531	100.00%	624,746	100.00%	12,831,970	100.00%

Source: U.S. Census Bureau: American Community Survey

**(iv) Major Area Employers**

Table IV-11 below provides the list of the principal employers as reported by the Village of Cary Comprehensive Annual Financial Report for the year ended April 30, 2007.

**Table IV-11**  
**Major Area Employers**

Employer	Employees	Rank
McHenry Molding Machinery	400	1
Seaquist Perfect Dispensing	400	2
Martinez Manufacturing Inc.	350	3
Sage Products, Inc.	300	4
Coilcraft Inc.	250	5
True Value Manufacturing Company	200	6
Durex Industries	180	7
Sharman Mechanical, Inc.	120	8
Burpee Company	110	9
Federal Express Corporation	100	10

Source: Village of Cary, Illinois: 2007 Comprehensive Annual Financial Report

## ***V. SIGNIFICANT EVENTS***

---

Pursuant to the continuing disclosure agreement, listed events include the following:

- i.) principal or interest payment delinquencies;
- ii.) non-payment related defaults;
- iii.) modification to rights of owners of the bonds;
- iv.) optional, contingent or unscheduled calls of the bonds;
- v.) defeasances;
- vi.) rating changes;
- vii.) adverse tax opinions or events affecting the tax-exempt status of the bonds;
- viii.) unscheduled draws on any reserve fund for the bonds reflection financial difficulties;
- ix.) unscheduled draws on any credit enhancements reflecting financial difficulties;
- x.) substitution of any credit or liquidity providers or their failure to perform;
- xi.) release, substitution or sale of property (other than the sale of homes in the ordinary course) securing repayment of the bonds.

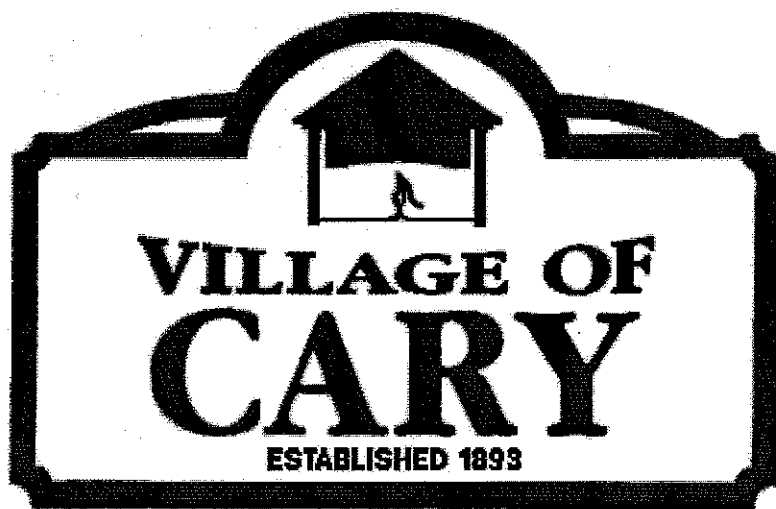
As of April 10, 2007, the administrator is not aware of occurrence of any of the above significant events.

## **APPENDIX A**

### **Village of Cary Comprehensive Annual Financial Report**



# **VILLAGE OF CARY, ILLINOIS**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
APRIL 30, 2007**

**VILLAGE OF CARY, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**YEAR ENDED APRIL 30, 2007**

**Prepared By:**  
**Cameron Davis, Village Administrator**

# VILLAGE OF CARY, ILLINOIS

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Village of Cary including: List of Principal Officials, Organizational Chart, Certificate of Achievement for Excellence in Financial Reporting, and Letter of Transmittal.

# **VILLAGE OF CARY, ILLINOIS**

## **List of Principal Officials**

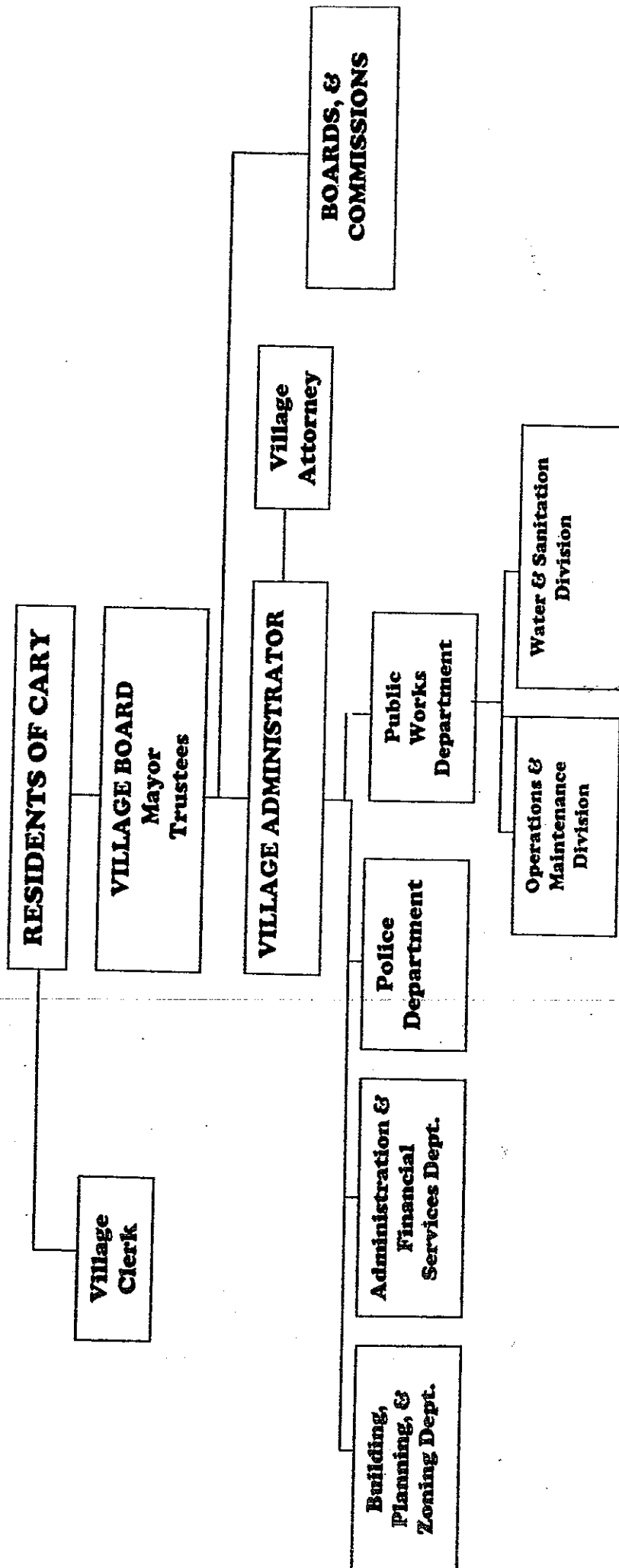
**April 30, 2007**

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<u><b>TITLE</b></u>	<u><b>NAME</b></u>	<u><b>TERM EXPIRES</b></u>
Mayor	Steve Lamal	May, 2009
Trustee	Rick Dudek	May, 2009
Trustee	Thomas Kierna	May, 2011
Trustee	Debra McNamee	May, 2011
Trustee	Ray Chisholm	May, 2009
Trustee	Steve Adams	May, 2009
Trustee	Barbara Hill	May, 2011
Village Clerk	Nancy Bragg	May, 2009
Village Administrator	Cameron Davis	
Village Attorney	Cowlin, Curran & Coppedge	



# VILLAGE OF CARY ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Cary  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
April 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

July 25, 2007

To The Citizens of the Village of Cary:

The Comprehensive Annual Financial Report (CAFR) for the Village of Cary, for the year ending April 30, 2007, is hereby submitted. The CAFR is the management's annual report to its taxpayers, governing board, oversight bodies, investors and creditors.

The Village Administrator is responsible for all financial transactions for the Village of Cary and for the contents of this Comprehensive Annual Financial Report. I believe the data, as presented, is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village of Cary's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and is meant to be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

State statutes require an annual audit by independent Certified Public Accountants. The Village of Cary selected the accounting firm of Lauterbach & Amen, LLP to conduct the annual audit. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

## **ECONOMIC CONDITION AND OUTLOOK**

### **Local Economy**

The Village of Cary was incorporated in 1897. The Village is a non-home rule community governed by a Mayor and a six member Board of Trustees, elected for overlapping four-year terms. The Board appoints a Village Administrator, Attorney, Engineer, Finance Director, Building Planning and Zoning Director, Police Chief, and Public Works Director.

The Village of Cary is located in McHenry County, Illinois and lies approximately 42 miles northwest of the City of Chicago. The Village of Cary covers an area of approximately 7 square miles.

Located within commuting distance of Chicago and its suburbs, the Village of Cary has experienced growth in taxable valuation with new residential, industrial and commercial construction. According to the 2000 Census, the Village of Cary had a median family income of \$82,568. This compares to \$71,553 for McHenry County and \$55,545 for the State of Illinois. The Village anticipates a significant increase in median family income when the next decennial census is complete.

**The Village maintains a favorable financial position with adequate fund balances in relation to revenue.**

#### **Data Regarding Major Industry Affecting the Local Economy**

Several large employers are located in the Village of Cary. Sage Products currently employs approximately 700 people and is a developer and manufacturer of innovative medical and healthcare products used by professional and retail consumers throughout the world. Seaquist Perfect Dispensing, a manufacturer of aerosol valves and non-aerosol pumps, has an approximate employment of 390. True Value, a manufacturer of paints, brushes, varnishes and enamels, has an approximate employment of 175. Durex International, a manufacturer of electric heaters and temperature sensors, has an approximate employment of 150. Most of the workforce residing within the Village of Cary commutes to the surrounding suburbs and Chicago.

Unemployment rates are not regularly available for the Village of Cary. Unemployment rates for McHenry County are historically lower than the unemployment rates for the State of Illinois.

#### **Future Economic Outlook**

The residential component of the West Lake subdivision, approximately 225 town homes, with a commercial component will add some additional economic growth and take advantage of the heavily traveled Three Oaks Road/Route 14 intersection. A new 19,000 square foot grocery store has been approved by the Village Board and is under development in the Three Oaks Corridor. Other commercial projects in the Three Oaks Road area are either under construction or are in the planning stages.

Development plans for the Route 14 eastern entrance corridor, located within a Tax Increment Financing district, are becoming more active as the Village Officials look to ultimately turn a blighted area that provides little economic value presently, into a vital and attractive entrance into Cary. A developer is currently purchasing adjoining properties with the intent of redeveloping current underutilized land into a vibrant 30,000 square foot commercial area. New industrial buildings are also currently under construction, helping to add jobs and further diversifying the Village's tax base. In addition, the Village is currently seeing the construction and completion of over 20,000 square feet of office space which will add to our efforts to diversify the Village's tax base. Finally, a new full service restaurant is moving toward completion. This too will add to the diversification of the tax base.

## **MAJOR INITIATIVES**

### **For the Year**

The Village recently completed a huge multi-year infrastructure improvement project in the Maplewood school neighborhood (Krenz Subdivision). Major infrastructure projects were also undertaken on Alma and Sandra in the Sun Valley Subdivision.

This year also saw substantial steps towards the completion of the sanitary sewer system in the Weaver Subdivision and Hill Hurst Subdivision.

### **For the Future**

In Fiscal 2007 the Village will continue its aggressive policy toward infrastructure improvement projects. Major infrastructure improvement projects include the following:

1. Building the Feinberg Drive roadway extension;
2. Completion of engineering for Silver Lake/Cary Algonquin Road intersection improvements;
3. Rebuilding the deteriorating retaining walls on Three Oaks Road and Route 14;
4. Complete the annual Motor Fuel Tax Street Maintenance program;
5. Improvement of water and sewer lines in the community; and
6. A significant sidewalk repair and replacement project.

## **AWARDS**

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting. I am pleased to say that the GFOA awarded its Certificate of Achievement for Excellence in Financial Reporting to the Village of Cary for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Years Ended April 30, 1999 through 2006. Our current Comprehensive Annual Financial Report should also meet the Certificate of Achievement Program's requirements for the award.

## **ACKNOWLEDGMENTS**

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated services of the entire staff of the Finance Department. The members of the Finance Department Donna McCarty, Rhonda Williams, and Donna Berry, have the Village's gratitude for their contributions made in the preparation of this report. In addition, the Village of Cary wishes to recognize the staff of the firm of Lauterbach & Amen LLP, the Village of Cary auditors, and in particular, Ron Amen, Sherry Lauterbach, Dell Duckworth-Behm, and Jamie Wilkey. Their professionalism and cooperation are greatly appreciated by the Village of Cary and in particular by the staff of the Finance Department. The dedication of the Village of Cary staff, in cooperation with the staff of Lauterbach & Amen, provided the cooperative working relationship necessary for the completion of this document.

In closing, I would like to thank the Mayor and Village Board of Trustees for their significant interest and support in planning and conducting the financial operations of the Village of Cary in a responsible and conservative manner. Without their leadership and ongoing support, preparation of this report would not have been possible.

Respectfully,

A handwritten signature in black ink that reads "Cameron Davis". The signature is written in a cursive style with a large, stylized "C" at the beginning.

Cameron Davis  
Village Administrator

H:\Word Processing Files\Audit Related\Transmittal Letter FYE 05.doc

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the Village's independent auditing firm.



**INDEPENDENT AUDITORS' REPORT**

July 25, 2007

Honorable Mayor Steve Lamal  
Members of the Board of Trustees  
Village of Cary, Illinois

We have audited the accompanying basic financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Village of Cary, 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 basic financial statements are the responsibility of the Village of Cary, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

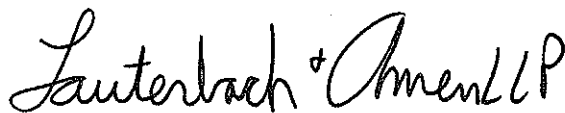
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining,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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Cary, Illinois as of April 30, 2007, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund schedules, as well as the information listed as supplemental and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of Cary, Illinois. Such information, except for that portion marked "unaudited" 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 presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

A handwritten signature in cursive script that reads "Lauterbach & Amen LLP".

LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **VILLAGE OF CARY, ILLINOIS**

### **Management's Discussion and Analysis April 30, 2007**

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Our discussion and analysis of the Village of Cary's financial performance provides an overview of the Village of Cary's financial activities for the fiscal year ended April 30, 2007. Please read it in conjunction with the transmittal letter on page iv and the Village of Cary's financial statements, which begin on page 17.

#### **FINANCIAL HIGHLIGHTS**

- The Village of Cary's net assets decreased by \$873,979 or 2.3 percent as a result of this year's operations. Net assets of governmental activities decreased by \$576,278, or 3.2 percent, and net assets of the business-type activities decreased by \$297,701, or 1.5 percent.
- During the year, expenses were \$576,278 more than the \$9 million generated in tax and other revenues for governmental programs (before transfers).
- Revenues for business-type activities totaled \$4.1 million while expenses totaled \$4.4 million.
- The General Fund reported a decrease in fund balance of \$1,136,400 due to capital improvements in the current year.

#### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 17 - 20) provide information about the activities of the Village of Cary as a whole and present a longer-term view of the Village of Cary's finances. Fund financial statements begin on page 21. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Cary's operations in more detail than the government-wide statements by providing information about the Village of Cary's most significant funds. The remaining statements provide financial information about activities for which the Village of Cary acts solely as a trustee or agent for the benefit of those outside of the government.

# **VILLAGE OF CARY, ILLINOIS**

## **Management's Discussion and Analysis**

**April 30, 2007**

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### **USING THIS ANNUAL REPORT - Continued**

#### **Government-Wide Financial Statements**

The government-wide financial statements provide readers with a broad overview of the Village of Cary finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 17 - 20 of this report.

The Statement of Net Assets reports information on all of the Village of Cary assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village of Cary is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village of Cary property tax base and the condition of the Village of Cary's roads, is needed to assess the overall health of the Village of Cary.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Village of Cary that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village of Cary include general government, public safety, and highways and streets. The business-type activities of the Village of Cary include water and sanitation and parking operations.

The Village of Cary includes one separate legal entity in its report, the Cary Police Pension Fund. Although legally separate, this "component unit" is important because the Village of Cary is financially accountable for it. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

#### **Fund Financial Statements**

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

## **VILLAGE OF CARY, ILLINOIS**

### **Management's Discussion and Analysis April 30, 2007**

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#### **USING THIS ANNUAL REPORT - Continued**

##### **Fund Financial Statements - Continued**

##### **Governmental Funds**

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

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

The Village of Cary maintains nine individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Infrastructure Capital Improvements Fund, Other Capital Projects Fund, Special Service Area #1 Fund, and the Special Service Area #2 Fund, all of which are considered major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village of Cary adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 21 - 26 of this report.

##### **Proprietary Funds**

The Village of Cary maintains two proprietary funds, both of which are enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Cary utilizes enterprise funds to account for its water and sanitation, and commuter parking operations.

# **VILLAGE OF CARY, ILLINOIS**

## **Management's Discussion and Analysis April 30, 2007**

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### **USING THIS ANNUAL REPORT - Continued**

#### **Fund Financial Statements - Continued**

##### **Proprietary Funds – Continued**

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sanitation Fund, considered a major fund, and for the Parking Fund, considered a non-major fund of the Village of Cary.

The basic proprietary fund financial statements can be found on pages 27 - 30 of this report.

##### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village of Cary own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 31 - 32 of this report.

##### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33 - 64 of this report.

##### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Cary I.M.R.F. and police employee pension obligations. Required supplementary information can be found on pages 65 - 69 of this report. The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 70 - 104 of this report.

## VILLAGE OF CARY, ILLINOIS

### Management's Discussion and Analysis April 30, 2007

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Cary, assets exceeded liabilities by \$36.7 million at April 30, 2007, slightly decreasing from the previous year.

	Net Assets					
	Governmental Activities		Business-Type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Current and Other Assets	\$ 11,958,180	14,259,860	13,732,685	14,543,327	25,690,865	28,803,187
Capital Assets	9,086,901	7,345,636	19,358,977	19,767,783	28,445,878	27,113,419
Total Assets	21,045,081	21,605,496	33,091,662	34,311,110	54,136,743	55,916,606
Long-Term Debt Outstanding	3,503,978	357,365	11,371,609	12,132,117	14,875,587	12,489,482
Other Liabilities	431,994	3,562,744	2,169,522	2,330,761	2,601,516	5,893,505
Total Liabilities	3,935,972	3,920,109	13,541,131	14,462,878	17,477,103	18,382,987
Net Assets						
Invested in Capital Assets, Net of Debt	9,086,901	7,345,636	7,397,329	7,081,773	16,484,230	14,427,409
Restricted	842,230	1,035,479	2,365,000	2,365,000	3,207,230	3,400,479
Unrestricted (Deficit)	7,179,978	9,304,272	9,788,202	10,401,459	16,968,180	19,705,731
Total Net Assets	17,109,109	17,685,387	19,550,531	19,848,232	36,659,640	37,533,619

Total assets for the Village of Cary are almost equally distributed between capital assets and current and other assets. The Village of Cary uses these capital assets to provide services to Cary residents; consequently, these assets are not available for future spending. Although the Village of Cary'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.

Approximately 45 percent of the Village of Cary's net assets reflect investment in capital assets. Nine percent of the Village of Cary's net assets represent resources that are subject to external restrictions on how they may be used. The remaining 46 percent, or \$17.0 million, represents unrestricted net assets that may be used to meet the government's ongoing obligations to citizens and creditors.



