

VILLAGE OF WINNEBAGO, ILLINOIS

ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
APRIL 30, 2008**

VILLAGE OF WINNEBAGO, ILLINOIS

Table of Contents

Page No.

FINANCIAL SECTION

<u>Independent Auditor's Report</u>	1-2
<u>General Purpose External Financial Statements</u>	
Management's Discussion and Analysis	3-12
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	13
Statement of Activities	14
Fund Financial Statements	
Governmental Funds	
Balance Sheet	15
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Assets	16
Statement of Revenues, Expenditures and Changes in Fund Balances	17
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance to the Governmental Activities in the Statement of Activities	18
Proprietary Funds	
Statement of Net Assets	19
Statement of Revenues, Expenses and Changes In Fund Net Assets	20
Statement of Cash Flows	21
Notes to Financial Statements	22-36

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes In Fund Balance – Budget and Actual – General Fund	37
Schedule of Revenues, Expenditures and Changes In Fund Balance – Budget and Actual – Police Protection Fund	38
Schedule of Revenues, Expenditures and Changes In Fund Balance – Budget and Actual – Motor Fuel Tax Fund	39
Illinois Municipal Retirement Fund Schedule of Funding Progress	40
Schedule of Employer Contributions	41
Notes to Required Supplementary Information	42

Combining & Individual Fund Financial Statements and Schedules**Nonmajor Governmental Funds**

Combining Balance Sheet	44
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	45
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Community Development Fund	46
Retirement Fund	47
4 th of July Fund	48

Supplementary Financial Information

Schedule of Revenues – Budget and Actual – General Fund	49-50
Schedule of Expenditures – Budget and Actual – Police Protection Fund	51
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Debt Service Fund	52
Schedule of Operating Revenues and Expenses – Water & Sewer Fund - Budget and Actual	53-54
Assessed Valuations, Tax Rates and Extensions	55
Schedule of Computation of Legal Debt Margin	56
Supplementary Information for Bond Ordinance	57

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Trustees
Village of Winnebago, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Winnebago, Illinois (Village) as of and for the year then ended April 30, 2008, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Winnebago, Illinois, as of April 30, 2008, and the respective changes in financial position and cash flows of its proprietary fund, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

The management's discussion and analysis, budgetary comparison information and other required supplementary information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Village's basic financial statements. The combining, individual nonmajor fund financial statements and the schedules listed in the table of contents as other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining, individual nonmajor fund financial statements and schedules listed in the table of contents as other supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

December 29, 2008

Elliott + Company

VILLAGE OF WINNEBAGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2008
(Unaudited)

This section of the Village of Winnebago's Annual Financial Report presents our discussion and analysis of the Village's financial activities during the year ended April 30, 2008.

FINANCIAL HIGHLIGHTS

- Net asset position and performance in total – The Village's total net assets at April 30, 2008 were \$7,001,447.
- Governmental activity summary – Net assets for governmental activities decreased by \$201,863 during the year.
- Business-type activity summary – Net assets for governmental activities increased by \$149,690 during the year.
- General Fund summary – The Village's General Fund reported a decrease of \$4,366 in fund balance for the year.
- Budget vs. actual – The Village's actual revenues for the General Fund exceeded total budgeted revenues by \$83,944 while the actual expenditures were less than total budgeted expenditures by \$245,083.
- New capital – Net capital and infrastructure assets decreased by \$254,471.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements include two kinds of statements, which present different views of the Village: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements.

Government-wide financial statements provide both short and long-term information about the Village's overall financial status.

Fund financial statements focus on individual parts of the Village government, reporting Village operation in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section that further explains and supports the information in the financial statements.

In addition to all of the required financial statement elements, the Village has provided sections for combining statements to provide detail on non-major funds and additional supplementary information.

The following table summarizes the major features of the Village's financial statements.

	GOVERNMENT-WIDE STATEMENTS	FUND STATEMENTS	
		Governmental Funds	Proprietary Funds
Scope	Entire Village government	Activities of the Village that are not proprietary such as public safety	Activities the Village Operates similar to private Business such as the water department
Required financial statements	<ul style="list-style-type: none"> - Statement of net assets - Statement of activities 	<ul style="list-style-type: none"> - Balance sheet - Statement of revenues, expenditures and changes in fund balances 	<ul style="list-style-type: none"> - Statement of net assets - Statement of revenues, Expenses, and changes in net assets - Statement of cash flows
Accounting basis	Accrual	Modified accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources
Type of assets & liability information	All assets and liabilities; both financial and capital, short and long-term	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets	All assets and liabilities; both financial and capital, short and long-term
Type of inflow & outflow information	All revenues and expenses during the year regardless of when cash is received or paid	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods or services that have been received and payment is due during the year or shortly thereafter	All revenues and expenses during the year regardless of when cash is received or paid

Government-Wide Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns, which add to a total for the Primary Government. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to disclose bottom line results for the Village and its governmental and business-type activities.

This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

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

The governmental activities reflect the Village's basic services, including administration, financial services, police, and public works. Property taxes, telecommunication taxes, and shared state tax distributions finance the majority of these services. The business-type activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

Governmental funds are presented on a sources and uses of liquid resources basis. This is the manner in which the budget is typically developed. Governmental funds provide a current resources (short-term) view that helps determine whether there are more or fewer current financial resources available to spend for Village operations.

Proprietary funds account for services that are generally fully supported by user fees charged to customers. Proprietary funds are presented on a total economic resources basis. Proprietary fund statements, like government-wide statements, provide both short and long term financial information.

While the Total column on the Business-type Fund Financial Statements is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Funds column requires reconciliation because of the different measurement focus (current financial resources/modified accrual versus total economic resources/full accrual), which is reflected on the page following each statement. The flow of current financial resources will reflect debt proceeds, proceeds from sales of capital asset disposals, and interfund transfers as other financial sources as well as capital outlay expenditures and debt principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the Government-Wide Statements.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – streets, storm sewers, etc.) had not been reported nor depreciated in governmental financial statements. GASB Statement No. 34 requires that these assets be valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity.

If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its costs of maintenance in lieu of depreciation. The Village has elected to depreciate assets over their useful life. If a project is considered

maintenance - a recurring cost that does not extend the asset's original useful life or expand its capacity – the cost of the project will be expensed. An “overlay” of a street will be considered maintenance whereas a “rebuild” of a street will be capitalized.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

In accordance with GASB Statement No. 34, a comparative analysis of government-wide information is presented.

NET ASSETS

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets (on a comparative basis):

Table 1
Statement of Net Assets
As of April 30, 2008

	Governmental Activities		Business-type Activities		Total Government	
	2008	2007	2008	2007	2008	2007
Current and Other assets	\$ 1,849,821	2,013,003	1,058,663	811,203	2,908,484	2,827,206
Capital assets	3,009,256	3,117,248	1,830,955	1,977,434	4,840,211	5,094,682
Total assets	4,859,077	5,133,251	2,889,618	2,788,637	7,748,695	7,921,888
Current and other liabilities	331,273	296,492	147,319	60,636	478,592	357,128
Long-term Liabilities	84,657	191,749	183,999	319,391	268,656	511,140
Total liabilities	415,930	488,241	331,318	380,027	747,248	868,268
Net assets:						
Invested in capital assets, net of related debt	2,869,888	2,925,499	1,578,004	1,658,043	4,447,892	4,583,542
Restricted	799,639	926,152	287,528	238,814	1,087,167	1,164,966
Unrestricted	773,620	793,359	692,768	511,753	1,466,388	1,305,112
Total net assets	\$ 4,443,147	4,645,010	2,558,300	2,408,610	7,001,447	7,053,620

For more detailed information see the Statement of Net Assets.