# VILLAGE OF CARY, ILLINOIS

## Management's Discussion and Analysis April 30, 2007

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Revenues						
Program Revenues						
Charges for Services	\$ 1,456,241	1,921,483	3,426,758	4,030,132	4,882,999	5,951,615
Capital Grants/Contrib.	12,000	44,666	-	-	12,000	44,666
Operating Grants/Contrib.	566,282	556,941	-	-	566,282	556,941
General Revenues						
Property Taxes	2,273,191	2,135,028	-	-	2,273,191	2,135,028
Sales Taxes	1,224,927	1,181,130	-	-	1,224,927	1,181,130
Utility Taxes	673,256	690,804	-	-	673,256	690,804
Intergovernmental	1,894,786	1,612,182	-	-	1,894,786	1,612,182
Other General Revenues	977,498	484,200	679,160	477,561	1,656,658	961,761
Total Revenues	9,078,181	8,626,434	4,105,918	4,507,693	13,184,099	13,134,127
Expenses						
General Government	1,274,362	2,833,179	-	-	1,274,362	2,833,179
Public Safety	3,501,396	3,440,615	-	-	3,501,396	3,440,615
Highways and streets	4,878,701	2,564,558	-	-	4,878,701	2,564,558
Interest on Long Term Debt	-	4,113	-	-	-	4,113
Water and Sanitation	-	-	4,172,813	4,045,696	4,172,813	4,045,696
Parking	-	-	230,806	131,580	230,806	131,580
Total Expenses	9,654,459	8,842,465	4,403,619	4,177,276	14,058,078	13,019,741
Increase in Net Assets						
Before Transfers	(576,278)	(216,031)	(297,701)	330,417	(873,979)	114,386
Transfers	-	60,000	-	(60,000)	-	-
Change in Net Assets	(576,278)	(156,031)	(297,701)	270,417	(873,979)	114,386
Net Assets-Beginning	17,685,387	17,841,418	19,848,232	19,577,815	37,533,619	37,419,233
Net Assets-Ending	17,109,109	17,685,387	19,550,531	19,848,232	36,659,640	37,533,619

## **VILLAGE OF CARY, ILLINOIS**

### **Management's Discussion and Analysis April 30, 2007**

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#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

Net assets of the Village of Cary governmental activities changed just slightly from fiscal year 2006 to fiscal year 2007 (\$17.7 million in 2006 to \$17.1 million in 2007). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints total \$7.2 million.

Net assets of business-type activities decreased by 1.5 percent (\$19.8 million in 2006 compared to \$19.6 million in 2007). The Village of Cary generally can only use these net assets to finance the continuing operations of the water and sanitation and parking operations.

Total revenues were \$13,184,099, while expenses for the year totaled \$14,058,078.

#### **Governmental Activities**

Program Revenues for governmental activities totaled \$9.1 million, while program expenses totaled \$9.7 million.

The following are the areas of significant changes in revenue and expenses:

- Police Department Court Fines decreased by 35% from \$571,115 to \$421,281.
- Property tax receipts increased by approximately 20% from \$1,887,140 to \$2,273,191. Based on increases in the total assessed valuation, property tax revenues are budgeted to increase by approximately \$100,000 next fiscal year.
- General Fund Intergovernmental revenue, comprised of State Income Tax, Personal Property Replacement Tax, Local Use Tax & Grants increased by 12% from \$1.6 million in fiscal 2006 to \$1.8 million in fiscal 2007.
- Most departments' actual expenses came in under budget. The largest favorable variances occurred in the Infrastructure Capital Projects Fund of \$1,136,055 due to lower road project costs and the Other Capital Projects Fund of \$1,734,573 due to construction projects being delayed into the next fiscal year.

## VILLAGE OF CARY, ILLINOIS

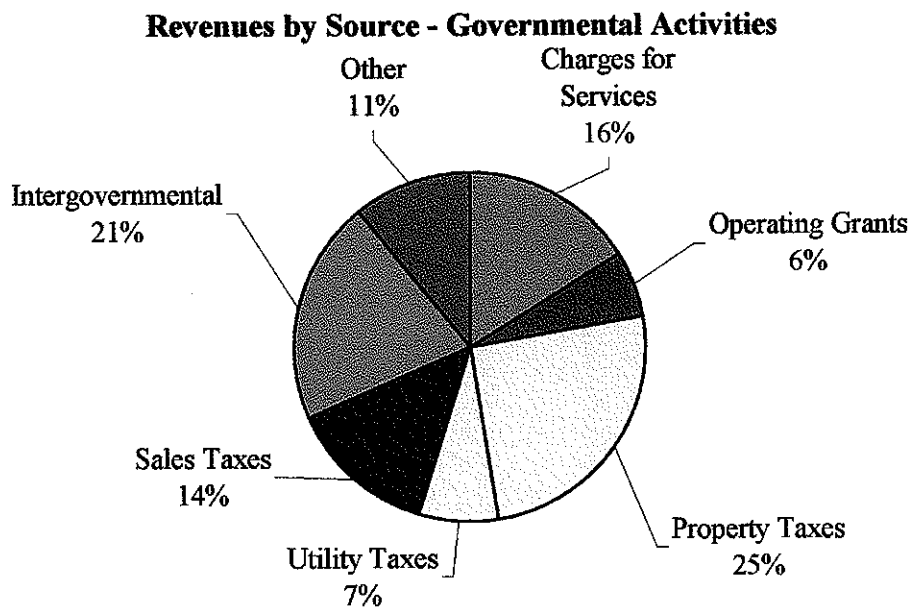
### Management's Discussion and Analysis April 30, 2007

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

##### Governmental Activities – Continued

The following table graphically depicts the major revenue sources of the Village of Cary. It depicts very clearly the reliance on property taxes to fund governmental activities. It also identifies Charges for Services as another area of strong revenue production. The remaining revenue sources indicate that the combined Sales Tax and Utility Taxes are growing in financial importance. Sales Taxes are on the upswing! Recent additions to the retail landscape in Cary include Jimmy Johns and Dunkin Donuts in the expanded Cary Square shopping center. A new restaurant, grocery store and other retail sales tax generating businesses are expected in the next fiscal year.



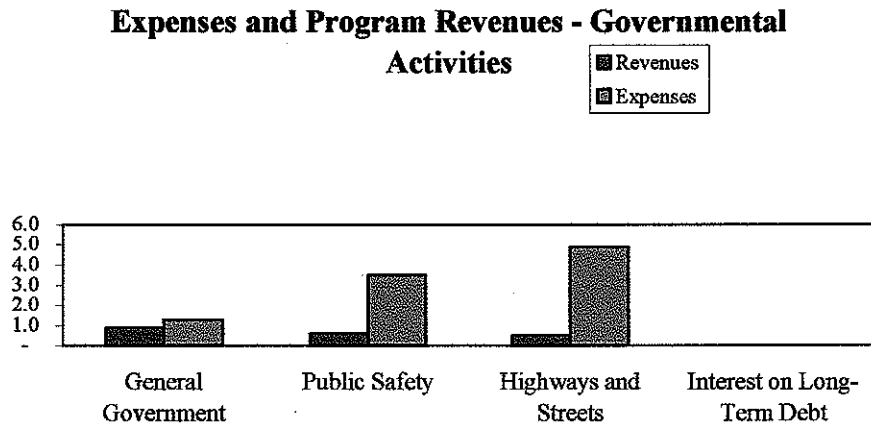
The 'Expenses and Program Revenues' Table on the following page identifies those governmental functions where program expenses greatly exceed revenues. Public Safety (Police) provides for the common good of the residents of Cary, and with the exception of Court Fines, which continue to diminish, offers no additional revenue sources. Highways and Streets (Public Works) operates to maintain the infrastructures of Cary and does not offer significant revenue producing programs.

# VILLAGE OF CARY, ILLINOIS

## Management's Discussion and Analysis April 30, 2007

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Governmental Activities – Continued



#### Business-Type Activities

Program and General Revenues of the Village's business-type activities totaled \$4,105,918 and program expenses totaled \$4,403,619.

The water and sanitation system showed relatively even revenue and expenses when compared to the prior year. Water and sanitation charges for services showed a slight decrease from \$3,882,084 during fiscal 2006 to \$3,273,170 during fiscal 2007. Water meter sales showed a significant decrease from \$23,945 in fiscal 2006 to \$11,764 in fiscal 2007. The water meter sale decrease is attributable to the slowing of residential development.

The Parking Fund, which accounts for the commuter parking lots, shows a slight increase in operating income when compared to fiscal 2006. The Parking lot fees for 2007 were \$153,588 compared to \$148,048 for fiscal 2006 and the expenses were \$230,806 for fiscal 2007 compared to \$131,580 for fiscal year 2006. Major repaving and repair work in the commuter parking lots are the reason the fund's expenses are outpacing revenues. This same scenario is planned to occur in the next fiscal year.

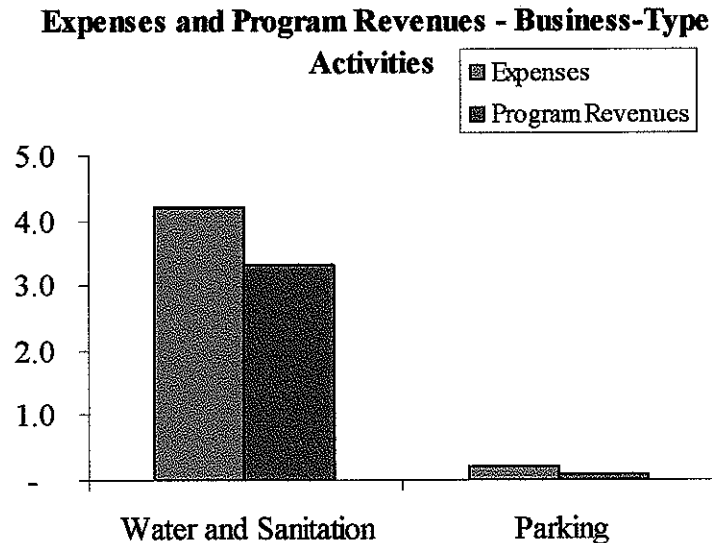
## VILLAGE OF CARY, ILLINOIS

### Management's Discussion and Analysis April 30, 2007

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

##### Business-Type Activities – Continued



The above graph compares program revenues to expenses for water and sanitation operations, and parking operations. The Water & Sanitation operation generated a loss of \$252,238 and the Parking Fund generated a slight loss of \$45,463 before administrative transfers.

#### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

##### Governmental funds

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$8,492,249, a decrease of \$2,240,449 over the prior year fund balance of \$10,732,698.

The major Governmental changes in fund balances were as follows:

## **VILLAGE OF CARY, ILLINOIS**

### **Management's Discussion and Analysis April 30, 2007**

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#### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued**

##### **Governmental Funds – Continued**

The General Fund reported a surplus of \$1,043,600 before administrative transfers. The projected expenses for the General Fund were 6.6% less than budgeted for this fiscal year 2007.

The Infrastructure Capital Improvement Fund reported a deficit of \$811,670 before administrative transfers. This deficit is planned as the Village continues the final phases of its aggressive neighborhood improvement programs.

The Other Capital Projects Fund reported a deficit of \$253,879 before administrative transfers due to Annexation fees not reaching the projected budget for Fiscal 2007.

The Special Service Area #1 Fund reported a deficit of \$1,483,305, due to capital projects expenditures.

The Special Service Area #2 reported a deficit of \$731,839 due to the transferring of funds to the Special Service Area #2 agency fund to support future debt service requirements.

Motor Fuel Tax funds, provided by the State, can only be used to replace, maintain, or improve the Village's roads. This year \$117,418 of these resources went into the completion of the Sunset & Crest project. Another \$413,000 went into the annual Street Maintenance program.

##### **Proprietary funds**

The Village of Cary's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Water and Sanitation Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water and sewer system. Water is pumped from nine Village owned and operated municipal wells. Water is sold to all municipal customers at a rate of \$3.43 per thousand gallons. In addition, municipal customers are charged \$2.37 per thousand gallons of water usage for the maintenance of the Village-wide sewerage system.

The Village intends to run the Water & Sanitation fund at a breakeven rate. However, there was a deficit during the current fiscal year of \$252,238, mainly due to a \$285,790 decrease in charges for services in the current year. In other words, less water was sold in FY 2007 vs. what was sold in FY 2006.

The Village also operates the commuter parking lots which provide approximately 616 parking spaces for residents of Cary and surrounding communities who utilize Metra to commute to the City of Chicago and other points in between. These lots produced a slight planned loss of \$45,463.

## VILLAGE OF CARY, ILLINOIS

### Management's Discussion and Analysis April 30, 2007

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#### GENERAL FUND BUDGETARY HIGHLIGHTS

The Village Board does not make changes to the budget once it is approved. The Village Board traditionally passes the appropriations ordinance in the first quarter of the fiscal year as required by law. If necessary, the Village Board would change line item appropriations where necessary. At April 30, 2007 original and final budgeted revenues for the General Fund totaled \$6,792,047, while actual revenues totaled \$7,429,387, due in large part to interest income being significantly over budget. Original and final budgeted expenditures for the General Fund totaled \$6,837,047, while actual expenditures totaled \$6,385,787, due to the General Government and Highways and Streets functions coming in under budget for the year.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

##### Capital Assets

The Village of Cary investment in capital assets for its governmental and business type activities as of April 30, 2007 was \$28.45 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, and infrastructure. The total increase in the Village of Cary investment in capital assets for the current fiscal year was approximately \$1.33 million, or a 4.92 percent increase over the prior year.

	Capital Assets, Net of Depreciation (in Millions)					
	Governmental Activities		Business-Type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Land	\$ 0.20	0.20	0.36	0.36	0.56	0.56
Land Improvements	-	-	-	-	-	-
Buildings and Improvements	3.50	3.62	7.62	7.62	11.12	11.24
Vehicles	0.70	0.80	0.04	0.04	0.74	0.84
Machinery & Equipment	0.09	0.09	0.14	0.05	0.23	0.14
Infrastructure	4.60	2.64	11.20	11.70	15.80	14.34
Total	9.09	7.35	19.36	19.77	28.45	27.12

This year's major additions included:

Water Main Replacement in Krenz Subdivision	\$ 280,054
Replace Streets in Maplewood area (Krenz Subdivision) funded through Infrastructure Capital Improvements	1,966,362

## VILLAGE OF CARY, ILLINOIS

### Management's Discussion and Analysis April 30, 2007

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#### CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

##### Capital Assets - Continued

The fiscal year 2008 capital budget includes \$4.2 million for capital projects, principally for completion of reconstruction projects throughout the Village. Some of the specific projects include; 3 Oaks/Silver Lake Intersection Improvement Planning, Village Hall Improvements, 3 Oaks and Route 14 Retaining Wall Replacement, Sanitary Sewer Improvements on Margaret Terrace, East Main Street water and sewer improvements, Water Main improvements on Oriole, Commuter Parking Lot improvements, completion of the Feinberg Drive extension and the annual MFT Street Maintenance program. The Village has no immediate plans to issue additional debt; rather, resources on hand in the Infrastructure Capital Improvements Funds, Motor Fuel Tax Funds and Electric Utility Taxes will continue to fund these types of roadwork projects. The Annexation & Equipment Fund will be used to finance other non-infrastructure projects and purchases. Additional information on the Village of Cary capital assets can be found in note 3 on pages 50 - 51 of this report.

##### Debt Administration

At year-end, the Village of Cary had total outstanding bonded debt of \$12.8 million. The following is a chart indicating that all of the outstanding debt is within the business-type activities category (water and sewer systems):

	Revenue Bonds Outstanding (in Millions)					
	Governmental		Business-type		Total	
	Activities		Activities			
	2007	2006	2007	2006	2007	2006
Revenues Bonds and Notes	\$ -	-	12.8	13.6	12.8	13.6

The Village of Cary obtained an A1 rating from Moody's for the 2005 Waterworks and Sewerage Revenue Refunding bonds. Additional information on the Village of Cary long-term debt can be found in Note 3 on pages 53 - 58 of this report.

#### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal year 2008 budget, tax rates, and fees that will be charged for its governmental and business-type activities.

The Consumer Price Index (CPI) used to determine the extension limit under the Property Tax Extension Limitation Law for the 2006 extension (taxes collected in 2007) was 4.2 percent. With an increase in the assessed valuation, and the capture of revenues from new development projects, the Village of Cary expects to see property tax revenue increase approximately 6.2 percent.



## **VILLAGE OF CARY, ILLINOIS**

### **Management's Discussion and Analysis April 30, 2007**

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#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES – Continued**

- It is anticipated that the Village's contribution for IRMA insurance will increase.

The Village Board adopted a General Fund budget for Fiscal 2008 of \$6,842,447 budgeted for both revenues and expenditures. This represents a budgeted 1.03 percent increase in both revenue and expenditures.