Normal Impacts–Net Assets

There are six common (basic) types of transactions that will generally affect the comparability of the Statements of Net Assets summary presentation.

Net Results Of Activities – Impacts (increases/decreases) current assets and unrestricted net assets.

Borrowing For Capital – Increases current assets and long-term debt.

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

Spending Of Non-borrowed Current Assets On New Capital – (a) Reduces current assets and increases capital assets; and (b) reduces unrestricted net assets and increases invested in capital assets, net of debt.

Principal Payment On Debt – (a) Reduces current assets and reduces long-term debt; and, (b) reduces unrestricted net assets and increases invested in capital assets, net of debt.

Reduction Of Capital Assets Through Depreciation – Reduces capital assets and invested in capital assets, net of debt.

Current Year Impacts–Net Assets

The Village's combined net assets at April 30, 2008 were \$7,001,447 for all funds. This is a decrease of \$52,173 during the year. Total assets decreased from \$7,921,888 to \$7,748,695, a decrease of \$173,193. Cash and investments increased by \$12,804. The capital assets (net) decreased by \$254,471 or 5% of the total.

The total liabilities decreased by \$121,020. The non-current liabilities due in more than one year decreased by \$242,484. The decrease in non-current liabilities resulted from payments on existing debt.

The net assets of business-type activities increased by \$149,690 during the year and ended at \$2,558,300. Unrestricted assets, available to finance the continuing operation of its business-type activities, were \$692,768. The annual operating cost of the Village's business-type activities for the fiscal year was \$685,502.

The total net assets at April 30, 2008 were \$7,001,447, of which 64% is the investment in capital assets, net of the related debt, another 15% is restricted for debt service and maintenance of roads and bridges. The remaining 21% or \$1,466,388 available for any purpose, which is an increase of \$161,276 or 12% from the unrestricted net assets of 2007.

Statement of Changes In Net Assets :

The following chart reflects the condensed Statement of Changes in Net Assets.

Overall, the financial condition continues to improve as measured by the fact that assets increased and liabilities decreased.

Table 2
Changes in Net Assets
For the Years Ended April 30, 2008 and 2007

	Governmental Activities		Business-type Activities		Total Government	
	2008	2007	2008	2007	2008	2007
REVENUES						
Program revenues:						
Charges for services	\$ 90,271	78,700	787,906	706,050	878,177	784,750
Operating grants	6,542	3,100	25,000	-	31,542	3,100
General revenues:						
Property taxes	366,229	344,522	105	7,939	366,334	352,461
Other taxes	876,201	812,967	-	-	876,201	812,967
Interest	54,734	78,510	33,525	37,488	88,259	115,998
Misc./Transfers	70,409	147,514	-	124,241	70,409	271,755
Total revenues	1,464,386	1,465,313	846,536	875,718	2,310,922	2,341,031
EXPENSES						
General government	473,073	484,181	-	-	473,073	484,181
Public works	516,048	308,345	-	-	516,048	308,345
Public safety	597,128	480,310	-	-	597,128	480,310
Parks & recreation	74,779	101,861	-	-	74,779	101,861
Interest	5,221	6,333	11,344	15,885	16,565	22,218
Water & sewer	-	-	685,502	684,829	685,502	684,829
Total expenses	1,666,249	1,381,030	696,846	700,714	2,363,095	2,081,744
Changes in net assets	(201,863)	84,283	149,690	175,004	(52,173)	259,287
Net assets, beginning	4,645,010	4,560,727	2,408,610	2,233,606	7,053,620	6,794,333
Net assets, ending	\$ 4,443,147	4,645,010	2,558,300	2,408,610	7,001,447	7,053,620

For more detailed information see the Statement of Activities.

Normal Impact—Changes In Net Assets

Reflected below are eight common (basic) impacts on revenues and expense.

Revenues:

Economic Condition – Reflects a declining, stable or growing economic environment and has a substantial impact on state income, sales, telecommunications and utility tax revenues as well as public spending habits for items such as building permits and user fees including volumes of usage.

Increase/Decrease In Village Approval Rates – while statutes set certain tax rates, the Village Board has authority to impose and periodically increase/decrease rates (building permit fees, etc.). The Village's property taxes are subject to tax caps, which generally limit Village increases to the lesser of the change in the Consumer Price Index or 5%.

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

Market Impacts On Investment Income – The Village's investment portfolio is managed with an approach utilizing competitive pricing, and diversity of investments.

Expenses:

Changes In Programs – Within the functional expense categories (General Government, Public Safety, Public Works, etc.) individual programs may be added, deleted, or expanded to meet changing community needs

Changes In Authorized Personnel – Changes in service demand may cause the Village Board to increase/decrease authorized staffing.

Salary Increases (annual adjustments and step increases) – The Village strives to maintain a competitive salary range position in the marketplace.

Inflation – While overall inflation appears to be modest (the CPI was 4.0% at April 30, 2008), the Village is a major consumer of certain commodities and services, which typically experience inflation at a rate that can be significantly different from the CPI. Examples of such items include health insurance, fuel, electricity and operating supplies.

Current Year Impacts–Changes In Net Assets

Governmental Activities

Revenues:

Revenues from governmental activities total \$1,464,386. The largest source of revenue was \$366,229 from property tax. Sales and use taxes were the next highest with revenue for the year of \$361,597. State income tax ranged third with \$302,772. The revenues from these three sources represent 70% of the governmental activity revenues. Total revenue from all taxes was \$1,242,430 or 85%. The Village also recognized \$90,271 in charges for services or 6% of total revenue.

Expenses:

The Village's total governmental activity expenses were \$1,666,249. The three major functional areas were general government \$473,073 or 28% of the total; public safety \$597,128 or 36% of the total; and public works of \$516,048 or 31%. These three functional areas account \$1,586,249 or 95% of the total expenses of the Village.

Personnel costs including wages, health & life insurance, and retirement benefits were \$799,051 or 48% of the total expenses. Another major expense was highways and streets contractual services expense of \$243,518 or 14.6% of the total expenses.

ECONOMIC FACTORS

While the Village has been experiencing strong growth in the construction of new homes, it is expected that during fiscal year ending April 30, 2009 this growth will decline significantly. However, the decline is expected to affect 2010 revenues more than 2009.

The Village's largest source of revenue is from property taxes. Property taxes are expected to increase by approximately 5% per year. Other revenues are expected to increase at approximately 4% during fiscal year ending April 30, 2009.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Sally Bennett, Treasurer, Village of Winnebago, 108 West Main Street, Winnebago Illinois, 61088.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Net Assets

April 30, 2008

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 1,217,102	712,025	1,929,127
Restricted cash and cash equivalents	-	287,528	287,528
Receivables:			
Property taxes, net of a \$3,700 allowance	366,600	-	366,600
State of Illinois	208,996	-	208,996
Utility users	-	86,707	86,707
Prepaid items	23,830	5,696	29,526
Internal balances	33,293	(33,293)	-
Total current assets	<u>1,849,821</u>	<u>1,058,663</u>	<u>2,908,484</u>
Capital assets, net	<u>3,009,256</u>	<u>1,830,955</u>	<u>4,840,211</u>
Total assets	<u>4,859,077</u>	<u>2,889,618</u>	<u>7,748,695</u>
<u>Liabilities and Net Assets</u>			
Current liabilities:			
Accounts payable	54,307	31,707	86,014
Accrued payroll	14,881	3,164	18,045
Compensated absences	22,003	2,861	24,864
Meter deposits	-	40,635	40,635
Deferred revenue	185,371	-	185,371
Due within one year	54,711	68,952	123,663
Total current liabilities	<u>331,273</u>	<u>147,319</u>	<u>478,592</u>
Noncurrent liabilities:			
Due in more than one year	<u>84,657</u>	<u>183,999</u>	<u>268,656</u>
Total liabilities	<u>415,930</u>	<u>331,318</u>	<u>747,248</u>
Net assets:			
Invested in capital assets, net of related debt	2,869,888	1,578,004	4,447,892
Restricted:			
Highways and streets	699,741	-	699,741
Debt service	99,898	287,528	387,426
Unrestricted, undesignated	773,620	692,768	1,466,388
Total net assets	<u>\$ 4,443,147</u>	<u>2,558,300</u>	<u>7,001,447</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Activities

For the Year Ended April 30, 2008

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services		Capital Grants & Contributions	Governmental Business-type		Total
		Operating	Contributions		Activities	Activities	
Governmental activities:							
General government	\$ 473,073	31,707	-	-	(441,366)	-	(441,366)
Public safety	597,128	29,004	6,542	-	(561,582)	-	(561,582)
Public works	516,048	-	-	-	(516,048)	-	(516,048)
Culture and recreation	74,779	29,560	-	-	(45,219)	-	(45,219)
Interest	5,221	-	-	-	(5,221)	-	(5,221)
Total governmental activities	1,666,249	90,271	6,542	-	(1,569,436)	-	(1,569,436)
Business-type activities:							
Water and sewer	685,502	787,906	25,000	-	-	127,404	127,404
Interest	11,344	-	-	-	-	(11,344)	(11,344)
Total business-type activities	696,846	787,906	25,000	-	-	116,060	116,060
Total	\$ 2,363,095	878,177	31,542	-	(1,569,436)	116,060	(1,453,376)

General revenues:

Taxes:

Property	\$	366,229	105	366,334
Sales and use		361,597	-	361,597
Income tax		302,772	-	302,772
Telecommunications		104,301	-	104,301
Personal property replacement		24,950	-	24,950
Motor fuel		82,581	-	82,581
Unrestricted investment earnings		54,734	33,525	88,259
Miscellaneous		70,409	-	70,409
Total general revenues		1,367,573	33,630	1,401,203
Change in net assets		(201,863)	149,690	(52,173)

Net assets:

Beginning

Ending

	4,645,010	2,408,610	7,053,620
	\$ 4,443,147	2,558,300	7,001,447

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

**Balance Sheet
Governmental Funds**

April 30, 2008

	<u>General Fund</u>	<u>Police Protection Fund</u>	<u>Motor Fuel Tax Fund</u>	<u>Debt Service Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:						
Cash and cash equivalents	\$ 306,341	34,601	693,119	58,374	124,667	1,217,102
Receivables:						
Property taxes, net of allowance						
for doubtful accounts of \$3,700	198,700	128,900	-	39,000	-	366,600
State of Illinois	186,511	13,219	6,622	-	2,644	208,996
Prepaid items	12,162	11,668	-	-	-	23,830
Due from other funds	15,533	-	-	22,024	-	37,557
Total assets	<u>719,247</u>	<u>188,388</u>	<u>699,741</u>	<u>119,398</u>	<u>127,311</u>	<u>1,854,085</u>
Liabilities:						
Accounts payable	53,298	1,009	-	-	-	54,307
Accrued payroll	4,779	10,102	-	-	-	14,881
Deferred revenue	128,103	64,450	-	19,500	7,450	219,503
Due to other funds	4,264	-	-	-	-	4,264
Total liabilities	<u>190,444</u>	<u>75,561</u>	<u>-</u>	<u>19,500</u>	<u>7,450</u>	<u>292,955</u>
Fund equity:						
Fund balance:						
Reserved						
Prepays	12,162	11,668	-	-	-	23,830
Debt service	-	-	-	99,898	-	99,898
Unreserved, reported in:						
General	516,641	-	-	-	-	516,641
Special revenue	-	101,159	699,741	-	119,861	920,761
Total fund equity	<u>528,803</u>	<u>112,827</u>	<u>699,741</u>	<u>99,898</u>	<u>119,861</u>	<u>1,561,130</u>
Total liabilities						
and fund equity	<u>\$ 719,247</u>	<u>188,388</u>	<u>699,741</u>	<u>119,398</u>	<u>127,311</u>	<u>1,854,085</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Assets

April 30, 2008

Total fund balances – governmental funds \$ 1,561,130

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

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the governmental
funds.

Capital assets	\$ 3,417,719	
Accumulated depreciation	<u>(408,463)</u>	3,009,256

Long-term liabilities, including bonds payable, are not due and
payable in the current period and therefore are not reported in
the governmental funds.

GO bonds	(116,381)	
Capital lease	(22,987)	
Compensated absences	<u>(22,003)</u>	(161,371)

Other long-term assets are not available to pay current period
expenditures and, therefore, are deferred in the funds

Sales and use taxes	25,279	
Telecommunication taxes	<u>8,853</u>	<u>34,132</u>

Total net assets – governmental activities \$ 4,443,147

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds

For the Year Ended April 30, 2008

	General Fund	Police Protection Fund	Motor Fuel Fund	Debt Service Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 858,894	234,552	-	39,329	25,520	1,158,295
Intergovernmental	-	6,542	-	-	-	6,542
Licenses, fees, and permits	31,707	29,004	-	-	29,560	90,271
Motor Fuel Tax allotment	-	-	82,581	-	-	82,581
Interest	18,071	3,087	28,509	2,375	2,692	54,734
Other	12,898	10,679	-	-	46,832	70,409
Total revenues	<u>921,570</u>	<u>283,864</u>	<u>111,090</u>	<u>41,704</u>	<u>104,604</u>	<u>1,462,832</u>
Expenditures:						
Current:						
General government	363,893	-	-	-	-	363,893
Public safety	-	559,603	-	-	-	559,603
Public works	272,530	-	-	-	-	272,530
Culture and recreation	-	-	-	-	74,779	74,779
Capital expenditures	6,342	28,323	243,518	-	-	278,183
Debt service:						
Principal	21,813	-	-	30,568	-	52,381
Interest	-	-	-	5,221	-	5,221
Total expenditures	<u>664,578</u>	<u>587,926</u>	<u>243,518</u>	<u>35,789</u>	<u>74,779</u>	<u>1,606,590</u>
Excess (deficiency) of revenues over (under) expenditures	<u>256,992</u>	<u>(304,062)</u>	<u>(132,428)</u>	<u>5,915</u>	<u>29,825</u>	<u>(143,758)</u>
Other financing sources (uses)						
Transfers in	-	261,358	-	-	-	261,358
Transfers out	(261,358)	-	-	-	-	(261,358)
Total other financing sources (uses)	<u>(261,358)</u>	<u>261,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(4,366)</u>	<u>(42,704)</u>	<u>(132,428)</u>	<u>5,915</u>	<u>29,825</u>	<u>(143,758)</u>
Fund balances:						
Beginning	<u>533,169</u>	<u>155,531</u>	<u>832,169</u>	<u>93,983</u>	<u>90,036</u>	<u>1,704,888</u>
Ending	<u>\$ 528,803</u>	<u>112,827</u>	<u>699,741</u>	<u>99,898</u>	<u>119,861</u>	<u>1,561,130</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