Overall, the adopted Fiscal 2008 budget has estimated revenues of \$13.28 million and estimated expenditures of \$18.99 million when all funds are combined.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Village of Cary finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Village Administrator, Village of Cary, 655 Village Hall Dr., Village of Cary, Illinois, 60013.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds
  - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**VILLAGE OF CARY, ILLINOIS**

**Statement of Net Assets**

**April 30, 2007**

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**See Following Page**

**VILLAGE OF CARY, ILLINOIS****Statement of Net Assets  
April 30, 2007**

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments	\$ 7,425,622	9,328,621	16,754,243
Receivables - Net of Allowances	3,525,179	736,222	4,261,401
Prepays	282,379	186,409	468,788
Inventory - Land Held for Resale	725,000	-	725,000
Restricted Cash and Investments	-	3,304,718	3,304,718
Total Current Assets	11,958,180	13,555,970	25,514,150
<b>Noncurrent Assets</b>			
<b>Capital Assets</b>			
Nondepreciable Assets	193,642	356,539	550,181
Depreciable Assets	10,995,479	34,050,075	45,045,554
Depreciation	(2,102,220)	(15,047,637)	(17,149,857)
	9,086,901	19,358,977	28,445,878
<b>Other Assets</b>			
Unamortized Bond Costs	-	176,715	176,715
Total Noncurrent Assets	9,086,901	19,535,692	28,622,593
Total Assets	21,045,081	33,091,662	54,136,743

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

	Governmental Activities	Business- Type Activities	Total
<b>LIABILITIES</b>			
Current liabilities			
Accounts Payable	317,363	277,437	594,800
Accrued Payroll	84,742	18,597	103,339
Benefits Payable	110,423	-	110,423
Deposits Payable	549,483	920,821	1,470,304
Unearned/Deferred Revenues	2,403,920	-	2,403,920
Compensated Absences Payable	38,047	12,949	50,996
Accrued Interest Payable	-	121,170	121,170
Current Portion of Long-Term Debt	-	818,548	818,548
	<u>3,503,978</u>	<u>2,169,522</u>	<u>5,673,500</u>
Noncurrent Liabilities			
Pension Obligation Payable	279,806	-	279,806
Compensated Absences Payable	152,188	51,794	203,982
Revenue Bonds Payable	-	11,971,024	11,971,024
Deferred Loss on Refunding	-	(651,209)	(651,209)
	<u>431,994</u>	<u>11,371,609</u>	<u>11,803,603</u>
Total Liabilities	<u>3,935,972</u>	<u>13,541,131</u>	<u>17,477,103</u>
<b>NET ASSETS</b>			
Invested in Capital Assets -			
Net of Related Debt	9,086,901	7,397,329	16,484,230
Restricted - Special Revenues	781,390	-	781,390
Restricted - Debt	-	2,365,000	2,365,000
Restricted - Nonexpendable Perpetual Care	60,840	-	60,840
Unrestricted	<u>7,179,978</u>	<u>9,788,202</u>	<u>16,968,180</u>
Total Net Assets	<u>17,109,109</u>	<u>19,550,531</u>	<u>36,659,640</u>

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

# VILLAGE OF CARY, ILLINOIS

## Statement of Activities

Year Ended April 30, 2007

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
General Government	\$ 1,274,362	953,441	-	-
Public Safety	3,501,396	479,314	22,251	12,000
Highways and Streets	4,878,701	23,486	544,031	-
Total Governmental Activities	9,654,459	1,456,241	566,282	12,000
Business-Type Activities				
Water and Sanitation	4,172,813	3,273,170	-	-
Parking	230,806	153,588	-	-
Total Business-Type Activities	4,403,619	3,426,758	-	-
	14,058,078	4,882,999	566,282	12,000

### General Revenues

#### Taxes

Property Taxes

Sales Taxes

Utility Taxes

Intergovernmental - Unrestricted

Income Taxes

Local Use Taxes

Replacement Taxes

Interest Income

Miscellaneous

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

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

Net Expense/Revenue		
Governmental Activities	Business Type Activities	Total
(320,921)	-	(320,921)
(2,987,831)	-	(2,987,831)
(4,311,184)	-	(4,311,184)
(7,619,936)	-	(7,619,936)
-	(899,643)	(899,643)
-	(77,218)	(77,218)
-	(976,861)	(976,861)
(7,619,936)	(976,861)	(8,596,797)
2,273,191	-	2,273,191
1,224,927	-	1,224,927
673,256	-	673,256
1,576,513	-	1,576,513
238,256	-	238,256
80,017	-	80,017
467,891	654,797	1,122,688
509,607	24,363	533,970
7,043,658	679,160	7,722,818
(576,278)	(297,701)	(873,979)
17,685,387	19,848,232	37,533,619
17,109,109	19,550,531	36,659,640

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

# VILLAGE OF CARY, ILLINOIS

## Balance Sheet - Governmental Funds April 30, 2007

	General	Infrastructure Capital Improvements
<b>ASSETS</b>		
Cash and Investments	\$ 4,576,345	2,695
Receivables - Net of Allowances		
Taxes	2,900,989	257,918
Accounts	189,262	44,464
Accrued Interest	-	181
Due from Other Funds	93,302	-
Prepays	282,379	-
Inventory - Land Held for Resale	-	-
Total Assets	8,042,277	305,258
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities		
Accounts Payable	174,358	29,062
Accrued Payroll	84,742	-
Benefits Payable	110,423	-
Deposits Payable	511,983	37,500
Due to Other Funds	3,680	67,844
Unearned/Deferred Revenues	2,110,810	210,853
Total Liabilities	2,995,996	345,259
Fund Balances		
Reserved - Prepays/Inventory	282,379	-
Reserved - Special Revenues	290,191	-
Reserved - Perpetual Care	-	-
Unreserved	4,473,711	(40,001)
Total Fund Balances	5,046,281	(40,001)
Total Liabilities and Fund Balances	8,042,277	305,258

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



Other Capital Projects	Special Service Area #1	Special Service Area #2	Nonmajor Governmental Funds	Total Governmental Funds
2,301,197	21	14	545,350	7,425,622
-	-	-	80,257	3,239,164
13,685	-	-	37,254	284,665
-	-	-	1,169	1,350
3,680	-	-	-	96,982
-	-	-	-	282,379
-	-	-	725,000	725,000
2,318,562	21	14	1,389,030	12,055,162
102,098	-	-	11,845	317,363
-	-	-	-	84,742
-	-	-	-	110,423
-	-	-	-	549,483
-	-	-	25,458	96,982
-	-	-	82,257	2,403,920
102,098	-	-	119,560	3,562,913
-	-	-	725,000	1,007,379
-	-	-	491,199	781,390
-	-	-	60,840	60,840
2,216,464	21	14	(7,569)	6,642,640
2,216,464	21	14	1,269,470	8,492,249
2,318,562	21	14	1,389,030	12,055,162

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

**VILLAGE OF CARY, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to the  
Statement of Net Assets - Governmental Activities**

**April 30, 2007**

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<b>Total Governmental Fund Balances</b>	<b>\$ 8,492,249</b>
 Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	9,086,901
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Pension Obligation Payable	(279,806)
Compensated Absences Payable	<u>(190,235)</u>
 <b>Net Assets of Governmental Activities</b>	 <b><u>17,109,109</u></b>

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

**VILLAGE OF CARY, ILLINOIS**

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

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**See Following Page**

# VILLAGE OF CARY, ILLINOIS

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

	General	Infrastructure Capital Improvements
<b>Revenues</b>		
Taxes	\$ 3,230,202	876,183
Licenses and Permits	354,932	-
Intergovernmental	1,911,157	549,911
Charges for Services	1,064,515	-
Fines and Forfeits	437,078	-
Interest	289,020	10,452
Miscellaneous	142,483	-
Total Revenues	<u>7,429,387</u>	<u>1,436,546</u>
<b>Expenditures</b>		
Current		
General Government	1,484,581	-
Public Safety	3,411,763	-
Highways and Streets	1,489,443	819,237
Capital Outlay	-	1,428,979
Total Expenditures	<u>6,385,787</u>	<u>2,248,216</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,043,600</u>	<u>(811,670)</u>
<b>Other Financing Sources (Uses)</b>		
Transfers In	-	500,000
Transfers Out	(2,180,000)	(45,000)
	<u>(2,180,000)</u>	<u>455,000</u>
<b>Net Change in Fund Balances</b>	<u>(1,136,400)</u>	<u>(356,670)</u>
<b>Fund Balances - Beginning</b>	<u>6,182,681</u>	<u>316,669</u>
<b>Fund Balances - Ending</b>	<u><u>5,046,281</u></u>	<u><u>(40,001)</u></u>

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

Other Capital Projects	Special Service Area #1	Special Service Area #2	Nonmajor Governmental Funds	Total Governmental Funds
-	-	-	64,989	4,171,374
-	-	-	-	354,932
12,000	-	-	-	2,473,068
56,052	-	-	800	1,121,367
-	-	-	-	437,078
121,996	14,097	19,050	13,276	467,891
-	170,992	176,229	19,903	509,607
190,048	185,089	195,279	98,968	9,535,317
-	172,104	14,566	4,754	1,676,005
-	-	-	-	3,411,763
-	-	-	-	2,308,680
443,927	1,496,290	912,552	97,570	4,379,318
443,927	1,668,394	927,118	102,324	11,775,766
(253,879)	(1,483,305)	(731,839)	(3,356)	(2,240,449)
1,000,000	-	-	725,000	2,225,000
-	-	-	-	(2,225,000)
1,000,000	-	-	725,000	-
746,121	(1,483,305)	(731,839)	721,644	(2,240,449)
1,470,343	1,483,326	731,853	547,826	10,732,698
2,216,464	21	14	1,269,470	8,492,249

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

**VILLAGE OF CARY, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities - Governmental Activities**

**Year Ended April 30, 2007**

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (2,240,449)</b>
---	-----------------------

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

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	2,087,025
Depreciation Expense	(345,760)

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Additions to Net Pension Obligation	(64,769)
Additions of Compensated Absences Payable	<u>(12,325)</u>

<b>Changes in Net Assets of Governmental Activities</b>	<b><u>(576,278)</u></b>
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**VILLAGE OF CARY, ILLINOIS**

**Statement of Net Assets - Proprietary Funds**  
**April 30, 2007**

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**See Following Page**

# VILLAGE OF CARY, ILLINOIS

## Statement of Net Assets - Proprietary Funds April 30, 2007

	Water and Sanitation	Nonmajor Enterprise Parking	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 8,756,075	572,546	9,328,621
Receivables - Net of Allowances Accounts - Billed	731,596	-	731,596
Accrued Interest	4,626	-	4,626
Prepays	186,409	-	186,409
Restricted Cash and Investments	3,304,718	-	3,304,718
Total Current Assets	12,983,424	572,546	13,555,970
Noncurrent Assets			
Capital Assets			
Nondepreciable	356,539	-	356,539
Depreciable	33,898,474	151,601	34,050,075
Accumulated Depreciation	(15,029,764)	(17,873)	(15,047,637)
	19,225,249	133,728	19,358,977
Other Assets			
Unamortized Bond Costs	176,715	-	176,715
Total Noncurrent Assets	19,401,964	133,728	19,535,692
Total Assets	32,385,388	706,274	33,091,662

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



	Water and Sanitation	Nonmajor Enterprise Parking	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	218,128	59,309	277,437
Accrued Payroll	18,597	-	18,597
Deposits Payable	920,821	-	920,821
Compensated Absences Payable	12,949	-	12,949
Payable from Restricted Assets			
Accrued Interest Payable	121,170	-	121,170
Revenue Bonds Payable	818,548	-	818,548
	<u>2,110,213</u>	<u>59,309</u>	<u>2,169,522</u>
Noncurrent Liabilities			
Compensated Absences Payable	51,794	-	51,794
Revenue Bonds Payable	11,971,024	-	11,971,024
Deferred Loss on Refunding	(651,209)	-	(651,209)
	<u>11,371,609</u>	<u>-</u>	<u>11,371,609</u>
Total Liabilities	<u>13,481,822</u>	<u>59,309</u>	<u>13,541,131</u>
<b>NET ASSETS</b>			
Invested in Capital Assets - Net of Related Debt	7,263,601	133,728	7,397,329
Restricted - Debt	2,365,000	-	2,365,000
Unrestricted	<u>9,274,965</u>	<u>513,237</u>	<u>9,788,202</u>
Total Net Assets	<u>18,903,566</u>	<u>646,965</u>	<u>19,550,531</u>

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

# VILLAGE OF CARY, ILLINOIS

## Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds Year Ended April 30, 2007

	Water and Sanitation	Nonmajor Enterprise Parking	Totals
Operating Revenues			
Charges for Services	\$ 3,114,544	153,588	3,268,132
Operating Expenses			
Administration	443,367	100,000	543,367
Operations	2,160,428	117,124	2,277,552
Depreciation and Amortization	1,154,995	13,682	1,168,677
Total Operating Expenses	3,758,790	230,806	3,989,596
Operating Income (Loss)	(644,246)	(77,218)	(721,464)
Nonoperating Revenues (Expenses)			
Other Income	24,363	-	24,363
Connection Fees	158,626	-	158,626
Interest Income	623,042	31,755	654,797
Interest Expense	(414,023)	-	(414,023)
	392,008	31,755	423,763
Change in Net Assets	(252,238)	(45,463)	(297,701)
Net Assets - Beginning	19,155,804	692,428	19,848,232
Net Assets - Ending	18,903,566	646,965	19,550,531

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

# VILLAGE OF CARY, ILLINOIS

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

	Business-Type Activities - Enterprise Funds		
	Water	Nonmajor Enterprise Parking	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 3,382,719	153,588	3,536,307
Payments to Employees	(806,642)	-	(806,642)
Payments to Suppliers	(2,003,999)	(207,660)	(2,211,659)
	572,078	(54,072)	518,006
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(627,827)	(60,511)	(688,338)
Principal Paid on Debt	(795,895)	-	(795,895)
Interest Paid on Debt	(414,023)	-	(414,023)
	(1,837,745)	(60,511)	(1,898,256)
Cash Flows from Investing Activities			
Interest Received	623,039	31,755	654,794
Net Change in Cash and Cash Equivalents	(642,628)	(82,828)	(725,456)
Cash and Cash Equivalents - Beginning	12,703,421	655,374	13,358,795
Cash and Cash Equivalents - Ending	12,060,793	572,546	12,633,339
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities Operating Income (Loss)	(644,246)	(77,218)	(721,464)
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:			
Other Income	182,989	-	182,989
Depreciation and Amortization	1,154,995	13,682	1,168,677
(Increase) Decrease in Current Assets	85,186	-	85,186
Increase (Decrease) in Current Liabilities	(206,846)	9,464	(197,382)
Net Cash Provided by Operating Activities	572,078	(54,072)	518,006

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

**VILLAGE OF CARY, ILLINOIS****Statement of Net Assets - Fiduciary Funds  
April 30, 2007**

	Police Pension Trust	Agency
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 153,139	2,891,043
Investments		
U.S. Government and Agency Securities	2,895,790	-
Mutual Funds	1,565,198	-
Receivables		
Taxes	-	1,260,009
Accrued Interest	30,722	-
Total Assets	4,644,849	4,151,052
<b>LIABILITIES</b>		
Accounts Payable	25,227	-
Due to Bond Holders	-	4,151,052
Total Liabilities	25,227	4,151,052
<b>NET ASSETS</b>		
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	4,619,622	-

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

# VILLAGE OF CARY, ILLINOIS

## Statement of Changes in Net Assets - Fiduciary Funds Year Ended April 30, 2007

	Police Pension Trust
Additions	
Contributions - Employer	\$ 204,794
Contributions - Plan Members	173,419
Total Contributions	378,213
Investment Income	
Interest Earned	382,997
Net Change in Fair Value	(16,886)
	366,111
Less Investment Expenses	-
	366,111
Total Additions	744,324
Deductions	
Administration	10,894
Benefits and Refunds	
Benefits	198,739
Refunds of Contributions	564
Total Deductions	210,197
Change in Net Assets	534,127
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	4,085,495
Ending	4,619,622

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

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

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# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

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## VILLAGE OF CARY, ILLINOIS

### Notes to the Financial Statements April 30, 2007

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Cary, Illinois, incorporated in 1897, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, water, sanitation and parking services, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

#### REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Cary
Blended Component Unit:	Police Pension Employees Retirement System

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the Village.

*Blended Component Units* - Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Village Board or the Component unit provides services entirely to the Village. These component units' funds are blended into those of the Village's by appropriate activity type to compose the primary government presentation.



## **VILLAGE OF CARY, ILLINOIS**

### **Notes to the Financial Statements April 30, 2007**

---

#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

##### **REPORTING ENTITY – Continued**

###### **Blended Component Unit**

###### **Police Pension Employees Retirement System**

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

#### **BASIS OF PRESENTATION**

##### **Government-Wide Statements**

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water, sanitation and parking services are classified as business-type activities.

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

# **VILLAGE OF CARY, ILLINOIS**

## **Notes to the Financial Statements April 30, 2007**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **BASIS OF PRESENTATION – Continued**

##### **Government-Wide Statements – Continued**

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, streets and roads, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

##### **Fund Financial Statements**

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

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

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

##### Governmental Funds

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

**General fund** is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

**Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains four major capital projects funds, the Infrastructure Capital Improvements, Other Capital Projects, Special Service Area #1, and Special Service Area #2 Funds. The Infrastructure Capital Improvements Fund is used to account for the acquisition and improvements of Village infrastructure. The Other Capital Projects Fund is used to account for the acquisition and improvement of Village property including general capital assets. The Special Service Area #1 Fund is used to account for a portion of the infrastructure costs for the Cambria subdivision. The Special Service Area #2 Fund is used to account for a portion of the infrastructure costs for the Foxford Hills subdivision. The Village also maintains two nonmajor capital project funds – the TIF Capital Project Fund and the Route 14 Redevelopment Capital Project Fund.

**Permanent funds** are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs. The Village maintains two nonmajor permanent funds.

##### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the Village:

## VILLAGE OF CARY, ILLINOIS

### Notes to the Financial Statements April 30, 2007

---

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

##### Proprietary Funds – Continued

**Enterprise funds** are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

The Village maintains one major enterprise fund, the Water and Sanitation Fund which is used to account for the provision of potable water and wastewater treatment 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 and maintenance, financing and related debt service, billing and collection. The Village also maintains one nonmajor enterprise fund the Parking Fund.

##### Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

**Pension trust funds** are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan.

**Agency funds** are used to account for assets held by the Village in a purely custodial capacity. The Special Service Area #1 Fund is used to account for the collection of property taxes within special service area #1 and payments of related special service area debt. The Special Service Area #2 Fund is used to account for the collection of property taxes within special service area #2 and payment of related special service area debt.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

# **VILLAGE OF CARY, ILLINOIS**

## **Notes to the Financial Statements April 30, 2007**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

##### **Measurement Focus**

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

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

##### **Basis of Accounting**

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70.

# **VILLAGE OF CARY, ILLINOIS**

## **Notes to the Financial Statements April 30, 2007**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

##### **Basis of Accounting – Continued**

A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds, are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY**

##### **Cash and Investments**

Cash and cash equivalents on the Statement of Net Assets are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

# **VILLAGE OF CARY, ILLINOIS**

## **Notes to the Financial Statements April 30, 2007**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued**

##### **Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

##### **Interfund Receivables, Payables and Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

##### **Prepays /Inventories – Land Held for Resale**

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids. Inventory of land held for resale is valued at cost using the specific identification method, and is recognized as an expenditure when sold/consumed.

##### **Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Capital Assets – Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	10 – 45 Years
Vehicles	2 – 12 Years
Machinery and Equipment	3 – 7 Years
Infrastructure	10 – 40 Years

GASB Statement No. 34 required the Village to report and depreciate new infrastructure assets effective with the beginning of April 30, 2005 fiscal year. Infrastructure assets include roads, sidewalks, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements. Under GASB Statement No. 34, the Village is not required to retroactively restate infrastructure assets.

##### Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

##### Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.



# **VILLAGE OF CARY, ILLINOIS**

## **Notes to the Financial Statements April 30, 2007**

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### **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, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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.

##### **Unearned/Deferred Revenue**

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

##### **Fund Equity**

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

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. Designations of fund balance represent tentative management plans that are subject to change.

## VILLAGE OF CARY, ILLINOIS

### Notes to the Financial Statements

April 30, 2007

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#### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

##### BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriations are adopted for the general, capital projects, permanent and enterprise funds. All annual appropriations lapse at fiscal year end.

All departments of the Village submit requests for appropriation to the Village's Administrator so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, no supplementary appropriations were necessary.

##### EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget for the fiscal year.

<u>Fund</u>	<u>Excess</u>
Special Service Area #1	\$ 1,668,394
Special Service Area #2	927,118
Route 14 Redevelopment	17,571

##### DEFICIT FUND EQUITY

The Infrastructure Capital Improvements fund has deficit fund equity for the fiscal year of \$(40,001).

## **VILLAGE OF CARY, ILLINOIS**

### **Notes to the Financial Statements April 30, 2007**

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#### **NOTE 3 – DETAIL NOTES ON ALL FUNDS**

##### **DEPOSITS AND INVESTMENTS**

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the Village's funds.

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, life insurance company contracts, money market mutual funds and common and preferred stocks.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets.

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

## VILLAGE OF CARY, ILLINOIS

### Notes to the Financial Statements April 30, 2007

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

##### **Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits and Investments.* At year-end, the carrying amount of the Village's deposits for governmental, business-type and agency activities totaled \$7,350,685 and the bank balances totaled \$7,349,593. Additionally, at year-end the Village has \$9,341,076 invested in the Illinois Funds and \$6,258,243 invested in the Illinois Metropolitan Investment Fund.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that there should be maintenance of sufficient liquidity to meet operating requirements. Furthermore, to the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than two years from the date of purchase. Reserve funds may be invested in securities exceeding two years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds. The maturity of the Village's investments in the Illinois Funds and the Illinois Metropolitan Investment Fund is less than one year.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, the Village's investment policy does not further limit investment choices. At year-end, the Village's investments in the Illinois Funds and the Illinois Metropolitan Investment Fund were rated AAAM by Standard & Poor's.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy states funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral in the name of the Village. At year-end, \$636,171 of the bank balance of deposits was not covered by federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy states that the Chief Financial Officer will have the responsibility for selecting safekeeping agents for securities unless physically held by the Chief Financial Officer. At year-end, the Village's investments in the Illinois Funds and Illinois Metropolitan Investment Fund are not subject to custodial credit risk.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that investments shall be diversified to the best of the Village's ability based on the type of funds invested and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity. At year-end, the Village's investments in the Illinois Funds and Illinois Metropolitan Investment Fund represent more than 5% of the total cash and investments portfolio.

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

#### Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

*Deposits.* At year-end, the carrying amount of the Police Pension Fund's deposits totaled \$153,139 and the bank balances totaled \$155,139.

*Investments.* The fair value and maturities of the Fund's investments at year-end are as follows:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Notes	\$ 1,506,343	98,449	943,786	464,108	-
U.S. Treasury Strips	190,640	190,640	-	-	-
GNMA	45,168	-	-	-	45,168
Federal Home Loan Mortgage Corp.	373,203	-	165,913	35,295	171,995
Federal Home Loan Banks	54,452	-	29,428	25,024	-
Federal National Mortgage Assoc.	725,984	14,991	75,446	134,775	500,772
	2,895,790	304,080	1,214,573	659,202	717,935

*Interest Rate Risk.* Besides investing primarily in U.S. Government and Agency securities, the Fund's investment policy does not further mitigate interest rate risk.

*Credit Risk.* The Fund's investment policy helps limit exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. Other than attempting to invest in securities implicitly guaranteed by the United States Government and investment instruments authorized by State Statute, the Village's investment policy does not further limit investment choices. The Fund's investment in the U.S. Government and Agency securities were all triple A rated by Standard & Poor's.

*Custodial Credit Risk.* The Fund's investment policy does not limit custodial credit risk for deposits. For investments, the Fund's investment policy requires a custodial to accept possession of securities for safekeeping. At year-end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance, and the balance of the government securities were covered by federal depository or equivalent insurance.

## VILLAGE OF CARY, ILLINOIS

### Notes to the Financial Statements April 30, 2007

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

##### Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

*Concentration Credit Risk.* Additionally at year-end, the Fund has \$1,565,198 invested in mutual funds. The Fund's investment policy states that assets shall be diversified in order to minimize the risk of losses. Furthermore, the Fund's investment policy states the following asset classifications and acceptable minimum and maximum holding ranges:

	<u>Maximum</u>	<u>Minimum</u>
Mutual Funds	35%	30%
Fixed Income	75%	55%
Cash Equivalents	5%	0%

At year-end, the Fund's investment in JP Morgan mutual funds represents more than 5% of the total cash and investment portfolio of the Fund.

##### PROPERTY TAXES

Property taxes for 2006 attach as an enforceable lien on January 1, 2006, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by McHenry County and are payable in two installments, on or about June 1, 2007, and September 1, 2007. The County collects such taxes and remits them periodically.

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### CAPITAL ASSETS

##### Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets- Not Being Depreciated				
Land	\$ 193,642	-	-	193,642
Other Capital Assets				
Buildings and Improvements	4,610,981	21,855	-	4,632,836
Vehicles	1,374,135	-	-	1,374,135
Machinery and Equipment	171,778	-	-	171,778
Infrastructure	2,751,560	2,065,170	-	4,816,730
	8,908,454	2,087,025	-	10,995,479
Less Accumulated Depreciation				
Buildings and Improvements	994,817	102,373	-	1,097,190
Vehicles	558,640	128,571	-	687,211
Machinery and Equipment	94,822	36,704	-	131,526
Infrastructure	108,181	78,112	-	186,293
	1,756,460	345,760	-	2,102,220
Total Other Capital Assets	7,151,994	1,741,265	-	8,893,259
Total Capital Assets	7,345,636	1,741,265	-	9,086,901

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 43,168
Public Safety	24,864
Highways and Streets	277,728
	<u>345,760</u>

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### CAPITAL ASSETS – Continued

##### Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets - Not Being Depreciated				
Land	\$ 356,539	-	-	356,539
Other Capital Assets				
Land Improvements	20,291	-	-	20,291
Buildings and Improvements	12,949,639	-	-	12,949,639
Vehicles	74,364	-	-	74,364
Machinery and Equipment	3,137,036	108,764	-	3,245,800
Infrastructure	17,180,407	579,574	-	17,759,981
	<u>33,361,737</u>	<u>688,338</u>	<u>-</u>	<u>34,050,075</u>
Less Accumulated Depreciation				
Land Improvements	1,103	957	-	2,060
Buildings and Improvements	5,341,265	16,078	-	5,357,343
Vehicles	27,501	8,724	-	36,225
Machinery and Equipment	3,089,899	11,016	-	3,100,915
Infrastructure	5,490,725	1,060,369	-	6,551,094
	<u>13,950,493</u>	<u>1,097,144</u>	<u>-</u>	<u>15,047,637</u>
Total Other Capital Assets	<u>19,411,244</u>	<u>(408,806)</u>	<u>-</u>	<u>19,002,438</u>
Total Capital Assets	<u>19,767,783</u>	<u>(408,806)</u>	<u>-</u>	<u>19,358,977</u>

Depreciation expense was charged to business-type as follows:

Water and Sanitation	\$ 1,083,462
Parking	<u>13,682</u>
	<u>1,097,144</u>



# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

##### Interfund Balances

The composition of interfund balances as of the date of this report is as follows:

Receivable Fund	Payable Fund	Amount
General	T.I.F. Capital Projects	\$ 25,458
General	Infrastructure Capital Improvements	67,844
Other Capital Projects	General	<u>3,680</u>
		<u>96,982</u>

Interfund balances are advances in anticipation of receipts.

##### Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Infrastructure Capital Improvements	General	\$ 500,000
Other Capital Projects	General	1,000,000
Nonmajor Governmental	General	<u>725,000</u>
		<u>2,225,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT

##### Revenue Bonds

The Village issues bonds for which the Village pledges income derived from the acquired or constructed assets to pay debt service Revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Water and Sanitation Refunding Revenue Bond Series of 2002, due in annual installments of \$155,000 to \$250,000 plus interest at 2.0% to 4.8% through May 1, 2017	Water and Sanitation	\$ 2,430,000	-	165,000	2,265,000
Water and Sanitation Refunding Revenue Bond Series of 2003, due in annual installments of \$25,000 to \$175,000 plus interest at 2.0% to 3.65% through May 1, 2015	Water and Sanitation	1,535,000	-	135,000	1,400,000
Water and Sanitation Refunding Revenue Bond Series of 2005, due in annual installments of \$30,000 to \$305,000 plus interest at 2.10% to 4.50% through May 1, 2017	Water and Sanitation	2,945,000	-	200,000	2,745,000
		6,910,000	-	500,000	6,410,000

##### IEPA Revenue Bonds

The Village has entered into an agreement with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bond Series of 2002, due in annual installments of \$465,565, including interest at 2.57% through May 1, 2024	Water and Sanitation	\$ 6,675,467	-	295,895	6,379,572

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Obligation	\$ 215,037	64,769	-	279,806	-
Compensated Absences	177,910	24,650	12,325	190,235	38,047
	392,947	89,419	12,325	470,041	38,047
Business-Type Activities					
Compensated Absences	62,017	5,452	2,726	64,743	12,949
Revenue Bonds	6,910,000	-	500,000	6,410,000	515,000
IEPA Revenue Bonds	6,675,467	-	295,895	6,379,572	303,548
	13,647,484	5,452	798,621	12,854,315	831,497

The General Fund makes payments on the net pension obligation. Payments on the installment contract are made by the Other Capital Projects Fund. The Water and Sanitation Fund makes payments on the revenue bonds. Compensated absences for the governmental activities are generally liquidated by the General Fund.

#### Noncommitment Debt

##### Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$20,540,000. These bonds are not an obligation of the government and are secured by the levy of annual tax on the real property within the special service area. The government is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

**VILLAGE OF CARY, ILLINOIS****Notes to the Financial Statements  
April 30, 2007****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****LONG-TERM DEBT – Continued****Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending April 30	Business-Type Activities			
	Revenue Bonds		IEPA Revenue Bonds	
	Principal	Interest	Principal	Interest
2007	\$ 515,000	412,013	-	-
2008	838,548	389,644	303,548	162,018
2009	856,399	365,328	311,399	154,166
2010	889,454	339,403	319,454	146,111
2011	922,716	310,932	327,716	137,848
2012	961,193	280,668	336,193	129,372
2013	979,888	248,498	344,888	120,676
2014	1,018,809	212,546	353,809	111,756
2015	1,057,960	174,548	362,960	102,605
2016	912,349	137,013	372,349	93,217
2017	871,979	104,362	381,979	83,586
2018	391,859	73,706	391,859	73,706
2019	401,995	63,570	401,995	63,570
2020	412,392	53,173	412,392	53,173
2021	423,059	42,507	423,059	42,507
2022	434,001	31,564	434,001	31,564
2023	445,227	20,338	445,227	20,338
2024	456,744	8,822	456,744	8,822
Total	12,789,572	3,268,635	6,379,572	1,535,035

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2006	<u>\$ 571,508,019</u>
Legal Debt Limit - 8.625% of Assessed Value	49,292,567
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>49,292,567</u>

##### Bond Defeasances

In prior years the Village defeased certain obligations by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Since the requirements which normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's financial statements. The defeased bonds still outstanding are as follows:

	<u>Final Maturity</u>	<u>Remaining Outstanding</u>
Water and Sanitation Revenue Bond Series of 1995	2017	\$ 2,095,000

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Revenue Bond Ordinance Disclosures

Water and Sanitation Fund - The revenue bond ordinance requires that all monies held in the Water and Sanitation Fund be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

Operations and Maintenance – an amount sufficient to pay one month of operating expenses of the system. Amounts may be expended on operating, maintaining and repairing the system.

Bond and Interest – an amount sufficient to pay the current portion of principal and interest maturities. Amounts may be expended for principal and interest on the bonds.

Bond Reserve – the amount of \$560,000 upon delivery of the bonds and \$10,000 per month until the account aggregates to maximum annual principal and interest still outstanding. Amounts may be expended for principal and interest on the bonds should sufficient funds not be available in the bond and interest account.

Depreciation, Improvement and Extention – the amount of \$3,000 per month until the account aggregates 4.75% of the value of the system. Amounts may be expended on the costs of extraordinary repairs and replacements to the system.

Surplus – the amount remaining after payment of the previous four accounts. Amounts may be expended for any lawful corporate purpose.

Supplemental information required under bond ordinance provision, not subject to audit:

	<u>Water</u>	<u>Sewer</u>
Water and sewer rates per 1,000 gallons	\$3.43	\$2.37
Number of metered water and sewer customers	6,324	
Quantity of water pumped	683,292,000	
Quantity of water billed	539,138,000	

**VILLAGE OF CARY, ILLINOIS****Notes to the Financial Statements  
April 30, 2007****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****FUND BALANCE/NET ASSETS****Fund Balance – Reserved for Special Revenues**

The following is a schedule of fund balances reserved for special revenues as of the date of this report:

	Beginning Balances	Increases	Decreases	Ending Balances
General				
Police Protection	\$ (4,750,886)	467,720	1,856,217	(6,139,383)
School Crossing	48,010	46,932	28,750	66,192
FICA/Medicare	(631,940)	143,463	280,103	(768,580)
Audit	56,300	22,399	7,250	71,449
Illinois Municipal Retirement	(450,613)	130,130	233,806	(554,289)
Liability Insurance	25,311	228,793	160,406	93,698
Unemployment Insurance	32,161	13,866	-	46,027
ESDA	9,202	3,733	110	12,825
	(5,662,455)	<u>1,057,036</u>	<u>2,566,642</u>	(7,172,061)
Amount of Negative Reserves				
Allocated to Unreserved Fund Balance	<u>5,833,439</u>			<u>7,462,252</u>
	<u>170,984</u>			<u>290,191</u>

## **VILLAGE OF CARY, ILLINOIS**

### **Notes to the Financial Statements April 30, 2007**

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#### **NOTE 4 – OTHER INFORMATION**

##### **RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through participation in the Intergovernmental Risk Management Agency and private insurance coverage. The Village has purchased insurance from private insurance companies, covered risks included medical, dental, life, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverage's from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverage's; property/casualty and workers' compensation claim administration /litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$10,000 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors. Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

##### **POST-EMPLOYMENT BENEFITS**

The Village provides certain health care insurance benefits for retired employees and their dependents. In accordance with Village policy substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. The retirees pay an annual premium which is equal to the actuarially determined cost for each plan year. Accordingly, no liability has been recorded for post-retirement health care benefits. The Village also provides COBRA health and dental benefits to all prior employees as required by federal law. The prior employee pays 100 percent of the premium.



## **VILLAGE OF CARY, ILLINOIS**

### **Notes to the Financial Statements April 30, 2007**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **CONTINGENT LIABILITIES**

###### **Litigation**

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

###### **Grants**

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

##### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN**

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; and the Police Pension Plan that is a single-employer pension plan. Separate, audited GAAP-basis financial statements for the Police Pension Plan can be obtained by writing the Village at 655 Village Hall Drive, Cary, Illinois 60013. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

###### **Plan Descriptions, Provisions and Funding Policies**

###### **Illinois Municipal Retirement System**

All employees (other than those covered by the Police plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

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### NOTE 4 – OTHER INFORMATION – Continued

#### Plan Descriptions, Provisions and Funding Policies – Continued

##### Illinois Municipal Retirement System – Continued

Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2006 was 13.52 percent.

##### Police Pension Plan

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	6
Current Employees Vested and Nonvested	<u>27</u>
	<u>33</u>

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

## **VILLAGE OF CARY, ILLINOIS**

### **Notes to the Financial Statements April 30, 2007**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

###### **Police Pension Fund – Continued**

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

###### **Summary of Significant Accounting Policies and Plan Asset Matters**

###### **Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

###### **Method Used to Value Investments**

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price.

###### **Significant Investments**

There are no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in the police pension fund that represent 5 percent or more of net assets available for benefits for the Police Pension Fund.

###### **Related Party Transactions**

There are no securities of the employer or any other related parties included in plan assets.

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Annual Pension Cost and Net Pension Obligation

The annual pension cost for the current year and related plan information is as follows:

	Illinois Municipal Retirement	Police Pension
Contribution Rates		
Employer	13.52%	10.62%
Employee	4.50%	9.91%
Annual Required Contribution	\$329,893	\$230,561
Contributions Made	\$329,893	\$171,734
Actuarial Valuation Date	12/31/04	4/30/06
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	26 Years	27 Years
Asset Valuation Method	5-Year Smoothed Market	Market
Actuarial Assumptions		
Investment Rate of Return	7.50% Compounded Annually	8.00% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.00%
Inflation Rate Included	4.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%

# VILLAGE OF CARY, ILLINOIS

## Notes to the Financial Statements April 30, 2007

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Annual Pension Cost and Net Pension Obligation – Continued

The pension liability was determined in accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers." There is no net pension obligation for the IMRF plan. The pension liability (asset) for the Police Pension Plan is as follows:

Annual Required Contribution	\$ 230,561
Interest on the NPO	17,203
Adjustment to the ARC	(11,261)
Annual Pension Cost	236,503
Actual Contribution	(171,734)
Increase in the NPO	64,769
NPO Beginning of Year	215,037
NPO End of Year	279,806

##### Trend Information

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

	Year	Illinois Municipal Retirement	Police Pension
Annual Pension Cost	2005	\$ 297,977	\$ 149,215
	2006	330,672	227,109
	2007	329,893	236,503
Actual Contributions	2005	297,977	119,060
	2006	330,672	129,099
	2007	329,893	171,734
Percentage of APC Contributed	2005	100.00%	79.79%
	2006	100.00%	56.84%
	2007	100.00%	72.61%
Net Pension Obligation	2005	-	117,027
	2006	-	215,037
	2007	-	279,806

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Illinois Municipal Retirement Fund
  - Schedule of Funding Progress
  - Employer Contributions
- Police Pension Fund
  - Schedule of Funding Progress
  - Employer Contributions
- Budgetary Comparison Schedule – General Fund

### **Notes to the Required Supplementary Information**

- Budgetary information – budgets are adopted on a basis consistent with generally accepted accounting principles.

**VILLAGE OF CARY, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**April 30, 2007**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2001	\$ 3,903,773	\$ 4,359,138	89.55%	\$ 455,365	\$ 1,982,279	22.97%
2002	4,348,020	4,934,905	88.11%	586,885	2,158,608	27.19%
2003	4,629,891	5,425,621	85.33%	795,730	2,169,339	36.68%
2004	4,899,339	5,969,835	82.07%	1,070,496	2,387,635	44.83%
2005	5,023,522	5,993,963	83.81%	970,441	2,537,779	38.24%
2006	5,678,638	6,581,634	86.28%	902,996	2,440,039	37.01%

**VILLAGE OF CARY, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Employer Contributions**

**April 30, 2007**

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2001	\$ 205,364	\$ 205,364	100.00%
2002	254,932	254,932	100.00%
2003	251,860	251,860	100.00%
2004	297,977	297,977	100.00%
2005	330,672	330,672	100.00%
2006	329,893	329,893	100.00%



# VILLAGE OF CARY, ILLINOIS

## Police Pension Fund

### Required Supplementary Information Schedule of Funding Progress April 30, 2007

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2001	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2002	2,996,311	3,827,828	78.28%	831,517	1,027,541	80.92%
2003	3,142,483	5,121,347	61.36%	1,978,864	1,332,655	148.49%
2004	3,490,539	5,494,666	63.53%	2,004,127	1,385,426	144.66%
2005	3,653,875	6,133,278	59.57%	2,479,403	1,454,697	170.44%
2006	4,084,081	6,980,096	58.51%	2,896,015	1,600,467	180.95%

N/A - Information is presented for as many of the six prior years as information according to the disclosure parameters is available. Information for these years is not available.

**VILLAGE OF CARY, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Employer Contributions  
April 30, 2007**

Actuarial Valuation Date April 30	Employer Contributions	Annual Required Contribution	Percent Contributed
2001	\$ 94,945	\$ 109,442	86.75%
2002	100,063	111,976	89.36%
2003	106,977	149,215	71.69%
2004	119,060	207,164	57.47%
2005	129,099	213,482	60.47%
2006	171,734	230,561	74.49%

# VILLAGE OF CARY, ILLINOIS

## General Fund

### Required Supplementary Information

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 3,135,370	3,135,370	3,230,202
Licenses and Permits	475,900	475,900	354,932
Intergovernmental	1,471,177	1,471,177	1,911,157
Charges for Services	982,000	982,000	1,064,515
Fines and Forfeitures	556,500	556,500	437,078
Interest	132,000	132,000	289,020
Miscellaneous	39,100	39,100	142,483
Total Revenues	<u>6,792,047</u>	<u>6,792,047</u>	<u>7,429,387</u>
Expenditures			
General Government	1,779,408	1,779,408	1,484,581
Public Safety	3,543,939	3,543,939	3,411,763
Highways and Streets	1,513,700	1,513,700	1,489,443
Total Expenditures	<u>6,837,047</u>	<u>6,837,047</u>	<u>6,385,787</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,000)	(45,000)	1,043,600
Other Financing (Uses)			
Transfers Out	<u>(45,000)</u>	<u>(45,000)</u>	<u>(2,180,000)</u>
Net Change in Fund Balance	<u>(90,000)</u>	<u>(90,000)</u>	(1,136,400)
Fund Balance - Beginning			<u>6,182,681</u>
Fund Balance - Ending			<u>5,046,281</u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental  
General, Infrastructure Capital Improvements, Other Capital Projects,  
Special Services Area #1 and Special Service Area #2 Funds
- Combining Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds  
T.I.F. Capital Projects, Route 14 Redevelopment Capital Projects, Cemetery and  
Revolving Loan Funds
- Budgetary Comparison Schedules – Enterprise Funds  
Water and Sanitation and Parking Funds
- Combining Statement of Changes in Assets and Liabilities – Agency Funds  
Special Services Area #1 and Special Service Area #2 Funds

# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **GENERAL FUND**

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

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## **CAPITAL PROJECTS FUNDS**

The Capital Projects Funds accounts for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

### **TIF Fund**

The TIF Fund is used to account for activities associated with improvements within the Tax Increment Financing District.