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

April 30, 2008

Net Change in Fund Balances - total governmental funds \$ (143,758)

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

Governmental funds report capital outlays as expenditures. However, they are capitalized and depreciated in the statement of activities:

Capital asset purchases capitalized	19,770
Depreciation expense	(127,762)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Sales and use taxes	(1,877)
Telecommunications taxes	3,431

The repayment of long-term debt is reported as an expenditure when due in the governmental funds but as a reduction of principal outstanding in the statement of activities:

GO bonds	30,568
Capital lease	21,813

Certain expenses reported in the Statement of Activities, such as compensated absences do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.

Increase in compensated absences	(22,003)
Decrease in compensated absences	<u>17,955</u>

Change in net assets of governmental activities \$ (201,863)

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Net Assets Proprietary Fund

April 30, 2008

With Comparative Totals for the Year Ended April 30, 2007

	<u>Enterprise Fund</u>	
	<u>2008</u>	<u>2007</u>
<u>Assets</u>		
Current assets:		
Cash and equivalents	\$ 712,025	514,377
Restricted cash and cash equivalents	287,528	238,814
Receivables:		
Property tax, net of allowance for doubtful accounts	-	7,900
Utility users	86,707	75,590
Prepaid items	5,696	7,815
Total current assets	1,091,956	844,496
Noncurrent assets:		
Fixed assets, net of accumulated depreciation	<u>1,830,955</u>	<u>1,977,434</u>
Total assets	<u>2,922,911</u>	<u>2,821,930</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	31,707	12,581
Accrued wages	3,164	6,098
Compensated absences	2,861	2,192
Meter deposits	40,635	39,765
Due to other funds	33,293	33,293
Current portion of long-term debt	<u>68,952</u>	<u>66,440</u>
Total current liabilities	180,612	160,369
Noncurrent liabilities:		
Revenue bonds payable	<u>183,999</u>	<u>252,951</u>
Total liabilities	<u>364,611</u>	<u>413,320</u>
Net assets:		
Invested in capital assets, net of related debt	1,578,004	1,658,043
Restricted net assets – debt service	287,528	238,814
Unrestricted net assets	<u>692,768</u>	<u>511,753</u>
Total net assets	\$ <u>2,558,300</u>	<u>2,408,610</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

April 30, 2008

(1) Summary of Significant Accounting Policies

The Village of Winnebago, Illinois (Village) operates under a Board of Trustees form of government and provides services to the public such as public safety, water and sewer system, streets and general administrative services.

The accounting policies of the Village conform to U.S. generally accepted accounting principles as applicable to government units (herein referred to as GAAP). The Village of Winnebago's basic financial statements include the accounts of all Village operations that are controlled by or dependent on the Village. Control or dependence is determined by financial interdependency, selection of governing board, designation of management, accountability for fiscal matters and ability to significantly influence operations.

In evaluating how to define the government, for financial reporting purposes, the Village has considered all potential component units. The basic but not the only criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within geographic boundaries of the Village and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Village is able to exercise oversight responsibilities. The Village does not have any component units. This report includes all of the funds units of the Village (the primary government). It includes all activities considered to be part of (controlled by or dependent on) the Village as set forth under GAAP criteria.

(a) *Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements (i. e., the Statement of Net Assets and the Statement of Activities) report information on all the non-fiduciary activities of the Village. For the most part, the effect of the interfund activity has been removed from these statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(1) Summary of Significant Accounting Policies (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Earnings on investments not properly included among program revenues are reported as general revenue.

Separate financial statements are provided for governmental funds and enterprise funds.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied (intended to finance). Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met.

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, fund balances, revenues and expenditures. 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 the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

Governmental fund financial statements are reported using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period. For this purpose, the government considers

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(1) Summary of Significant Accounting Policies (Continued)

Temporary cash and investments are stated at cost, which approximates market. Although money market accounts appear to be easily accessible, they are considered to be investments for the Village's purposes.

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

(c) *Property Taxes*

The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by the Village Board. Property taxes are recognized as a receivable at the time they are levied. Revenue from property taxes is recognized as the taxes are collected in the year intended to finance or when they become available to be used to pay liabilities of the current period, generally considered to be within sixty days after year-end. Revenue from those taxes, which are not considered available is deferred.

The property tax calendar for the 2007 tax levy was as follows:

Lien Date	January 1, 2007
Levy Date	December 10, 2007
First Installment Due	June 6, 2008
Second Installment Due	September 5, 2008

Tax bills were mailed at least 30 days prior to the first installment due date. Property taxes are billed and collected by the County Treasurer of Winnebago County, Illinois.

The 2008 tax levy, which attached as an enforceable lien on property as of January 1, 2008, has been recorded as a receivable and as a deferred revenue as of December 31, 2008 as the tax had been levied by the Village but would not be extended or collected until calendar year 2009.

The Village's 2007 tax rates per \$100 of assessed valuation together with the related maximum tax rates are as follows:

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(1) Summary of Significant Accounting Policies (Continued)

Type of Levy	Rate Per \$100 of Assessed Valuation	
	Rate	Legal Maximum
Village		
Corporate	0.4280	0.4375
Police Protection	0.2776	0.6000
Bond and Interest	<u>0.0839</u>	None
TOTAL VILLAGE	<u>0.7895</u>	

(d) Fixed Assets

Capital assets, which include buildings, land improvements, construction in progress and equipment, are reported in the government-wide financial statements. The Village defines capital assets as assets with initial individual costs of \$2,500 or more for equipment, \$10,000 or more for building and improvements and \$50,000 or more for infrastructure. Infrastructure includes roads, bridges, curbs, sidewalks, lighting systems, gutters, draining systems, and the water and sewer system. The cost of infrastructure has been capitalized and depreciated beginning in fiscal year 2005. Such assets are recorded at historical cost if purchased or constructed. Donated assets are stated at estimated fair market value as of the date of donation. The cost of normal maintenance and repair that do not add to the value of the asset or materially extend the useful life are not capitalized.