### **Route 14 Redevelopment Fund**

The Route 14 Redevelopment Fund is used to account for infrastructure projects not accounted for in the Infrastructure Capital Improvements Fund or the Other Capital Projects Fund.

### **Infrastructure Capital Improvements Fund**

The Infrastructure Capital Improvements Fund is used to account for purchases of capital assets.

### **Other Capital Projects Fund**

The Other Capital Projects Fund is used to account for capital projects not accounted for in the Infrastructure Capital Improvements Fund.

### **Special Services Area #1 Fund**

The Special Services Area #1 Fund is used to account for a portion of the infrastructure costs for the Cambria subdivision.

### **Special Services Area #2 Fund**

The Special Services Area #2 Fund is used to account for a portion of the infrastructure costs for the Foxford Hills subdivision.

# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **PERMANENT FUNDS**

### **Revolving Loan Fund**

The Revolving Loan Fund is set up for the purpose of accounting for money received from the CDAP grant used for business loans and the money received from the General Fund for residential loans.

### **Cemetery Fund**

The Cemetery Fund is set up for the purpose of accounting for the collection of the perpetual care payments for lifetime cemetery lot maintenance, and for the revenues and expenses of operating the cemetery.

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## **ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

### **Water and Sanitation Fund**

The Water and Sanitation Fund is used to account for the provision of potable water and wastewater treatment 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 and maintenance, financing and related debt service, billing and collection.

### **Parking Fund**

The Parking Fund is used to account for the provision of public parking services for commuters. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

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# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **TRUST AND AGENCY FUNDS**

### **PENSION TRUST FUNDS**

#### **Police Pension Fund**

Pension Trust Funds are set up for the purpose of accounting for money received from nonenterprise fund sources and held by a governmental unit in the capacity of trustee for individuals, entities and nonpublic organizations.

### **AGENCY FUNDS**

#### **Special Services Area #1 Fund**

To account for the collection of property taxes within special service area #1 and payments of related special service area debt.

#### **Special Services Area #2 Fund**

To account for the collection of property taxes within special service area #2 and payments of related special service area debt.

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# VILLAGE OF CARY, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
<b>Taxes</b>			
Property Taxes	\$ 2,000,370	2,000,370	2,005,275
Sales Taxes	1,135,000	1,135,000	1,224,927
	<u>3,135,370</u>	<u>3,135,370</u>	<u>3,230,202</u>
<b>Licenses and Permits</b>			
Licenses			
Vehicle Stickers	144,000	144,000	147,539
Liquor	20,900	20,900	21,509
Amusement	3,000	3,000	2,644
Other	7,500	7,500	4,420
Permits			
Building	231,300	231,300	92,755
Plumbing	2,600	2,600	5,985
Electric	300	300	2,431
Other	37,000	37,000	36,897
Plan Review	22,500	22,500	32,725
Driveway	6,800	6,800	8,027
	<u>475,900</u>	<u>475,900</u>	<u>354,932</u>
<b>Intergovernmental</b>			
Illinois State Income Tax	1,220,000	1,220,000	1,576,513
Personal Property Replacement Tax	54,527	54,527	74,137
Local Use Tax	195,000	195,000	238,256
Grants	1,650	1,650	22,251
	<u>1,471,177</u>	<u>1,471,177</u>	<u>1,911,157</u>
<b>Charges for Services</b>			
Administrative Service Charges	460,000	460,000	457,136
Planning and Zoning Hearings	8,000	8,000	5,250
Subdivision Fee	-	-	1,100
Certificate of Occupancy	3,000	3,000	1,820
Contractor Registration	22,000	22,000	20,405



# VILLAGE OF CARY, ILLINOIS

## General Fund

### Schedule of Revenues - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
<b>Charges for Services - Continued</b>			
Miscellaneous B/Z Revenues	\$ 3,500	3,500	8,420
Building Code Fees	1,000	1,000	335
Reimbursements for Services	8,500	8,500	11,330
Miscellaneous Police Revenue	13,000	13,000	16,447
Settlement	-	-	10,500
Police Training Reimbursement	4,500	4,500	3,959
Miscellaneous Public Works Revenue	5,000	5,000	23,486
Infrastructure Maintenance Fees	146,000	146,000	158,521
Franchise Fees	164,000	164,000	172,962
Communications Tower Rental	110,000	110,000	150,098
Recycling Fees	2,500	2,500	2,500
Tree Replacement Fees	31,000	31,000	20,246
	<u>982,000</u>	<u>982,000</u>	<u>1,064,515</u>
<b>Fines and Forfeitures</b>			
Court Fines	545,000	545,000	421,281
Penalties	5,000	5,000	12,245
Prosecution Fees	1,500	1,500	1,427
Parking Fines	5,000	5,000	2,125
	<u>556,500</u>	<u>556,500</u>	<u>437,078</u>
<b>Interest</b>	<u>132,000</u>	<u>132,000</u>	<u>289,020</u>
<b>Miscellaneous</b>			
Sale of Fixed Assets	12,000	12,000	18,398
High School Reimbursement	12,000	12,000	9,000
IRMA Reserve	-	-	36,544
Other	15,100	15,100	78,541
	<u>39,100</u>	<u>39,100</u>	<u>142,483</u>
<b>Total Revenues</b>	<u><u>6,792,047</u></u>	<u><u>6,792,047</u></u>	<u><u>7,429,387</u></u>

# VILLAGE OF CARY, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Actual	
General Government			
Boards and Commissions	\$ 79,200	79,200	65,974
Central Services	318,500	318,500	228,344
Administration	414,060	414,060	406,223
Legal Department	92,750	92,750	89,528
Administration and Financial Services	365,159	365,159	262,350
Building, Planning and Zoning	509,739	509,739	432,162
	<u>1,779,408</u>	<u>1,779,408</u>	<u>1,484,581</u>
Public Safety			
Police	<u>3,543,939</u>	<u>3,543,939</u>	<u>3,411,763</u>
Highways and Streets	<u>1,513,700</u>	<u>1,513,700</u>	<u>1,489,443</u>
Total Expenditures	<u>6,837,047</u>	<u>6,837,047</u>	<u>6,385,787</u>

# VILLAGE OF CARY, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
General Government			
Boards and Commissions			
Personnel Services			
Village Board Salaries	\$ 27,850	27,850	24,183
Personnel Benefits			
FICA	2,300	2,300	1,850
Village Board Activities	10,000	10,000	7,884
	12,300	12,300	9,734
Commodities			
Operating Supplies	500	500	522
Other Commodities	5,000	5,000	3,871
	5,500	5,500	4,393
Contractual Services			
Printing	3,000	3,000	-
Dues and Memberships	11,000	11,000	11,601
	14,000	14,000	11,601
General Government			
Police Commission	500	500	-
Village Newsletter	12,000	12,000	9,341
Merry Cary Holiday Event	4,000	4,000	4,037
Business Expo	850	850	1,639
ESDA	1,200	1,200	110
Other	1,000	1,000	936
	19,550	19,550	16,063
Total Boards and Commissions	79,200	79,200	65,974

# VILLAGE OF CARY, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
General Government - Continued			
Central Services			
Personnel Benefits			
Unemployment Compensation	\$ 10,000	10,000	-
Contractual Services			
Post Employment Test Services	2,000	2,000	3,425
Utilities	40,000	40,000	28,935
Postage	16,500	16,500	16,153
Contribution to Senior Bus Program	10,000	10,000	5,500
Office Equipment Repair & Maintenance	10,000	10,000	9,108
IRMA Insurance	208,000	208,000	143,435
	286,500	286,500	206,556
General Government			
Property Tax Expense	2,000	2,000	-
Reserve for Pay Adjustments	20,000	20,000	20,000
Contingencies	-	-	1,788
	22,000	22,000	21,788
Total Central Services	318,500	318,500	228,344
Village Administrator's Office			
Personnel Services			
Salaries	274,500	274,500	276,635
Overtime	1,100	1,100	1,444
	275,600	275,600	278,079
Personnel Benefits			
IMRF	39,750	39,750	38,044
FICA	21,200	21,200	20,113
Tuition Reimbursement	2,500	2,500	1,800
Life Insurance Premiums	476	476	337
Health Insurance Premiums	34,280	34,280	29,302

**VILLAGE OF CARY, ILLINOIS****General Fund****Schedule of Expenditures - Budget and Actual - Continued  
Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Administrator's Office - Continued			
Personnel Benefits - Continued			
Dental Insurance Premiums	\$ 3,056	3,056	2,700
Vision Insurance Premiums	698	698	641
Employee Activities	4,000	4,000	5,220
Safety Program	1,000	1,000	963
Employee Wellness	-	-	260
	106,960	106,960	99,380
Commodities			
Gasoline - Oil	2,200	2,200	2,197
Operating Supplies	6,000	6,000	7,030
Books and Publications	1,000	1,000	1,027
Equipment	1,000	1,000	385
Computer Equipment	2,500	2,500	2,500
	12,700	12,700	13,139
Contractual Services			
Utilities	1,500	1,500	1,554
Printing	2,000	2,000	936
Dues and Subscriptions	1,900	1,900	1,570
Training - Seminars	6,700	6,700	6,728
Repairs and Maintenance			
Vehicles	900	900	759
Data Processing	800	800	1,113
Other Professional Services	-	-	731
	13,800	13,800	13,391
General Government			
Economic Development Activities	5,000	5,000	2,234
Total Village Administrator's Office	414,060	414,060	406,223

# VILLAGE OF CARY, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
General Government - Continued			
Legal Department			
Contractual Services			
Legal Fees	\$ 66,000	66,000	85,545
Labor Negotiation Fees	17,000	17,000	-
Court Reporting	1,000	1,000	-
Legal Notices and Filing Fees	4,750	4,750	3,328
Legal Fees - Other	4,000	4,000	655
Total Legal	92,750	92,750	89,528
Administration and Financial Services			
Personnel Services			
Salaries	231,000	231,000	163,485
Overtime	1,800	1,800	3,975
	232,800	232,800	167,460
Personnel Benefits			
IMRF	33,400	33,400	22,722
FICA	18,300	18,300	12,833
Life Insurance Premiums	440	440	270
Health Insurance Premiums	40,130	40,130	25,621
Dental Insurance Premiums	3,639	3,639	2,137
Vision Insurance Premiums	750	750	445
	96,659	96,659	64,028
Commodities			
Gasoline - Oil	500	500	356
Operating Supplies	3,250	3,250	3,143
Books and Publications	300	300	219
	4,050	4,050	3,718
Contractual Services			
Printing	7,000	7,000	6,285
Dues and Subscriptions	1,250	1,250	910
Training - Meetings	2,000	2,000	1,263

# VILLAGE OF CARY, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration and Financial Services - Continued			
Contractual Services - Continued			
Bank Charges	\$ 2,500	2,500	2,090
Audit	7,400	7,400	7,250
Data Processing	7,500	7,500	7,499
Other Professional Services	2,000	2,000	553
	<u>29,650</u>	<u>29,650</u>	<u>25,850</u>
Capital Outlay			
Computer Equipment	2,000	2,000	1,294
Total Administration and Financial Services	<u>365,159</u>	<u>365,159</u>	<u>262,350</u>
Building, Planning and Zoning			
Personnel Services			
Salaries	302,000	302,000	259,593
Overtime	600	600	573
	<u>302,600</u>	<u>302,600</u>	<u>260,166</u>
Personnel Benefits			
IMRF	42,750	42,750	35,628
FICA	23,350	23,350	19,648
Life Insurance Premiums	596	596	457
Health Insurance Premiums	51,843	51,843	38,958
Dental Insurance Premiums	4,643	4,643	3,248
Vision Insurance Premiums	1,057	1,057	854
	<u>124,239</u>	<u>124,239</u>	<u>98,793</u>
Commodities			
Gasoline - Oil	4,500	4,500	5,187
Operating Supplies	4,000	4,000	4,234
Uniforms	700	700	673
Books and Publications	1,000	1,000	1,102
	<u>10,200</u>	<u>10,200</u>	<u>11,196</u>

# VILLAGE OF CARY, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
General Government - Continued			
Building, Planning and Zoning - Continued			
Contractual Services			
Utilities	\$ 2,800	2,800	3,421
Printing	3,600	3,600	3,813
Dues and Subscriptions	1,200	1,200	904
Training - Meetings	4,000	4,000	1,211
Plan Review	11,000	11,000	18,064
Mowing Services	500	500	570
Repairs and Maintenance			
Vehicle	2,000	2,000	3,301
Other	100	100	94
Consultants	1,500	1,500	303
Geo Info System (GIS) Consultant	6,000	6,000	13,469
Data Processing	2,000	2,000	2,000
Outside Inspections	3,000	3,000	1,814
Plumbing Inspections	32,000	32,000	12,682
	<u>69,700</u>	<u>69,700</u>	<u>61,646</u>
Capital Outlay			
Computer Equipment	3,000	3,000	361
	<u>509,739</u>	<u>509,739</u>	<u>432,162</u>
Total Building, Planning and Zoning			
	<u>1,779,408</u>	<u>1,779,408</u>	<u>1,484,581</u>
Total General Government			
Public Safety			
Police			
Personnel Services			
Sworn Officers	1,862,000	1,862,000	1,856,217
Overtime - Sworn	73,000	73,000	70,977
Overtime - Special Events	30,000	30,000	21,017
Dispatchers	200,000	200,000	183,370
Overtime - Dispatchers	13,000	13,000	21,625



# VILLAGE OF CARY, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police - Continued			
Personnel Services - Continued			
Part-Time Officers	\$ 65,000	65,000	49,234
Crossing Guards	36,000	36,000	28,750
	2,279,000	2,279,000	2,231,190
Personnel Benefits			
Pre Employment Test Services	9,000	9,000	1,807
IMRF	28,100	28,100	30,606
FICA	177,750	177,750	166,453
Life Insurance Premiums	4,000	4,000	3,382
Health Insurance Premiums	295,648	295,648	266,227
Dental Insurance Premiums	26,323	26,323	22,018
Vision Insurance Premiums	6,380	6,380	5,948
Police Pension	182,038	182,038	204,794
	729,239	729,239	701,235
Commodities			
Gasoline - Oil	46,000	46,000	65,052
Operating Supplies	15,000	15,000	17,992
Uniforms	24,000	24,000	25,644
Ammunition	4,000	4,000	2,855
Books and Publications	2,400	2,400	2,380
Community Policing Materials	500	500	1,059
	91,900	91,900	114,982
Contractual Services			
Utilities	5,500	5,500	4,598
Pagers	2,000	2,000	1,642
Alerts	10,000	10,000	12,332
Printing	4,700	4,700	4,682
Dues and Subscriptions	22,500	22,500	3,900
Training - Meetings	39,000	39,000	37,436
Police Training Institute	8,000	8,000	8,311
Investigations	4,100	4,100	4,667

# VILLAGE OF CARY, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police - Continued			
Repairs and Maintenance			
Equipment	\$ 27,000	27,000	25,718
Vehicles	28,000	28,000	29,804
Data Processing	7,000	7,000	7,000
Other Professional Services	2,500	2,500	1,121
Seecom Operations	280,000	280,000	218,903
	440,300	440,300	360,114
Capital Outlay			
Computer Equipment	3,500	3,500	4,242
Total Police	3,543,939	3,543,939	3,411,763
Highways and Streets			
Public Works - Operations and Maintenance			
Personnel Services			
Salaries	752,000	752,000	704,217
Overtime	47,000	47,000	58,130
	799,000	799,000	762,347
Personnel Benefits			
IMRF	112,500	112,500	106,804
FICA	61,500	61,500	59,207
Life Insurance Premiums	1,764	1,764	1,505
Health Insurance Premiums	172,830	172,830	157,420
Dental Insurance Premiums	14,826	14,826	13,800
Vision Insurance Premiums	3,530	3,530	3,382
	366,950	366,950	342,118
Commodities			
Gasoline - Oil	36,000	36,000	59,797
Uniforms	9,000	9,000	8,459
Books and Subscriptions	700	700	174

**VILLAGE OF CARY, ILLINOIS****General Fund****Schedule of Expenditures - Budget and Actual - Continued**  
**Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works - Operations and Maintenance - Continued			
Commodities - Continued			
Operating Supplies	\$ 29,500	29,500	26,312
Trees	17,000	17,000	16,382
Other	6,500	6,500	4,203
	<u>98,700</u>	<u>98,700</u>	<u>115,327</u>
Contractual Services			
Utilities	97,500	97,500	124,973
Printing	3,000	3,000	1,808
Dues and Subscriptions	1,000	1,000	460
Training - Seminars	5,500	5,500	5,062
Tree Removal	2,000	2,000	1,433
Other Rentals	1,250	1,250	1,681
Grass Mowing	33,000	33,000	30,865
Repairs and Maintenance			
Equipment	23,000	23,000	19,918
Vehicles	32,000	32,000	28,793
Buildings	35,000	35,000	39,908
Other	3,000	3,000	1,772
Data Processing	1,000	1,000	1,160
Other Professional Services	10,000	10,000	10,019
	<u>247,250</u>	<u>247,250</u>	<u>267,852</u>
Capital Outlay			
Computer Equipment	<u>1,800</u>	<u>1,800</u>	<u>1,799</u>
Total Highways and Streets	<u>1,513,700</u>	<u>1,513,700</u>	<u>1,489,443</u>
Total Expenditures	<u>6,837,047</u>	<u>6,837,047</u>	<u>6,385,787</u>

# VILLAGE OF CARY, ILLINOIS

## Infrastructure Capital Improvements - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 194,000	194,000	202,927
Utility Tax - Electric	650,000	650,000	673,256
Intergovernmental			
Motor Fuel Tax Allotment	488,200	488,200	544,031
Personal Property Replacement	3,500	3,500	5,880
Interest	22,500	22,500	10,452
Total Revenues	<u>1,358,200</u>	<u>1,358,200</u>	<u>1,436,546</u>
Expenditures			
Highway and Streets			
Repairs and Maintenance	830,000	830,000	819,237
Capital Outlay	2,554,271	2,554,271	1,428,979
Total Expenditures	<u>3,384,271</u>	<u>3,384,271</u>	<u>2,248,216</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,026,071)</u>	<u>(2,026,071)</u>	<u>(811,670)</u>
Other Financing Sources (Uses)			
Transfers In	-	-	500,000
Transfers Out	(45,000)	(45,000)	(45,000)
	<u>(45,000)</u>	<u>(45,000)</u>	<u>455,000</u>
Net Change in Fund Balance	<u>(2,071,071)</u>	<u>(2,071,071)</u>	(356,670)
Fund Balance - Beginning			<u>316,669</u>
Fund Balance - Ending			<u>(40,001)</u>