All capital assets, except construction in progress, are being depreciated using the straight line method over the following useful lives:

Appliances and tools	5 years
Equipment	7 years
Vehicles under 13,000 gross vehicle weight	4 years
Vehicles over 13,000 gross vehicle weight	6 years
Road improvements	10 years
Other improvements	20 years
Buildings and new infrastructure	40 years

Software
3 years

Capital assets in the governmental fund financial statements are reported as expenditures when incurred.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(1) Summary of Significant Accounting Policies (Continued)

(e) *Budgets and Budgetary Accounting*

Budgeted amounts are as originally adopted, or as amended by the Village Board of Trustees.

Unexpended budgeted amounts lapse at the end of each year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line items.

Budgeted amounts are shown on the GAAP basis.

(f) *Compensated Absences*

Village employees are granted personal time for compensated absences in varying amounts. Accumulation of personal time is allowed. Upon termination, the employee is compensated for the unused personal time to a maximum of 40 hours for part-time employees and 80 hours for full-time employees. Compensated absences are recorded in governmental funds when due (upon employee retirement or termination).

(g) *Receivables – Utility Users*

Cycle billing procedures are followed in charging consumers for water and sewer treatment. Billings are issued on a monthly basis. Receivables at year-end consist of amounts actually billed less payments received plus an estimate of the unbilled amount due from the date of the last cycle billing to year-end.

(h) *Prepaid Items*

Payments made to vendors for services, which will benefit periods beyond April 30, 2008 are recorded as prepaid items. Prepaid items recorded in governmental funds do not represent current resources that are available for appropriation and, thus, an equivalent portion of fund balance is reserved.

(i) *Interfund Activity*

Interfund activity is reported either as loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are reported 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

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(1) Summary of Significant Accounting Policies (Continued)

proprietary funds are netted as part of the reconciliation to the government wide-financial statements.

(j) Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

(2) Cash and Cash Equivalents

Statutes authorize the Village to invest in: 1) securities guaranteed by the full faith and credit of the United States of America; 2) deposits or other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; 3) short-term restrictions as defined in Illinois Revised Statutes Chapter 35, Paragraph 902, as amended; 4) money market funds registered under the Investment Company Act of 1940; 5) short-term discount obligations of the Federal National Mortgage Association; 6) shares or other forms of securities legally issuable by savings and loan associations; 7) various share accounts of a credit union chartered under the laws of the State of Illinois or the laws of the United States provided the principal office of any such credit union is located within the State of Illinois; 8) a Public Treasurer's Investment Pool created under Section 17 of "An Act to revise the law in relation to the State Treasurer", approved April 23, 1873, as amended. Bank and savings and loan investments may only be made in institutions, which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but operates 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.

Custodial Credit Risk

At year-end, the carrying amount of the Village's deposits into checking, money market accounts, savings accounts and certificates of deposit was \$2,203,851 and the bank balance was \$2,248,660.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(2) Cash and Cash Equivalents (Continued)

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. While the Village does not have a deposit policy for custodial credit risk, as of April 30, 2008, none of the Village's bank balance was exposed to custodial credit risk as the entire balance was either insured or covered by collateral held by the financial institution's trust department or agent in the Village's name.

(3) Restricted Cash

Certain resources of cash accounts are classified as restricted in the financial statements because their use is to be limited to the future restricted purposes.

(4) Property Tax Receivables and Allowance for Collection Losses

Property taxes receivables, reduced for the allowance for collection losses for the various fund types as of April 30, 2008 were as follows:

	Gross Receivable	Allowance for Collection Losses	Net Receivable
Governmental-type:			
General fund	\$ 200,700	2,000	198,700
Police Protection fund	130,200	1,300	128,900
Nonmajor governmental funds	39,400	400	39,000
Total governmental-type	370,300	3,700	366,600

(5) Interfund Receivables and Payables

The following is a summary of interfund receivables and payables at April 30, 2008, which also includes all interfund loans:

Receivable Fund	Payable Fund	Detail	Amount
General fund	Enterprise	Interfund charges	\$ 15,533
Debt service fund	Enterprise	Interfund charges	22,024
Enterprise fund	General fund	Interfund charges	(4,264)
			\$ 33,293

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(6) Capital Assets

The Village is in the process of upgrading its water treatment plant. At April 30, 2008, construction in process for the plant amounted to \$183,421. This amount will not be depreciated until placed in service.

The governmental activities capital asset activity for the year ended April 30, 2008 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 50,854	—	—	50,854
Construction in process	—	—	—	—
Total capital assets, not being depreciated	50,854	—	—	50,854
Capital assets, being depreciated:				
Buildings and improvements	266,648	—	—	266,648
Equipment and vehicles	364,911	19,770	—	384,681
Infrastructure	2,715,536	—	—	2,715,536
Total capital assets, being depreciated	3,347,095	19,770	—	3,366,865
Total accumulated depreciation	(280,701)	(127,762)	—	(408,463)
Total capital assets, being depreciated, net	3,066,394	(107,992)	—	2,958,402
Governmental activities capital assets, net	\$ 3,117,248	(107,992)	—	3,009,256

The business-type activities capital asset activity for the year ended April 30, 2008 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated –				
Construction in process	\$ 155,946	27,475	—	183,421
Total capital assets, not being depreciated	155,946	27,475	—	183,421
Capital assets, being depreciated				
Buildings and improvements	2,991,767	—	—	2,991,767
Equipment and vehicles	117,675	—	—	117,675
Infrastructure	426,407	—	—	426,407
Total capital assets, being depreciated	3,535,849	—	—	3,535,849
Total accumulated depreciation	(1,714,361)	(173,954)	—	(1,888,315)
Total capital assets, being depreciated, net	1,821,488	(173,954)	—	1,647,534
Business-type activities capital assets, net	\$ 1,977,434	(146,479)	—	1,830,955

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

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(8) Transfers

Transfers were made to supplement the revenues received by the police protection fund.

	<u>Transfer in</u>	<u>Transfer out</u>
General	\$ —	261,358
Special Revenue:		
Police Protection	261,358	—
Total	<u>\$ 261,358</u>	<u>261,358</u>

(9) 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; injuries to employees; and natural disasters. In order to handle such risks of loss the Village purchases insurance coverage through Illinois Municipal League Risk Management Association. The deductibles in effect through these policies as of April 30, 2008 ranged from \$500 to \$25,000. The amounts of settlements have not exceeded insurance coverage for the past three years.

(10) Illinois Municipal Retirement Fund

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

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

Employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for calendar year 2007 was 10.96% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(10) Illinois Municipal Retirement Fund (continued)

Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2007 was 29 years.

For December 31, 2007, the Village's annual pension cost of \$68,924 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2005 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2007 actuarial valuation were based on the 2002-2004 experience study.

Trend Information

<u>Actuarial Valuation Date</u>		<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>		<u>Net Pension Obligation</u>
2007	\$	68,924	100%	\$	—
2006		57,691	100%		—
2005		57,312	100%		—

(11) Commitment

The Village has entered into an agreement with a certain business owner within the Village. The agreement requires the Village to rebate a portion of the retail sales tax equal to 25% of annual retail sales tax revenue collected during the prior year by the Village as a result of sales generated on the defined property of the business owner. This rebate is in exchange for improvements made to the surrounding commercially developed portion of the property. The agreement expires in 2008.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(12) Subsequent Events

The Village has entered into another agreement with a developer within the Village. The agreement requires the Village to rebate a portion of the retail sales tax equal to 35% of annual retail sales tax revenue collected during the year by the Village as a result of sales generated by all businesses in the development commencing on sales made during November 2011 until \$600,000 has been rebated. Payment is to be made annually within 180 days after November 2012.