**VILLAGE OF CARY, ILLINOIS****Infrastructure Capital Improvements - Capital Projects Fund****Schedule of Expenditures - Budget and Actual  
Year Ended April 30, 2007**

	Budget		Final
	Original	Actual	
Highway and Streets			
Repairs and Maintenance			
Salt	\$ 90,000	90,000	106,497
Street Repairs	675,000	675,000	653,426
Sidewalk Repairs	5,000	5,000	3,593
Curb and Gutter Repairs	3,000	3,000	489
Street Lights Repair & Maintenance	13,000	13,000	22,122
Storm Sewer Repair & Maintenance	10,000	10,000	4,844
Traffic Signals Maintenance	16,000	16,000	14,456
Traffic Signs Repair & Maintenance	18,000	18,000	13,810
	830,000	830,000	819,237
Capital Outlay			
Silver Lake - 3 Oaks to Lions Park	-	-	3,790
Alma, Jamesway, Sandra and Oriole	1,049,100	1,049,100	706,294
Feinberg Drive	120,000	120,000	11,232
Krenx, Prairie, Seebert, School	1,084,671	1,084,671	632,578
Engineering 3 Oaks/Silver Lake	137,500	137,500	32,807
Sherwood, Bell, Prairie Street	20,000	20,000	-
Sidewalk Program	20,000	20,000	17,409
Hoffman Park Bike Trail	85,000	85,000	-
Sidewalk and Bridge Improvements - Rt 14	18,000	18,000	6,820
Cold Springs Road Disconnection	5,000	5,000	5,000
Sidewalk Gaps	15,000	15,000	13,049
	2,554,271	2,554,271	1,428,979
Total Expenditures	3,384,271	3,384,271	2,248,216

# VILLAGE OF CARY, ILLINOIS

## Other Capital Projects - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Annexation Fees	\$ 366,000	366,000	56,052
Intergovernmental			
Grants	-	-	12,000
Interest	25,000	25,000	121,996
Miscellaneous			
Sale of Lots	450,000	450,000	-
Total Revenues	841,000	841,000	190,048
Expenditures			
Capital Outlay	2,178,500	2,178,500	443,927
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,337,500)	(1,337,500)	(253,879)
Other Financing Sources			
Transfers In	-	-	1,000,000
Net Change in Fund Balance	(1,337,500)	(1,337,500)	746,121
Fund Balance - Beginning			1,470,343
Fund Balance - Ending			2,216,464

# VILLAGE OF CARY, ILLINOIS

## Other Capital Projects - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Capital Outlay			
Furniture	\$ 7,500	7,500	1,024
Software System	15,000	15,000	20,835
Storm Warning Siren	18,000	18,000	13,768
Route 14 Beautification	175,000	175,000	19,526
Building Repairs and Maintenance	15,000	15,000	8,816
Other Professional Services	65,000	65,000	7,883
Village Hall Extension Improvements	150,000	150,000	-
Parking Lot Resurface - VH	60,000	60,000	21,855
Cary Algonquin Ped/Bike Path	700,000	700,000	30,963
Police Department Renovation - Phase 1	-	-	626
Police Furniture - File Cabinets	10,000	10,000	8,160
Wheelchair Door - VH	5,000	5,000	-
Dump Trucks - Sandblast/Repaint	10,000	10,000	5,775
Building R & M - Repaint PW	20,000	20,000	19,672
Village Hall Improvements and Landscaping	-	-	(306)
Special Census	16,000	16,000	9,199
Three Oaks Retaining Wall	526,000	526,000	22,842
Replace/Upgrade Traffic/Sign	25,000	25,000	25,000
Water Sprinkling System	40,000	40,000	10,454
Squad Cars	120,000	120,000	124,793
Vehicle - VAO	19,000	19,000	14,300
Computers for Vehicles - BPZ	12,000	12,000	11,380
Radar Unit Replacement	5,000	5,000	3,606
Electronic Board Packets	30,000	30,000	-
Arrow Board & Trailer	10,000	10,000	9,467
Subdivision Fees	6,000	6,000	3,515
Professional Services	-	-	319
Engineering Fees	3,000	3,000	455
Space Need Analysis	16,000	16,000	-
Sidewalk Installation	15,000	15,000	-
Dentention Improvements	10,000	10,000	-
SEECOM Service Share	75,000	75,000	50,000
Total Expenditures	2,178,500	2,178,500	443,927

# VILLAGE OF CARY, ILLINOIS

## Special Service Area #1 - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	14,097
Miscellaneous			
Contributions from Homeowners	-	-	170,992
Total Revenues	-	-	185,089
Expenditures			
General Government	-	-	172,104
Capital Outlay	-	-	1,496,290
Total Expenditures	-	-	1,668,394
Net Change in Fund Balance	-	-	(1,483,305)
Fund Balance - Beginning			1,483,326
Fund Balance - Ending			21



**VILLAGE OF CARY, ILLINOIS**

**Special Service Area #2 - Capital Projects Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	19,050
Miscellaneous			
Contributions from Homeowners	-	-	176,229
Total Revenues	-	-	195,279
Expenditures			
General Government	-	-	14,566
Capital Outlay	-	-	912,552
Total Expenditures	-	-	927,118
Net Change in Fund Balance	-	-	(731,839)
Fund Balance - Beginning			731,853
Fund Balance - Ending			14

# VILLAGE OF CARY, ILLINOIS

## Nonmajor Governmental Funds

### Combining Balance Sheet April 30, 2007

	Capital Projects		Permanent		
	T.I.F.	Route 14 Redevelopment	Cemetery	Revolving Loan	Total
<b>ASSETS</b>					
Cash and Investments	\$ 47,141	3,083	62,134	432,992	545,350
Receivables					
Taxes	80,257	-	-	-	80,257
Accounts	-	-	-	37,254	37,254
Accrued Interest	-	-	1,169	-	1,169
Inventory - Land Held for Resale	-	725,000	-	-	725,000
Total Assets	127,398	728,083	63,303	470,246	1,389,030
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	730	10,652	463	-	11,845
Due to Other Funds	25,458	-	-	-	25,458
Unearned Revenues	80,257	-	2,000	-	82,257
Total Liabilities	106,445	10,652	2,463	-	119,560
<b>Fund Balances</b>					
Reserved - Prepaids/Inventory	-	725,000	-	-	725,000
Reserved - Special Revenues	20,953	-	-	470,246	491,199
Reserved - Perpetual Care	-	-	60,840	-	60,840
Unreserved	-	(7,569)	-	-	(7,569)
Total Fund Balances	20,953	717,431	60,840	470,246	1,269,470
Total Liabilities and Fund Balances	127,398	728,083	63,303	470,246	1,389,030

# VILLAGE OF CARY, ILLINOIS

## Nonmajor Governmental Funds

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended April 30, 2007

	Capital Projects		Permanent		
	T.I.F.	Route 14 Redevelopment	Cemetery	Revolving Loan	Total
Revenues					
Taxes	\$ 64,989	-	-	-	64,989
Charges for Services	-	-	800	-	800
Interest	112	(9,901)	1,899	21,166	13,276
Miscellaneous	-	19,903	-	-	19,903
Total Revenues	65,101	10,002	2,699	21,166	98,968
Expenditures					
General Government	-	-	4,754	-	4,754
Capital Outlay	79,999	17,571	-	-	97,570
Total Expenditures	79,999	17,571	4,754	-	102,324
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,898)	(7,569)	(2,055)	21,166	(3,356)
Other Financing Sources					
Transfers In	-	725,000	-	-	725,000
Net Change in Fund Balances	(14,898)	717,431	(2,055)	21,166	721,644
Fund Balances - Beginning	35,851	-	62,895	449,080	547,826
Fund Balances - Ending	20,953	717,431	60,840	470,246	1,269,470

**VILLAGE OF CARY, ILLINOIS****T.I.F. - Capital Projects Fund****Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 50,000	50,000	64,989
Interest	325	325	112
Total Revenues	50,325	50,325	65,101
Expenditures			
Capital Outlay			
Engineering	85,000	85,000	25,118
Professional Services	49,500	49,500	20,613
Rt 14 & Jandus	150,000	150,000	34,268
Land Purchase	460,000	460,000	-
East Main Street	76,950	76,950	-
Capital Improvements	10,000	10,000	-
Total Expenditures	831,450	831,450	79,999
Net Change in Fund Balance	(781,125)	(781,125)	(14,898)
Fund Balance - Beginning			35,851
Fund Balance - Ending			20,953

**VILLAGE OF CARY, ILLINOIS**

**Route 14 Redevelopment - Capital Projects Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	(9,901)
Miscellaneous	-	-	19,903
Total Revenues	-	-	10,002
Expenditures			
Capital Outlay			
Professional Services	-	-	13,664
Relocation Fees	-	-	3,907
Total Expenditures	-	-	17,571
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(7,569)
Other Financing Sources			
Transfers In	-	-	725,000
Net Change in Fund Balance	-	-	717,431
Fund Balance - Beginning			-
Fund Balance - Ending			717,431

# VILLAGE OF CARY, ILLINOIS

## Cemetery - Permanent Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Grave Openings	\$ 1,000	1,000	800
Grave Sales	1,000	1,000	-
Cremation Fees	-	-	-
Interest	1,500	1,500	1,899
Miscellaneous	-	-	-
Total Revenues	3,500	3,500	2,699
Expenditures			
General Government			
Commodities			
Supplies	1,000	1,000	528
Gravestone Rehabilitation	14,500	14,500	-
Other	3,000	3,000	220
Contractual Services			
Grave Digging	2,200	2,200	525
Lawn Maintenance	2,000	2,000	2,095
Electric Bills	155	155	-
Other Repairs and Maintenance	4,000	4,000	1,386
Total Expenditures	26,855	26,855	4,754
Net Change in Fund Balance	(23,355)	(23,355)	(2,055)
Fund Balance - Beginning			62,895
Fund Balance - Ending			60,840

**VILLAGE OF CARY, ILLINOIS**

**Revolving Loan - Permanent Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	21,166
Expenditures			
General Government	-	-	-
Net Change in Fund Balance	-	-	21,166
Fund Balance - Beginning			449,080
Fund Balance - Ending			470,246

# VILLAGE OF CARY, ILLINOIS

## Water and Sanitation - Enterprise Fund

### Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 3,430,000	3,430,000	3,114,544
Operating Expenses			
Administration	490,000	490,000	443,367
Water Operations	1,356,200	1,356,200	1,235,068
Sewer Operations	907,121	907,121	925,360
Depreciation and Amortization	1,200,000	1,200,000	1,154,995
Total Operating Expenses	3,953,321	3,953,321	3,758,790
Operating Income (Loss)	(523,321)	(523,321)	(644,246)
Nonoperating Revenues (Expenses)			
Other Income	-	-	24,363
Connection Fees	300,000	300,000	158,626
Interest Income	206,000	206,000	623,042
Interest and Fiscal Charges	(428,593)	(428,593)	(414,023)
	77,407	77,407	392,008
Change in Net Assets	(445,914)	(445,914)	(252,238)
Net Assets - Beginning			19,155,804
Net Assets - Ending			18,903,566



**VILLAGE OF CARY, ILLINOIS****Water and Sanitation - Enterprise Fund****Schedule of Changes in Retained Earnings - Restricted Debt  
Year Ended April 30, 2007**

	Operations and Maintenance	Bond and Interest	Bond Reserve	Depreciation, Improvement and Extension	Totals
Increases					
Intrafund Transfers In	\$ -	1,012,106	-	-	1,012,106
Decreases					
Bond Principal	-	810,895	-	-	810,895
Bond Interest	-	201,211	-	-	201,211
	-	1,012,106	-	-	1,012,106
Net Increase (Decrease)	-	-	-	-	-
Account Balances					
Beginning of Year	240,000	-	1,250,000	875,000	2,365,000
End of Year	240,000	-	1,250,000	875,000	2,365,000

**VILLAGE OF CARY, ILLINOIS**

**Water and Sanitation - Enterprise Fund**

**Schedule of Operating Revenues - Budget and Actual  
Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
Charges for Services			
Water and Sewer Charges	\$ 3,385,000	3,385,000	3,092,972
Construction Water	6,000	6,000	892
Water Meter Sales	37,100	37,100	11,764
Miscellaneous	1,900	1,900	8,916
Total Operating Revenues	3,430,000	3,430,000	3,114,544

# VILLAGE OF CARY, ILLINOIS

## Water and Sanitation - Enterprise Fund

### Schedule of Operating Expenses - Budget and Actual Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Administration			
General Government			
Operating Insurance	\$ 140,000	140,000	93,367
Administrative Services	350,000	350,000	350,000
Total Administration	490,000	490,000	443,367
Water Operations			
Personnel Services			
Salaries	480,000	480,000	446,268
Overtime	20,000	20,000	21,635
	500,000	500,000	467,903
Personnel Benefits			
Employee Insurance Premiums	92,250	92,250	83,082
IMRF	68,250	68,250	60,973
FICA	38,800	38,800	35,137
	199,300	199,300	179,192
Commodities			
Vehicles	105,000	105,000	99,338
Gasoline - Oil	12,750	12,750	11,743
Laboratory Supplies	6,500	6,500	6,993
Chemicals	58,500	58,500	42,406
Uniforms	4,500	4,500	3,963
Books and Publications	300	300	173
Tool - Operating Supplies	15,750	15,750	10,985
Meters	50,000	50,000	31,416
Fire Hydrants	5,000	5,000	1,957
Computer Equipment	3,000	3,000	3,701
Other	20,000	20,000	1,221
	281,300	281,300	213,896
Contractual Services			
Pre/Post Employment Tests	-	-	57
Utilities	195,500	195,500	232,005

# VILLAGE OF CARY, ILLINOIS

## Water and Sanitation Fund

### Schedule of Operating Expenses - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Water Operations - Continued			
Contractual Services - Continued			
Postage	\$ 9,500	9,500	9,327
Printing	3,500	3,500	3,495
Dues and Subscriptions	900	900	849
Travel - Seminar	3,500	3,500	2,713
Bank Charges	100	100	90
W & S Infrastructure Study	11,000	11,000	9,000
Repairs and Maintenance			
Equipment	52,400	52,400	39,947
Vehicle	13,500	13,500	8,391
Building	10,000	10,000	15,628
Water Mains	15,000	15,000	19,130
Fire Hydrant	5,000	5,000	4,648
Valve Rehabilitation	9,000	9,000	-
Compound Water Meter Testing	9,000	9,000	220
Other	-	-	204
Legal	1,000	1,000	-
Audit	6,500	6,500	6,500
Engineering	1,500	1,500	154
Data Processing	4,500	4,500	4,499
Water Analysis	19,200	19,200	-
Other Professional Services	5,000	5,000	3,120
	375,600	375,600	359,977
Capital Outlay			
Equipment - Zero Turn Mowers	13,500	13,500	11,922
Shallow Well Maintenance	80,000	80,000	57,243
Water Tower Inspect and Maintain	3,000	3,000	2,150
Alma, Oriole, Jamesway and Sandra	297,275	297,275	88,530
Water Main Replacement - East	299,250	299,250	18,576
Rt. 14 Water Line	-	-	28
Water Main Replacement - Maplewood	70,000	70,000	66,646
Total	763,025	763,025	245,095
Less Nonoperating Items			
Capital Assets Capitalized	(763,025)	(763,025)	(230,995)
Total Capital Outlay	-	-	14,100

# VILLAGE OF CARY, ILLINOIS

## Water and Sanitation Fund

### Schedule of Operating Expenses - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Water Operations - Continued			
Debt Service			
Principal Retirement	\$ 300,000	300,000	-
Interest and Fiscal Charges	155,353	155,353	146,546
Total	455,353	455,353	146,546
Less Nonoperating Items			
Debt Service	(455,353)	(455,353)	(146,546)
Total Debt Service	-	-	-
Total Water Operations	1,356,200	1,356,200	1,235,068
Sanitation Operations			
Personnel Services			
Salaries	343,000	343,000	323,483
Overtime	17,000	17,000	15,256
	360,000	360,000	338,739
Personnel Benefits			
Employee Insurance Premiums	50,221	50,221	52,981
IMRF	50,750	50,750	46,268
FICA	27,750	27,750	25,778
	128,721	128,721	125,027
Commodities			
Vehicles	70,000	70,000	66,013
Gasoline - Oil	7,000	7,000	8,038
Laboratory Supplies	4,600	4,600	7,002
Chemicals	35,000	35,000	52,902
Uniforms	2,850	2,850	2,293
Books and Publications	200	200	40
Operating Supplies	7,000	7,000	11,313
Computer Equipment	2,250	2,250	2,250
	128,900	128,900	149,851

# VILLAGE OF CARY, ILLINOIS

## Water and Sanitation Fund

### Schedule of Operating Expenses - Budget and Actual - Continued Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Sanitation Operations - Continued			
Contractual Services			
Utilities	\$ 177,250	177,250	191,906
Postage	7,500	7,500	5,186
Printing	1,000	1,000	1,016
Dues and Subscriptions	1,000	1,000	153
Travel - Seminar	2,000	2,000	980
Sludge Hauling	15,000	15,000	21,168
Repairs and Maintenance			
Equipment	32,200	32,200	34,064
Vehicle	4,500	4,500	6,275
Building	5,500	5,500	10,243
Sewer Mains	3,500	3,500	3,594
Other	100	100	-
Audit	4,150	4,150	4,150
Engineering	800	800	1,381
NPDES Permits	20,000	20,000	19,000
Data Processing	3,000	3,000	2,999
Sewer Analysis	10,000	10,000	3,647
Other Professional Services	2,000	2,000	1,650
	<u>289,500</u>	<u>289,500</u>	<u>307,412</u>
Capital Outlay			
Equipment - Sewer Camera	65,000	65,000	48,252
Sanitary Sewer - Sher, Bell, Pear, We	353,020	353,020	270,477
Lift Station Repairs	140,000	140,000	66,506
Fencing - Cambria Lift Station	5,000	5,000	3,306
Sanitary Sewer - Krenz and Seebert	20,000	20,000	9,576
Burton Ave	37,650	37,650	3,045
	<u>620,670</u>	<u>620,670</u>	<u>401,162</u>
Less Nonoperating Items			
Capital Assets Capitalized	<u>(620,670)</u>	<u>(620,670)</u>	<u>(396,831)</u>
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>4,331</u>

**VILLAGE OF CARY, ILLINOIS**

**Water and Sanitation Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued**  
**Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
Sanitation Operations - Continued			
Debt Service			
Principal Retirement	\$ 495,895	495,895	-
Interest and Fiscal Charges	273,240	273,240	267,477
Total	769,135	769,135	267,477
Less Nonoperating Items			
Debt Service	(769,135)	(769,135)	(267,477)
Total Debt Service	-	-	-
Total Sanitation Operations	907,121	907,121	925,360
Depreciation and Amortization			
Depreciation	1,200,000	1,200,000	1,083,462
Amortization	-	-	71,533
Total Depreciation and Amortization	1,200,000	1,200,000	1,154,995
Total Operating Expenses	3,953,321	3,953,321	3,758,790

**VILLAGE OF CARY, ILLINOIS****Parking - Enterprise Fund****Schedule of Revenues, Expenses and  
Changes in Net Assets - Budget and Actual  
Year Ended April 30, 2007**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Lot Fees	\$ 147,000	147,000	153,588
Operating Expenses			
Administration	100,000	100,000	100,000
Parking Operations	338,000	338,000	117,124
Depreciation	-	-	13,682
Total Operating Expenses	438,000	438,000	230,806
Operating Income (Loss)	(291,000)	(291,000)	(77,218)
Nonoperating Revenues			
Grant	148,000	148,000	-
Interest Income	12,000	12,000	31,755
	160,000	160,000	31,755
Change in Net Assets	<u>(131,000)</u>	<u>(131,000)</u>	(45,463)
Net Assets - Beginning			<u>692,428</u>
Net Assets - Ending			<u>646,965</u>



# VILLAGE OF CARY, ILLINOIS

## Parking - Enterprise Fund

### Schedule of Operating Expenses - Budget and Actual Year Ended April 30, 2007

	Budget		Actual
	Original	Final	
Administration			
Administrative Services	\$ 100,000	100,000	100,000
Parking Operations			
Commodities			
Automated Fee Collection	130,000	130,000	-
Other	10,000	10,000	11,376
	140,000	140,000	11,376
Contractual Services			
Payments to Union Pacific	13,000	13,000	10,828
Postage	300	300	300
Printing	1,200	1,200	1,345
	14,500	14,500	12,473
Repairs and Maintenance			
Grass Mowing Services	3,500	3,500	1,970
Landscaping	10,000	10,000	9,216
Repairs and Maintenance	170,000	170,000	81,969
	183,500	183,500	93,155
Capital Outlay			
Construction	450,000	450,000	60,631
Total	450,000	450,000	60,631
Less Nonoperating Items			
Capital Assets Capitalized	(450,000)	(450,000)	(60,511)
Total Capital Outlay	-	-	120
Total Parking Operations	338,000	338,000	117,124
Depreciation	-	-	13,682
Total Operating Expenses	438,000	438,000	230,806

**VILLAGE OF CARY, ILLINOIS****Agency Funds****Combining Statement of Changes in Assets and Liabilities  
Year Ended April 30, 2007**

<b>All Funds</b>	<b>Beginning Balances</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balances</b>
<b>ASSETS</b>				
Cash and Investments	\$ 2,617,362	23,946,168	23,672,487	2,891,043
Receivables - Taxes	1,530,000	-	269,991	1,260,009
Total Assets	4,147,362	23,946,168	23,942,478	4,151,052
<b>LIABILITIES</b>				
Due to Bondholders	4,147,362	23,946,168	23,942,478	4,151,052
<b>Special Service Area #1 Fund</b>				
<b>ASSETS</b>				
Cash and Investments	1,389,257	11,568,807	11,663,108	1,294,956
Receivables - Taxes	750,000	-	149,998	600,002
Total Assets	2,139,257	11,568,807	11,813,106	1,894,958
<b>LIABILITIES</b>				
Due to Bondholders	2,139,257	11,568,807	11,813,106	1,894,958
<b>Special Service Area #2 Fund</b>				
<b>ASSETS</b>				
Cash and Investments	1,228,105	12,377,361	12,009,379	1,596,087
Receivables - Taxes	780,000	-	119,993	660,007
Total Assets	2,008,105	12,377,361	12,129,372	2,256,094
<b>LIABILITIES</b>				
Due to Bondholders	2,008,105	12,377,361	12,129,372	2,256,094

## **SUPPLEMENTAL SECTION**

# VILLAGE OF CARY, ILLINOIS

## Long-Term Debt Requirements

### Water and Sanitation Refunding Revenue Bond Series of 2002

April 30, 2007

Date of Issue	February 5, 2002
Date of Maturity	May 1, 2017
Authorized Issue	\$2,900,000
Denomination of Bonds	\$5,000
Interest Rates	2.0% - 4.8%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	American National Bank

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Nov. 1	Amount	May 1	Amount
2007	\$ 170,000	102,124	272,124	2006	51,062	2007	51,062
2008	180,000	95,580	275,580	2007	47,790	2008	47,790
2009	185,000	88,200	273,200	2008	44,100	2009	44,100
2010	195,000	80,338	275,338	2009	40,169	2010	40,169
2011	200,000	71,756	271,756	2010	35,878	2011	35,878
2012	215,000	62,758	277,758	2011	31,379	2012	31,379
2013	220,000	52,974	272,974	2012	26,487	2013	26,487
2014	225,000	42,856	267,856	2013	21,428	2014	21,428
2015	240,000	32,280	272,280	2014	16,140	2015	16,140
2016	250,000	20,880	270,880	2015	10,440	2016	10,440
2017	185,000	8,880	193,880	2016	4,440	2017	4,440
	<u>2,265,000</u>	<u>658,626</u>	<u>2,923,626</u>		<u>329,313</u>		<u>329,313</u>

# VILLAGE OF CARY, ILLINOIS

## Long-Term Debt Requirements

### Water and Sanitation Refunding Revenue Bond Series of 2003

April 30, 2007

Date of Issue	October 15, 2003
Date of Maturity	May 1, 2015
Authorized Issue	\$1,605,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 3.65%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	American National Bank

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Nov. 1	Amount	May 1	Amount
2007	\$ 140,000	44,256	184,256	2006	22,128	2007	22,128
2008	145,000	41,106	186,106	2007	20,553	2008	20,553
2009	145,000	37,482	182,482	2008	18,741	2009	18,741
2010	150,000	33,494	183,494	2009	16,747	2010	16,747
2011	155,000	28,618	183,618	2010	14,309	2011	14,309
2012	160,000	23,388	183,388	2011	11,694	2012	11,694
2013	160,000	17,948	177,948	2012	8,974	2013	8,974
2014	170,000	12,508	182,508	2013	6,254	2014	6,254
2015	175,000	6,387	181,387	2014	3,194	2015	3,193
	<u>1,400,000</u>	<u>245,187</u>	<u>1,645,187</u>		<u>122,594</u>		<u>122,593</u>

# VILLAGE OF CARY, ILLINOIS

## Long-Term Debt Requirements

### Water and Sanitation Refunding Revenue Bond Series of 2005

April 30, 2007

Date of Issue	February 16, 2005
Date of Maturity	May 1, 2017
Authorized Issue	\$2,975,000
Denomination of Bonds	\$5,000
Interest Rates	2.10% - 4.50%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	J.P. Morgan Trust Company

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Nov. 1	Amount	May 1	Amount
2007	\$ 205,000	95,962	300,962	2006	47,981	2007	47,981
2008	210,000	90,940	300,940	2007	45,470	2008	45,470
2009	215,000	85,480	300,480	2008	42,740	2009	42,740
2010	225,000	79,460	304,460	2009	39,730	2010	39,730
2011	240,000	72,710	312,710	2010	36,355	2011	36,355
2012	250,000	65,150	315,150	2011	32,575	2012	32,575
2013	255,000	56,900	311,900	2012	28,450	2013	28,450
2014	270,000	45,426	315,426	2013	22,713	2014	22,713
2015	280,000	33,276	313,276	2014	16,638	2015	16,638
2016	290,000	22,916	312,916	2015	11,458	2016	11,458
2017	305,000	11,896	316,896	2016	5,948	2017	5,948
	<u>2,745,000</u>	<u>660,116</u>	<u>3,405,116</u>		<u>330,058</u>		<u>330,058</u>

## VILLAGE OF CARY, ILLINOIS

### Long-Term Debt Requirements

#### IEPA Waterworks and Sewerage Revenue Bond Series of 2002

April 30, 2007

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Date of Issue	November 19, 2002
Date of Maturity	May 1, 2024
Authorized Issue	\$10,000,000
Interest Rates	2.57%
Interest Dates	May 1 and November 1
Principal Maturity Date	November 1
Payable at	Illinois Environmental Protection Agency

#### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2008	\$ 303,548	162,018	465,566
2009	311,399	154,166	465,565
2010	319,454	146,111	465,565
2011	327,716	137,848	465,564
2012	336,193	129,372	465,565
2013	344,888	120,676	465,564
2014	353,809	111,756	465,565
2015	362,960	102,605	465,565
2016	372,349	93,217	465,566
2017	381,979	83,586	465,565
2018	391,859	73,706	465,565
2019	401,995	63,570	465,565
2020	412,392	53,173	465,565
2021	423,059	42,507	465,566
2022	434,001	31,564	465,565
2023	445,227	20,338	465,565
2024	456,744	8,822	465,566
	<u>6,379,572</u>	<u>1,535,035</u>	<u>7,914,607</u>

## VILLAGE OF CARY, ILLINOIS

### Schedule of Insurance in Force Year Ended April 30, 2007

Coverage	Limits
General Liability	\$ 10,000,000
Police Professional	
Employee Benefits	
Professional Liability (Fire/Paramedic)	
Auto Liability	10,000,000
Uninsured/Underinsured Motorist	500,000
Public Officials' Liability	10,000,000
Employment Practices	10,000,000
Abuse/Molestation	10,000,000
Workers' Compensation	51,500,000
Employer's Liability	1,000,000
First Party Property	250,000,000 /
All Risk	Blanket Limit
Crime	
Employee Theft (Dishonesty)	5,000,000
Forgery, Alteration & Counterfeit Currency	5,000,000
Credit Card Forgery	5,000,000
Computer Fraud	5,000,000
Inside Theft, Robbery & Safe Burglary	2,500,000
Nonfaithful Performance	2,500,000
Boiler / Machinery	50,000,000 /
	Blanket Limit
Public Officials' Bonds	Blanket,
President, Treasurer, Clerk	Statutory Limits
Yearly Aggregates	
Member Aggregate Cap (applies to Loss Fund only)	10,000,000
Agency Aggregate Cap (applies to Loss Fund only)	75,894,495



## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

## VILLAGE OF CARY, ILLINOIS

### Net Assets by Component - Last Three Fiscal Years April 30, 2007 (Unaudited)

	2005	2006	2007
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$ 6,454,746	7,345,636	10,094,280
Restricted	1,038,449	1,035,479	842,230
Unrestricted	10,402,153	9,304,272	6,172,599
Total Governmental Activities Net Assets	17,895,348	17,685,387	17,109,109
Business-Type Activities			
Invested in Capital Assets, Net of Related Debt	6,358,790	7,081,773	7,397,329
Restricted	2,535,000	2,365,000	2,365,000
Unrestricted	10,684,025	10,401,459	9,788,202
Total Business-Type Activities Net Assets	19,577,815	19,848,232	19,550,531
Primary Government			
Invested in Capital Assets, Net of Related Debt	12,813,536	14,427,409	17,491,609
Restricted	3,573,449	3,400,479	3,207,230
Unrestricted	21,086,178	19,705,731	15,960,801
Total Primary Government Net Assets	37,473,163	37,533,619	36,659,640

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

# VILLAGE OF CARY, ILLINOIS

## Changes in Net Assets - Last Three Fiscal Years April 30, 2007 (Unaudited)

	2005	2006	2007
<b>Expenses</b>			
Governmental Activities			
General Government	\$ 1,109,092	2,833,179	1,274,362
Public Safety	3,184,805	3,440,615	3,501,396
Highways and Streets	1,669,486	2,564,558	4,878,701
Interest on Long-Term Debt	7,989	4,113	-
Total Governmental Activities Expenses	5,971,372	8,842,465	9,654,459
Business-Type Activities			
Water and Sanitation	3,905,493	4,045,696	4,172,813
Parking	133,942	131,580	230,806
Total Business-Type Activities Net Assets	4,039,435	4,177,276	4,403,619
Total Primary Government Expenses	10,010,807	13,019,741	14,058,078
<b>Program Revenues</b>			
Governmental Activities			
Charges for Services			
General Government	1,264,756	1,278,897	953,441
Public Safety	613,449	615,880	479,314
Highways and Streets	34,947	26,706	23,486
Operating Grants/Contributions	570,777	556,941	566,282
Capital Grants/Contributions	47,895	44,666	12,000
Total Governmental Activities Program Revenues	2,531,824	2,523,090	2,034,523
Business-Type Activities			
Charges for Services			
Water and Sanitation	4,191,474	3,882,084	3,273,170
Parking	148,939	148,048	153,588
Operating Grants/Contributions	-	-	-
Capital Grants/Contributions	-	-	-
Total Business-Type Activities Program Revenues	4,340,413	4,030,132	3,426,758
Total Primary Government Program Revenues	6,872,237	6,553,222	5,461,281
<b>Net (Expense) Revenue</b>			
Governmental Activities	(3,439,548)	(6,319,375)	(7,619,936)
Business-Type Activities	300,978	(147,144)	(976,861)
Total Primary Government Net Revenue (Expense)	(3,138,570)	(6,466,519)	(8,596,797)

	2005	2006	2007
<b>General Revenues and Other Changes in Net Assets</b>			
Governmental Activities			
Taxes			
Property Taxes	\$ 2,014,606	2,135,028	2,273,191
Sales Taxes	1,110,717	1,181,130	1,224,927
Utility Taxes	635,555	690,804	673,256
Intergovernmental			
Income Taxes	1,198,415	1,331,994	1,576,513
Local Use Taxes	184,203	207,493	238,256
Replacement Taxes	56,159	72,695	80,017
Interest Income	201,664	405,753	467,891
Miscellaneous	52,628	78,447	509,607
Transfers - Internal Activity	60,000	60,000	-
Total Governmental Activities	<u>5,513,947</u>	<u>6,163,344</u>	<u>7,043,658</u>
Business-Type Activities			
Interest Income	186,170	424,757	654,797
Miscellaneous	-	52,804	24,363
Transfers - Internal Activity	(60,000)	(60,000)	-
Total Business-Type Activities	<u>126,170</u>	<u>417,561</u>	<u>679,160</u>
Total Primary Government	<u>5,640,117</u>	<u>6,580,905</u>	<u>7,722,818</u>
<b>Changes in Net Assets</b>			
Governmental Activities	2,074,399	(156,031)	(576,278)
Business-Type Activities	427,148	270,417	(297,701)
Total Primary Government	<u>2,501,547</u>	<u>114,386</u>	<u>(873,979)</u>

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

# **VILLAGE OF CARY, ILLINOIS**

## **Fund Balances of Governmental Funds - Last Ten Fiscal Years April 30, 2007 (Unaudited)**

	1998	1999	2000	2001
<b>General Fund</b>				
Reserved	\$ 141,486	221,071	N/A	N/A
Unreserved	1,540,076	1,962,105	N/A	N/A
<b>Total General Fund</b>	<b>1,681,562</b>	<b>2,183,176</b>	<b>N/A</b>	<b>N/A</b>
<b>All Other Governmental Funds</b>				
Reserved	-	-	N/A	N/A
Unreserved, Reported in:				
Special Revenues Funds	1,231,578	1,498,929	N/A	N/A
Capital Projects Funds				
Infrastructure Capital				
Improvements	-	-	-	-
Other Capital Projects	1,317,596	1,700,300	N/A	N/A
Special Service Area #1	-	-	N/A	N/A
Special Service Area #2	-	-	N/A	N/A
<b>Total All Other</b>	<b>2,549,174</b>	<b>3,199,229</b>	<b>N/A</b>	<b>N/A</b>
<b>Governmental Funds</b>				

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

2002	2003	2004	2005	2006	2007
432,633	N/A	318,159	305,128	467,495	572,570
4,070,734	N/A	4,656,538	4,991,549	5,715,186	4,473,711
4,503,367	N/A	4,974,697	5,296,677	6,182,681	5,046,281
-	N/A	-	962,432	864,495	1,277,039
2,515,880	N/A	-	-	-	(7,569)
-	-	-	-	-	(40,001)
665,659	N/A	2,038,487	1,712,063	1,470,343	2,216,464
2,718,661	N/A	1,414,082	1,435,024	1,483,326	21
4,693,476	N/A	2,321,851	2,356,236	731,853	14
10,593,676	N/A	5,774,420	6,465,755	4,550,017	3,445,968

## VILLAGE OF CARY, ILLINOIS

### General Governmental Revenues By Source - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Source	1998	1999	2000	2001
Taxes	\$ 2,081,588	2,549,293	2,921,311	3,026,084
Licenses and Permits	264,398	230,063	245,834	378,518
Intergovernmental	1,837,870	1,847,749	2,198,912	1,994,348
Charges for Services	619,459	741,973	783,446	3,556,789
Fines and Forfeits	316,976	252,372	221,562	187,777
Interest	423,011	395,417	330,850	1,470,073
Miscellaneous	102,353	22,607	190,418	30,576,884
Total	5,645,655	6,039,474	6,892,333	41,190,473

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2002	2003	2004	2005	2006	2007
3,185,461	3,311,158	3,514,666	3,760,878	4,006,962	4,171,374
868,032	585,269	574,784	571,109	508,112	354,932
1,767,521	1,667,415	1,787,343	2,057,449	2,213,789	2,473,068
651,394	965,213	961,222	1,196,092	1,265,020	1,121,367
282,080	378,924	420,112	554,783	584,997	437,078
1,366,472	751,251	304,942	201,664	405,753	467,891
138,490	546,760	144,732	52,628	78,447	509,607
8,259,450	8,205,990	7,707,801	8,394,603	9,063,080	9,535,317



## VILLAGE OF CARY, ILLINOIS

### General Governmental Expenditures By Function - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Function	1998	1999	2000	2001
General Government	\$ 1,283,251	1,444,815	1,558,989	1,575,135
Public Safety	1,734,523	1,794,399	1,743,001	1,815,499
Highways and Streets	1,693,884	1,595,219	1,410,403	1,466,383
Capital Outlay	-	53,372	2,009,307	9,692,427
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total	4,711,658	4,887,805	6,721,700	14,549,444

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2002	2003	2004	2005	2006	2007
1,883,280	2,162,989	1,546,189	1,483,059	3,253,711	1,676,005
2,149,412	2,276,301	2,785,606	2,945,083	3,330,158	3,411,763
1,599,817	1,724,555	2,024,651	1,839,462	1,924,375	2,308,680
20,063,699	3,520,287	3,445,255	1,953,451	1,519,110	4,379,318
53,200	56,446	59,889	63,541	67,417	-
18,330	15,084	11,641	7,989	4,113	-
25,767,738	9,755,662	9,873,231	8,292,585	10,098,884	11,775,766

# VILLAGE OF CARY, ILLINOIS

## Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years April 30, 2007 (Unaudited)

	1998	1999	2000	2001
<b>Revenues</b>				
Taxes	\$ 2,081,588	2,549,293	2,921,311	3,026,084
Licenses and Permits	264,398	230,063	245,834	378,518
Intergovernmental	1,837,870	1,847,749	2,198,912	1,994,348
Charges for Services and Fees	619,459	741,973	783,446	3,556,789
Fines and Forfeits	316,976	252,372	221,562	187,777
Investment Income	423,011	395,417	330,850	1,470,073
Miscellaneous	102,353	22,607	190,418	30,576,884
<b>Total Revenues</b>	<b>5,645,655</b>	<b>6,039,474</b>	<b>6,892,333</b>	<b>41,190,473</b>
<b>Expenditures</b>				
General Government	1,283,251	1,444,815	1,558,989	1,575,135
Public Safety	1,734,523	1,794,399	1,743,001	1,815,499
Highways and Streets	1,693,884	1,595,219	1,410,403	1,466,383
Capital Outlay	-	53,372	2,009,307	9,692,427
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
<b>Total Expenditures</b>	<b>4,711,658</b>	<b>4,887,805</b>	<b>6,721,700</b>	<b>14,549,444</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>933,997</b>	<b>1,151,669</b>	<b>170,633</b>	<b>26,641,029</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Bonds	-	-	-	-
Transfers In	115,000	-	-	-
Transfers Out	(115,000)	-	-	-
	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>933,997</b>	<b>1,151,669</b>	<b>170,633</b>	<b>26,641,029</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