(13) New Governmental Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following statements:

Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. This Statement establishes uniform financial reporting standards for other postemployment benefit plans (OPEB plans) and supersedes existing guidance. This statement will become effective for the fiscal year ended April 30, 2009.

Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and if applicable, required supplementary information. This Statement will become effective for the fiscal year ended April 30, 2010.

Statement No. 47, Accounting for Termination Benefits, establishes accounting standards for voluntary and involuntary termination benefits, including termination benefits provided through a defined benefit other post employment benefit plan (OPEB). For those termination benefits provided through a defined benefit OPEB plan, this Statement must be implemented concurrently with Statement No. 45.

Management has not yet completed their assessment of these statements; however, they are not expected to have a material effect on the overall financial statement presentation.

VILLAGE OF WINNEBAGO, ILLINOIS
Required Supplementary Information
Schedule of Revenues and Expenditures
and Changes in Fund Balance - Budget and Actual
General Fund

For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental -					
Taxes	\$ 766,626	766,626	858,894	92,268	723,326
Licenses, fees and permits	30,000	30,000	31,707	1,707	44,774
Other	41,000	41,000	30,969	(10,031)	44,058
Total revenues	<u>837,626</u>	<u>837,626</u>	<u>921,570</u>	<u>83,944</u>	<u>812,158</u>
Expenditures:					
Current:					
General government	539,560	539,560	360,018	179,542	395,751
Highways and streets	385,350	385,350	294,343	91,007	210,228
Capital expenditures	49,500	49,500	10,217	39,283	99,578
Total expenditures	<u>974,410</u>	<u>974,410</u>	<u>664,578</u>	<u>309,832</u>	<u>705,557</u>
Excess (deficiency) of revenues over (under) expenditures	(136,784)	(136,784)	256,992	(225,888)	106,601
Other financing sources (uses):					
Capital lease proceeds	-	-	-	-	94,800
Operating transfers out	<u>(275,000)</u>	<u>(275,000)</u>	<u>(261,358)</u>	<u>13,642</u>	<u>(240,000)</u>
Total other financing sources (uses)	<u>(275,000)</u>	<u>(275,000)</u>	<u>(261,358)</u>	<u>13,642</u>	<u>(145,200)</u>
Net change in fund balance	\$ <u>(411,784)</u>	<u>(411,784)</u>	(4,366)	<u>(212,246)</u>	(38,599)
Fund balance:					
Beginning			<u>533,169</u>		<u>571,768</u>
Ending			<u>528,803</u>		<u>533,169</u>

VILLAGE OF WINNEBAGO, ILLINOIS
Required Supplementary Information
Schedule of Revenues and Expenditures
and Changes in Fund Balance - Budget and Actual
Police Protection Fund
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental -					
Taxes	\$ 265,000	265,000	234,552	(30,448)	248,486
Grants	10,000	10,000	6,542	(3,458)	3,100
Other	33,150	33,150	42,770	9,620	25,195
Total revenues	<u>308,150</u>	<u>308,150</u>	<u>283,864</u>	<u>(24,286)</u>	<u>276,781</u>
Expenditures:					
Current:					
Public Safety	792,975	788,422	559,603	228,819	478,986
Capital expenditures	<u>5,000</u>	<u>9,553</u>	<u>28,323</u>	<u>(18,770)</u>	<u>5,732</u>
Total expenditures	<u>797,975</u>	<u>797,975</u>	<u>587,926</u>	<u>210,049</u>	<u>484,718</u>
Excess (deficiency) of revenues over (under) expenditures	(489,825)	(489,825)	(304,062)	(234,335)	(207,937)
Other financing sources (uses):					
Operating transfers in	<u>332,550</u>	<u>332,550</u>	<u>261,358</u>	<u>(71,192)</u>	<u>240,000</u>
Net change in fund balance	\$ <u>(157,275)</u>	<u>(157,275)</u>	<u>(42,704)</u>	<u>(305,527)</u>	32,063
Fund balance:					
Beginning			<u>155,531</u>		<u>123,468</u>
Ending			<u>112,827</u>		<u>155,531</u>

VILLAGE OF WINNEBAGO, ILLINOIS
Required Supplementary Information
Schedule of Revenues and Expenditures
and Changes in Fund Balance - Budget and Actual
Motor Fuel Tax Fund
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental -					
Motor fuel taxes	\$ 85,000	85,000	82,581	(2,419)	85,828
Interest	17,000	17,000	28,509	11,509	44,909
Total revenues	102,000	102,000	111,090	9,090	130,737
Expenditures:					
Highways and streets:					
Highways, streets and bridges	278,750	278,750	218,197	60,553	333,980
Engineering	35,000	35,000	25,321	9,679	34,653
Miscellaneous labot	106,250	106,250	-	106,250	-
Total expenditures	420,000	420,000	243,518	176,482	368,633
Net change in fund balance	\$ (318,000)	(318,000)	(132,428)	(167,392)	(237,896)
Fund balance:					
Beginning			832,169		1,070,065
Ending			699,741		832,169

VILLAGE OF WINNEBAGO, ILLINOIS

Required Supplementary Information Schedule of Funding Progress Illinois Municipal Retirement Fund

April 30, 2008

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a)/c
12/31/07	\$ 622,719	919,137	296,418	67.75 %	628,866	47.14 %
12/31/06	498,101	812,146	314,045	61.33 %	523,984	59.93 %
12/31/05	382,249	646,622	264,373	59.11 %	512,632	51.57 %
12/31/04	292,853	483,861	191,008	60.52 %	466,885	40.91 %
12/31/03	221,655	419,415	197,760	52.85 %	385,799	51.26 %
12/31/02	101,763	223,410	121,647	45.55 %	348,027	34.95 %
12/31/01	47,329	127,727	80,398	37.05 %	332,658	24.17 %

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$649,740 and the funded ratio would be 70.69%.

Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2007 are based on the 2002-2004 experience study. The principal changes were:

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

VILLAGE OF WINNEBAGO, ILLINOIS

**Required Supplementary Information
Schedule of Employer Contributions
Illinois Municipal Retirement Fund**

April 30, 2008

<u>Actuarial Valuation Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Amount Contributed</u>	<u>Percentage of ARC Contributed</u>
12/31/07	\$ 68,924	68,924	100 %
12/31/06	57,691	57,691	100
12/31/05	57,312	57,312	100
12/31/04	48,229	48,229	100
12/31/03	37,693	37,693	100
12/31/02	33,585	33,585	100
12/31/01	32,101	32,101	100

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Required Supplementary Information

April 30, 2008

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted (at the fund level) for the General, major Special Revenue funds – Police Protection and Motor Fuel funds; non-major Special Revenue funds – Community Development, Retirement, and Fourth of July on the modified accrual basis and Enterprise Fund – Water and Sewer on the accrual basis by line item within fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

- A. The Village Finance Committee submits to the Village Board a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to May 1, the budget is legally enacted by Village Board action. This is the amount reported as original budget.
- D. The Village Board is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by the Village Board as a supplemental appropriation ordinance.
- E. Budgets are adopted and formal budgetary integration is employed as a management control device during the year for general, special revenue funds, debt service and enterprise funds.
- F. All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- G. Budgetary authority lapses at year-end.
- H. State law requires that "expenditures be made in conformity with appropriations/ budget." As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

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VILLAGE OF WINNEBAGO, ILLINOIS

Combining Balance Sheet Nonmajor Governmental Funds

April 30, 2008

	Special Revenue			Total Nonmajor Governmental Funds
	Community Development	Retirement Fund	Fourth of July Fund	
Assets:				
Cash and cash equivalents:	\$ 84,786	24,238	15,643	124,667
Receivables:				
Telecommunications	2,644	-	-	2,644
Total assets	<u>87,430</u>	<u>24,238</u>	<u>15,643</u>	<u>127,311</u>
Liabilities:				
Advances license sales	7,450	-	-	7,450
Total liabilities	<u>7,450</u>	<u>-</u>	<u>-</u>	<u>7,450</u>
Fund balances:				
Unreserved, undesignated	79,980	24,238	15,643	119,861
Total fund balances	<u>79,980</u>	<u>24,238</u>	<u>15,643</u>	<u>119,861</u>
Total liabilities and fund balances	<u>\$ 87,430</u>	<u>24,238</u>	<u>15,643</u>	<u>127,311</u>

VILLAGE OF WINNEBAGO, ILLINOIS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended April 30, 2008

	Special Revenue			Total Nonmajor Governmental Funds
	Community Development	Retirement Fund	Fourth of July Fund	
Revenues:				
Taxes	\$ 16,842	8,678	-	25,520
Fees & charges	29,560	-	-	29,560
Interest	2,200	492	-	2,692
Other	1,619	-	45,213	46,832
Total revenues	<u>50,221</u>	<u>9,170</u>	<u>45,213</u>	<u>104,604</u>
Expenditures:				
Culture and recreation	<u>38,224</u>	<u>-</u>	<u>36,555</u>	<u>74,779</u>
Total expenditures	<u>38,224</u>	<u>-</u>	<u>36,555</u>	<u>74,779</u>
Net change in fund balance	11,997	9,170	8,658	29,825
Beginning	<u>67,983</u>	<u>15,068</u>	<u>6,985</u>	<u>90,036</u>
Ending	<u>\$ 79,980</u>	<u>24,238</u>	<u>15,643</u>	<u>119,861</u>

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues and Expenditures
and Changes in Fund Balance— Budget to Actual
Community Development Fund
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Telecommunication taxes	\$ 15,000	15,000	16,842	1,842	16,394
Fees & charges	28,000	28,000	29,560	1,560	14,337
Interest	2,500	2,500	2,200	(300)	3,159
Other	200	200	1,619	1,419	830
Total revenues	<u>45,700</u>	<u>45,700</u>	<u>50,221</u>	<u>4,521</u>	<u>34,720</u>
Expenditures:					
Culture & Recreation					
Contractual services:					
Presidential project	7,500	10,500	7,653	2,847	4,970
Community projects	48,750	45,650	16,986	28,664	32,529
Supplies:					
Misc. expenses	1,250	1,250	205	1,045	52
Community expenses	1,250	1,350	1,051	299	913
Hardship Fund	3,750	3,750	2,164	1,586	357
Meeting expenses	1,250	1,250	165	1,085	1,422
4th of July expenses	12,500	12,500	10,000	2,500	10,000
Contingency	25,000	25,000	-	25,000	-
Total expenditures	<u>101,250</u>	<u>101,250</u>	<u>38,224</u>	<u>63,026</u>	<u>50,243</u>
Net change in fund balance	\$ <u>(55,550)</u>	<u>(55,550)</u>	11,997	<u>(58,505)</u>	(15,523)
Fund balance					
Beginning			<u>67,983</u>		<u>83,506</u>
Ending			<u>\$ 79,980</u>		<u>67,983</u>

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues and Expenditures
and Changes in Fund Balance– Budget to Actual
Retirement Fund
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Property taxes	\$ 18,706	18,706	8,678	(10,028)	11,531
Interest	100	100	492	392	72
Total revenues	<u>18,806</u>	<u>18,806</u>	<u>9,170</u>	<u>(9,636)</u>	<u>11,603</u>
Expenditures:					
General government:	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>18,806</u>	<u>18,806</u>	<u>9,170</u>	<u>(9,636)</u>	<u>11,603</u>
Other financing sources (uses):					
Transfers out	<u>(8,644)</u>	<u>(8,644)</u>	<u>-</u>	<u>8,644</u>	<u>-</u>
Total other financing sources sources (uses)	<u>(8,644)</u>	<u>(8,644)</u>	<u>-</u>	<u>8,644</u>	<u>-</u>
Net change in fund balance	\$ <u>10,162</u>	<u>10,162</u>	<u>9,170</u>	<u>(992)</u>	<u>11,603</u>
Fund balance					
Beginning			<u>15,068</u>		<u>3,465</u>
Ending			\$ <u>24,238</u>		<u>15,068</u>

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues and Expenditures
and Changes in Fund Balance– Budget to Actual
Fourth of July Fund

For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Other	\$ 55,000	55,000	45,213	(9,787)	49,764
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>45,213</u>	<u>(9,787)</u>	<u>49,764</u>
Expenditures:					
Culture & Recreation					
Supplies					
Fourth of July expenses	<u>75,000</u>	<u>75,000</u>	<u>36,555</u>	<u>38,445</u>	<u>51,618</u>
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>36,555</u>	<u>38,445</u>	<u>51,618</u>
Net change in fund balance	<u>\$ (20,000)</u>	<u>(20,000)</u>	8,658	<u>28,658</u>	(1,854)
Fund balance					
Beginning			<u>6,985</u>		<u>8,839</u>
Ending			<u>\$ 15,643</u>		<u>6,985</u>