Data Source: Village Records

2002	2003	2004	2005	2006	2007
3,185,461	3,311,158	3,514,666	3,760,878	4,006,962	4,171,374
868,032	585,269	574,784	571,109	508,112	354,932
1,767,521	1,667,415	1,787,343	2,057,449	2,213,789	2,473,068
651,394	965,213	961,222	1,196,092	1,265,020	1,121,367
282,080	378,924	420,112	554,783	584,997	437,078
1,366,472	751,251	304,942	201,664	405,753	467,891
138,490	546,760	144,732	52,628	78,447	509,607
8,259,450	8,205,990	7,707,801	8,394,603	9,063,080	9,535,317
1,883,280	2,162,989	1,546,189	1,483,059	3,253,711	1,676,005
2,149,412	2,276,301	2,785,606	2,945,083	3,330,158	3,411,763
1,599,817	1,724,555	2,024,651	1,839,462	1,924,375	2,308,680
20,063,699	3,520,287	3,445,255	1,953,451	1,519,110	4,379,318
53,200	56,446	59,889	63,541	67,417	-
18,330	15,084	11,641	7,989	4,113	-
25,767,738	9,755,662	9,873,231	8,292,585	10,098,884	11,775,766
(17,508,288)	(1,549,672)	(2,165,430)	102,018	(1,035,804)	(2,240,449)
-	-	-	-	-	-
70,000	-	225,000	1,160,000	100,000	2,225,000
(80,000)	-	(100,000)	(1,100,000)	(40,000)	(2,225,000)
(10,000)	-	125,000	60,000	60,000	-
(17,518,288)	(1,549,672)	(2,040,430)	162,018	(975,804)	(2,240,449)
1.25%	1.15%	1.11%	1.13%	0.83%	0.00%

# VILLAGE OF CARY, ILLINOIS

## Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
1997	\$ 237,074,088	\$ 294,265	\$ 17,193,245	\$ 26,228,122	\$ 43,715,632	\$ 170,710	\$ 43,886,342	0.4404
1998	245,696,346	304,768	18,864,061	27,129,173	46,298,002	157,378	46,455,380	0.4396
1999	249,770,126	304,506	19,950,130	27,696,459	47,951,095	153,401	48,104,496	0.4450
2000	262,392,308	339,453	21,671,486	29,433,039	51,443,978	159,910	51,603,888	0.4446
2001	276,140,964	342,591	22,679,356	34,350,802	57,372,749	167,105	57,539,854	0.4457
2002	326,456,514	659,284	23,895,155	35,936,500	60,490,939	198,434	60,689,373	0.4265
2003	374,686,867	658,019	27,515,353	38,550,589	66,723,961	214,597	66,938,558	0.4049
2004	413,308,337	371,767	29,285,871	40,976,252	70,633,890	241,719	70,875,609	0.3901
2005	457,703,075	393,730	32,152,512	43,267,644	75,813,886	277,814	76,091,700	0.3760
2006	488,914,548	411,071	34,531,927	45,788,562	80,731,560	227,115	80,958,675	0.3704

Data Source: Algonquin Township

**VILLAGE OF CARY, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years  
April 30, 2007 (Unaudited)**

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**See Following Page**

## VILLAGE OF CARY, ILLINOIS

### Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years April 30, 2007 (Unaudited)

	1997	1998	1999
Total Direct Tax Rate Village of Cary	0.4404	0.4396	0.4450
Overlapping Rates			
McHenry County	0.6628	0.6531	0.6482
McHenry County Conservation District	0.1323	0.1309	0.1282
Algonquin Township	0.2003	0.1991	0.2000
Cary Fire Protection District	0.3015	0.3005	0.3031
Cary Park District	0.3973	0.3893	0.6372
Cary Area Library	0.1966	0.1962	0.1978
School District #26	3.0947	3.0797	3.1085
High School District #155	2.1820	2.1696	2.1782
Community College District #528	0.3451	0.3429	0.3400
Total Direct and Overlapping Tax Rate	7.9530	7.9009	8.1862

Data Source: McHenry County Assessors Office

Note: Three rate schedules are shown, since there are three grade school districts within the Village.

Last Ten Levy Years						
2000	2001	2002	2003	2004	2005	2006
0.4446	0.4457	0.4265	0.4049	0.3901	0.3760	0.3704
0.6440	0.6380	0.6725	0.7153	0.7346	0.7278	0.7060
0.1254	0.1808	0.1734	0.1663	0.1580	0.1490	0.4133
0.1996	0.1994	0.1914	0.1833	0.1768	0.0531	0.1677
0.3016	0.3024	0.2898	0.2762	0.2772	0.2784	0.3724
0.6297	0.6293	0.5922	0.5771	0.5534	0.5344	0.5240
0.1975	0.1977	0.1893	0.1810	0.1750	0.1690	0.1655
3.2895	3.2877	3.1401	2.9695	2.8664	2.7516	2.6871
2.1784	2.1733	2.0895	2.0433	1.9780	1.9023	1.8697
0.3402	0.3367	0.3253	0.3130	0.3033	0.2922	0.2741
8.3505	8.3910	8.0900	7.8299	7.6128	7.2338	7.5502



# VILLAGE OF CARY, ILLINOIS

## Principal Property Tax Payers - Current Year and Nine Years Ago April 30, 2007 (Unaudited)

Taxpayer	2007			1998		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Cary Corners LLC (Sage)	\$ 5,105,977	1	0.96 %	N/A	N/A	N/A
HB Properties	4,230,283	2	0.79	N/A	N/A	N/A
Tru Serv	3,979,046	3	0.75	N/A	N/A	N/A
Cary Square Shopping Center	2,702,848	4	0.51	N/A	N/A	N/A
Fox Valley Systems	2,247,851	5	0.42	N/A	N/A	N/A
Sequist	2,127,343	6	0.40	N/A	N/A	N/A
Oak Knoll LTD	1,824,735	7	0.34	N/A	N/A	N/A
Larlee Grace	1,541,510	8	0.29	N/A	N/A	N/A
Soltis Family	1,226,384	9	0.23	N/A	N/A	N/A
Durex	1,077,337	10	0.20	N/A	N/A	N/A
	<u>26,063,314</u>		<u>4.89 %</u>	<u>-</u>		<u>0.00%</u>

Data Source: Algonquin Township

# **VILLAGE OF CARY, ILLINOIS**

## **Property Tax Levies and Collections - Last Ten Fiscal Years April 30, 2007 (Unaudited)**

Fiscal Year Ended April 30	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1998	1996	\$ 1,277,256	\$ 1,270,887	99.50%	N/A	\$ 1,270,887	99.50%
1999	1997	1,331,573	1,312,678	98.58%	N/A	1,312,678	98.58%
2000	1998	1,407,049	1,404,391	99.81%	N/A	1,404,391	99.81%
2001	1999	1,284,301	1,282,665	99.87%	N/A	1,282,665	99.87%
2002	2000	1,396,028	1,385,915	99.28%	N/A	1,385,915	99.28%
2003	2001	1,487,217	1,480,733	99.56%	N/A	1,480,733	99.56%
2004	2002	1,651,179	1,648,674	99.85%	N/A	1,648,674	99.85%
2005	2003	1,786,928	1,784,032	99.84%	N/A	1,784,032	99.84%
2006	2004	1,888,803	1,887,140	99.91%	N/A	1,887,140	99.91%
2007	2005	2,006,882	2,005,276	99.92%	N/A	2,005,276	99.92%

Data Source: Office of the County Clerk of McHenry County

# VILLAGE OF CARY, ILLINOIS

## Ratios of Outstanding Debt By Type - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Fiscal Year Ended April 30	Governmental Activities			Business-Type Activities			Total Primary Government	Total Equalized Assessed Value (EAV)	Percentage of EAV	Per Capita (1)
	General Obligation Bonds	Installment Contracts Payable	Revenue Bonds	Revenue Bonds	IEPA Revenue Bonds					
1998	\$ -	\$ -	\$ 9,430,000	\$ -	-	\$ 9,430,000	\$ 280,960,430	3.36%	\$ 631.57	
1999	-	-	9,155,000	-	-	9,155,000	292,151,726	3.13%	613.15	
2000	-	-	-	-	-	-	297,874,622	0.00%	-	
2001	-	300,493	8,545,000	-	-	8,845,493	313,996,196	2.82%	569.54	
2002	-	247,293	8,325,000	-	-	8,572,293	333,680,818	2.57%	551.95	
2003	-	190,847	7,980,000	-	-	8,170,847	387,145,887	2.11%	474.50	
2004	-	130,958	7,750,000	6,464,558		7,880,958	441,325,425	1.79%	457.66	
2005	-	67,417	7,395,000	6,963,902		7,462,417	484,183,946	1.54%	433.36	
2006	-	-	6,910,000	6,675,467		6,910,000	533,744,775	1.29%	369.26	
2007	-	-	6,410,000	6,379,572		6,410,000	571,508,019	1.12%	340.40	

Data Source: Village's Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

# **VILLAGE OF CARY, ILLINOIS**

## **Ratios of General Bonded Debt Outstanding to Equalized Assessed Value and Net General Obligation Bonded Debt per Capita - Last Ten Fiscal Years April 30, 2007 (Unaudited)**

<b>Fiscal Year Ended April 30</b>	<b>Gross General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Funds</b>	<b>Total</b>	<b>Percentage of Equalized Assessed Value</b>	<b>Per Capita</b>
1998	\$ -	\$ -	\$ -	0.00%	\$ 0.00
1999	-	-	-	0.00%	0.00
2000	-	-	-	0.00%	0.00
2001	-	-	-	0.00%	0.00
2002	-	-	-	0.00%	0.00
2003	-	-	-	0.00%	0.00
2004	-	-	-	0.00%	0.00
2005	-	-	-	0.00%	0.00
2006	-	-	-	0.00%	0.00
2007	-	-	-	0.00%	0.00

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

# **VILLAGE OF CARY, ILLINOIS**

## **Schedule of Direct and Overlapping Bonded Debt April 30, 2007 (Unaudited)**

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Cary	\$ -	.0000 %	-
McHenry County	25,589,569	.0623	1,594,230
McHenry County Conservation District	85,890,000	.0623	5,350,947
Cary Park District	20,749,050	.7987	16,572,266
School District #26	32,815,000	.8192	26,882,048
School District #47	31,235,000	.2742	8,564,637
Unit School District #300	* 167,040,725	.1823	30,451,524
High School District #155	16,112,276	.1777	2,863,151
Community College District #509	51,914,999	.0480	2,491,920
Community College District #528	1,315,000	.0701	92,182
<b>Subtotal</b>	<b>432,661,619</b>		<b>94,862,905</b>
<b>Totals</b>	<b>432,661,619</b>		<b>94,862,905</b>

\* Determined by the ratio of assessed value of property in the Village of Cary subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

Data Source: Office of the County Clerk

# **VILLAGE OF CARY, ILLINOIS**

## **Schedule of Legal Debt Margin**

**April 30, 2007 (Unaudited)**

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Assessed Valuation - 2006	<u>\$ 571,508,019</u>
Legal Debt Limit - 8.625% of Assessed Valuation	49,292,567
Amount of debt applicable to debt limit	<u>-</u>
Legal Debt Margin	<u>49,292,567</u>

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

## VILLAGE OF CARY, ILLINOIS

### Pledged-Revenue Coverage - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Fiscal Year Ended April 30	Water Revenues	Principal	Interest	Coverage
1997	\$ 2,471,699	\$ 250,000	\$ 174,141	3.01
1998	2,613,793	290,000	520,175	1.65
1999	2,957,651	300,000	500,456	2.02
2000	3,177,939	310,000	486,445	2.02
2001	3,490,337	310,000	471,245	2.53
2002	3,664,613	330,000	395,933	2.82
2003	3,522,646	345,000	409,179	2.45
2004	3,379,440	400,000	381,755	1.61
2005	3,471,600	596,478	486,678	1.11
2006	3,855,368	485,000	255,502	1.85

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

## VILLAGE OF CARY, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Fiscal Year Ended April 30	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
1998	14,931	\$ N/A	17,271	33.0	4,822	N/A
1999	14,931	N/A	17,271	33.0	4,944	N/A
2000	15,531	76,801	26,903	33.9	5,014	4.80%
2001	15,531	76,801	26,903	33.9	5,063	4.80%
2002	15,531	76,801	26,903	33.9	5,186	4.80%
2003	17,220	76,801	26,903	33.9	5,226	4.80%
2004	17,220	76,801	26,903	33.9	5,364	4.80%
2005	17,220	76,801	26,903	33.9	5,386	4.80%
2006	18,713	76,801	26,903	33.9	5,469	4.80%
2007	18,831	76,801	26,903	33.9	N/A	4.80%

N/A - Not Available

Data Sources: Bureau of Census and Local School Districts



# **VILLAGE OF CARY, ILLINOIS**

## **Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago April 30, 2007 (Unaudited)**

Employer	2007			1998		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
McHenry Molding Machinery	400	1	N/A	400	1	N/A
Seaquist Perfect Dispensing	400	2	N/A	400	2	N/A
Martinez Manufacturing Inc.	350	3	N/A	350	3	N/A
Sage Products, Inc.	300	4	N/A	300	4	N/A
Coilcraft Inc.	250	5	N/A	250	5	N/A
True Value Mfg. Co.	200	6	N/A	200	6	N/A
Durex Industries	180	7	N/A	180	7	N/A
Sherman Mechanical, Inc.	120	8	N/A	120	9	N/A
Burpee Co.	110	9	N/A			
Federal Express Corp.	100	10	N/A	100	10	N/A
Bartlett Manufacturing Co.				144	8	N/A
	<u>2,410</u>		<u>0.00%</u>	<u>2,444</u>		<u>0.00%</u>

N/A - Not Available

Data Sources: Village Community Development Department Records and U.S. Census Bureau.

**VILLAGE OF CARY, ILLINOIS**

**Full-time Equivalent Village Government Employees by Function - Last Ten Fiscal Years  
April 30, 2007 (Unaudited)**

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**See Following Page**

## VILLAGE OF CARY, ILLINOIS

### Full-time Equivalent Village Government Employees by Function - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Function	1998	1999	2000
General Government			
Administration	8.00	3.00	N/A
Finance	N/A	4.00	N/A
Public Works	15.00	15.00	N/A
Police	32.00	32.00	N/A
Building, Planning & Zoning	4.00	3.50	N/A
Water and Sewer	13.00	11.50	N/A
Total	72.00	69.00	0.00

N/A - Not Available

Data Source: Village Records

2001	2002	2003	2004	2005	2006	2007
3.98	4.60	4.60	3.60	4.00	4.00	4.50
N/A	6.00	5.00	4.00	5.00	5.00	5.00
N/A	19.00	18.00	16.00	17.00	18.00	18.00
N/A	44.75	45.25	40.00	42.04	36.56	37.80
N/A	5.00	5.00	5.00	5.19	5.29	5.50
N/A	11.60	13.60	18.95	15.00	14.37	15.00
3.98	90.95	91.45	87.55	88.23	83.22	85.80

# VILLAGE OF CARY, ILLINOIS

## Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Function/Program	1998	1999	2000
<b>Public Works</b>			
Forestry			
Number of Parkway Trees Planted	N/A	N/A	N/A
Number of Parkway Trees Trimmed	N/A	N/A	N/A
Brush Pickup Program	N/A	823	586
Fleet Services			
Number of Vehicles Maintained	N/A	N/A	N/A
<b>Public Safety</b>			
Police			
Criminal Offenses (Part 1)	N/A	N/A	262
Criminal Arrests (Part 1)	N/A	N/A	66
Criminal Offenses (Part 2)	N/A	N/A	461
Criminal Arrests (Part 2)	N/A	N/A	204
Traffic Arrests	N/A	N/A	1,847
Traffic Warnings	N/A	N/A	2,295
DUI	N/A	N/A	37
Liquor Act	N/A	N/A	19
Ordinance Arrests	N/A	N/A	14
Parking Enforcement	N/A	N/A	651
<b>Community Development</b>			
Number of Building Permits Issued	620	678	795
Number of Building Inspections	N/A	N/A	N/A
<b>Highways and Streets</b>			
Sidewalk Replaced (sq. ft)	N/A	N/A	N/A
Annual Resurfacing Program (in dollars)	N/A	284,588	319,618
<b>Water and Sewer</b>			
Water Main Breaks	11	8	11
Hydrants Flushed	800	800	810
Water Meters Read	30,000	30,000	30,800
Water Meter Service Requests	200	200	220
Water Meters Replaced	33	34	39
Total Distribution Pumpage (1,000 gallons)	572,873	584,078	589,177
Average Daily Pumpage (1,000 gallons)	1,570	1,600	1,614
Sanitary Sewer Repairs	N/A	N/A	N/A

N/A: Not Available

Data Source: Village Records

Note: Indicators are not available for the general government function.

2001	2002	2003	2004	2005	2006	2007
N/A	N/A	51	71	46	65	N/A
584	2,200	250	1,740	1,300	1,260	N/A
477	593	508	947	1,130	844	N/A
N/A	N/A	52	52	52	54	N/A
397	280	410	424	381	345	N/A
148	87	178	177	157	102	N/A
555	536	797	659	753	573	N/A
261	230	289	279	311	253	N/A
3,150	5,897	4,595	6,135	4,931	4,598	N/A
1,318	3,575	4,141	5,577	4,533	3,295	N/A
71	111	157	250	264	270	N/A
48	56	108	100	97	210	N/A
24	39	45	46	48	97	N/A
865	1,206	2,007	1,340	674	1,462	N/A
1,888	1,151	870	987	1,757	1,032	N/A
N/A	N/A	3,716	3,663	3,239	1,756	N/A
N/A	4,200	2,750	3,790	3,800	5,000	N/A
238,848	404,280	642,000	703,000	579,000	627,000	N/A
12	6	9	14	14	8	11
850	900	925	925	950	989	989
32,000	34,000	36,000	37,000	37,000	37,800	37,800
230	240	250	270	280	290	300
31	32	34	37	49	38	39
587,525	627,892	656,055	687,488	683,257	725,099	655,711
1,605	1,720	1,797	1,884	1,867	1,986	1,796
N/A	N/A	1,500	1,500	1,500	8,300	N/A

## VILLAGE OF CARY, ILLINOIS

### Capital Asset Statistics by Function/Program - Last Ten Fiscal Years April 30, 2007 (Unaudited)

Function/Program	1998	1999	2000
Police			
Stations	N/A	1	1
Patrol Units	N/A	7	8
Public Works			
Streets (Miles)	N/A	N/A	58
Streetlights	N/A	472	484
Water and Sewer			
Water Mains (Miles)	60	62	62
Fire Hydrants	800	810	850
Sanitary Sewers (miles)	N/A	63	63

N/A - Not Available

Data Source: Village Records

2001	2002	2003	2004	2005	2006	2007
1 8	1 13	1 13	1 13	1 13	1 13	1 13
58 506	62 567	68 572	68 652	70 677	70 700	N/A N/A
64 875 63	64 900 67	65 950 74	65 950 74	65 989 75	70 989 75	70 989 75