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Detailed Revenues and Expenditures (Continued)
General Fund
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property taxes	\$ 137,726	137,726	167,698	29,972	127,129
Sales taxes	315,000	315,000	322,000	7,000	277,399
State income tax	255,000	255,000	302,772	47,772	255,129
Local use tax	40,000	40,000	41,474	1,474	41,034
Replacement tax	18,900	18,900	24,950	6,050	22,635
Total taxes	<u>766,626</u>	<u>766,626</u>	<u>858,894</u>	<u>92,268</u>	<u>723,326</u>
Licenses, fees, and permits	<u>30,000</u>	<u>30,000</u>	<u>31,707</u>	<u>1,707</u>	<u>44,774</u>
Other revenue:					
Interest	25,000	25,000	18,071	(6,929)	25,226
Miscellaneous	16,000	16,000	12,898	(3,102)	18,832
Total other	<u>41,000</u>	<u>41,000</u>	<u>30,969</u>	<u>(10,031)</u>	<u>44,058</u>
Total revenues	<u>837,626</u>	<u>837,626</u>	<u>921,570</u>	<u>83,944</u>	<u>812,158</u>
Expenditures:					
General government:					
Salaries	94,725	88,440	60,336	28,104	92,374
Salaries – elected officials	75,000	70,235	56,403	13,832	56,433
Payroll taxes	24,375	22,845	17,713	5,132	15,989
Employee benefits	30,272	31,267	22,415	8,852	16,757
Employee welfare	2,500	2,570	2,067	503	2,233
Office equipment	12,500	12,500	7,733	4,767	8,686
Professional services	6,250	11,115	13,970	(2,855)	8,438
Engineering	56,250	56,250	27,398	28,852	38,916
Legal services	88,750	87,550	39,913	47,637	68,617
Inspection fees	31,250	31,250	22,928	8,322	-
Postage	1,125	1,125	835	290	756
Telephone	2,500	2,750	2,246	504	2,027
Publishing	2,500	5,245	4,317	928	2,688
Printing	2,500	2,500	1,212	1,288	2,019
Dues	2,500	*2,500	1,653	847	2,666
Travel	1,250	1,250	946	304	779
Training	1,250	1,250	907	343	934
Physicals	188	188	-	188	-
Office maintenance	2,500	4,535	4,031	504	10,200
Audit and accounting services	9,375	13,080	11,204	1,876	7,500
IML renewal contract	8,125	8,125	4,504	3,621	2,567
Winnebago Corners payback	47,500	47,500	39,459	8,041	35,050
Office supplies	10,000	9,000	9,582	(582)	10,165
Building water usage	750	820	665	155	264

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Detailed Revenues and Expenditures (Continued)
General Fund
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Expenditures (continued):					
General government (continued):					
Miscellaneous expense	\$ 625	670	4,533	(3,863)	9,693
Contingency	25,000	25,000	3,048	21,952	-
Capital outlay – equipment	12,000	12,000	3,875	8,125	1,937
Total general government	<u>551,560</u>	<u>551,560</u>	<u>363,893</u>	<u>187,667</u>	<u>397,688</u>
Highways and streets:					
Salaries	146,250	146,730	119,686	27,044	61,404
Employee benefits	29,663	31,143	24,287	6,856	12,856
Payroll taxes	13,125	13,635	8,904	4,731	4,697
Maintenance – buildings	6,250	3,250	1,987	1,263	1,102
Maintenance – vehicles	8,125	6,225	2,641	3,584	4,498
Maintenance – streets & sidewalks	32,500	32,500	23,713	8,787	8,055
Maintenance – equipment	5,000	5,000	2,982	2,018	2,097
Engineering	2,500	2,500	-	2,500	-
Legal	625	625	-	625	-
Professional fees	312	312	-	312	-
Telephone	1,000	1,600	1,397	203	868
Electricity	75,000	71,615	58,805	12,810	46,743
Supplies	2,500	3,210	2,695	515	2,866
Small equipment	1,250	1,250	-	1,250	-
Gas and oil	18,750	22,695	15,879	6,816	8,102
Tree removal	5,000	5,000	1,901	3,099	3,100
IML renewal	12,500	13,060	7,653	5,407	3,840
Contingency	25,000	25,000	-	25,000	-
Debt service - principal	-	-	21,813	(21,813)	50,000
Capital outlay – equipment	37,500	37,500	6,342	31,158	97,641
Total public works	<u>422,850</u>	<u>422,850</u>	<u>300,685</u>	<u>122,165</u>	<u>307,869</u>
Total expenditures	<u>974,410</u>	<u>974,410</u>	<u>664,578</u>	<u>309,832</u>	<u>705,557</u>

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VILLAGE OF WINNEBAGO, ILLINOIS

Schedule of Detailed Revenues and Expenditures - Budget and Actual

Police Protection Fund

For the Year Ended April 30, 2008

With Comparative Totals for the Year Ended April 30, 2007

	2008			Variance	2007
	Original Budget	Final Budget	Actual	Positive (Negative)	Actual
Revenues:					
Taxes:					
Property taxes	\$ 170,000	170,000	150,524	(19,476)	166,516
Telecommunications	95,000	95,000	84,028	(10,972)	81,970
Total taxes	<u>265,000</u>	<u>265,000</u>	<u>234,552</u>	<u>(30,448)</u>	<u>248,486</u>
Intergovernmental – grants	<u>10,000</u>	<u>10,000</u>	<u>6,542</u>	<u>(3,458)</u>	<u>3,100</u>
Other revenue:					
Fines and forfeits	20,700	20,700	29,004	8,304	19,589
Interest	2,500	2,500	3,087	587	2,271
DARE program revenue	3,000	3,000	6,000	3,000	-
Miscellaneous	6,950	6,950	4,679	(2,271)	3,335
Total other revenue	<u>33,150</u>	<u>33,150</u>	<u>42,770</u>	<u>9,620</u>	<u>25,195</u>
Total revenues	<u>308,150</u>	<u>308,150</u>	<u>283,864</u>	<u>(24,286)</u>	<u>276,781</u>
Expenditures:					
Public safety					
Salaries	487,500	480,000	347,308	132,692	291,393
Payroll taxes	47,406	46,456	36,971	9,485	30,045
Employee benefits	104,880	104,765	80,033	24,732	67,354
Uniforms	6,375	5,950	4,669	1,281	5,379
Office equipment	5,625	3,641	2,513	1,128	5,337
Professional services	1,875	9,680	9,545	135	7,195
Vehicle maintenance	4,688	7,219	6,553	666	10,810
Legal	20,000	10,586	6,583	4,003	16,580
Postage	813	513	346	167	353
Telephone	4,938	5,243	4,160	1,083	3,785
Publishing and printing	1,875	1,840	1,462	378	931
Dues	2,875	2,875	1,153	1,722	1,878
Travel	2,250	2,125	1,671	454	574
Liability insurance	15,625	16,024	12,626	3,398	10,660
Gas & oil	20,625	22,655	20,239	2,416	9,604
Grants	12,500	42,500	6,542	5,958	3,194
Office supplies	-	-	-	-	291
Miscellaneous	2,875	2,735	1,232	1,503	2,017
Bike rodeo expense	-	-	-	-	199
Alert-leads user fee	4,375	4,375	911	3,464	1,716
Police garage maintenance	2,750	2,750	7	2,743	316
Pre-employment physical	1,875	1,875	592	1,283	689
Training	10,000	13,365	11,363	2,002	7,918
DARE program expense	6,250	6,250	3,124	3,126	768
Contingency	25,000	25,000	-	25,000	-
Capital outlay – equipment	<u>5,000</u>	<u>9,553</u>	<u>28,323</u>	<u>(18,770)</u>	<u>5,732</u>
Total expenditures	<u>797,975</u>	<u>797,975</u>	<u>587,926</u>	<u>210,049</u>	<u>484,718</u>

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues and Expenditures
and Changes in Fund Balance— Budget to Actual
Debt Service Fund

For the Year Ended April 30, 2008

With Comparative Totals for the Year Ended April 30, 2007

	2008				2007
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Property taxes	\$ 39,500	39,500	39,329	(171)	39,346
Interest	2,000	2,000	2,375	375	2,873
Total revenues	<u>41,500</u>	<u>41,500</u>	<u>41,704</u>	<u>204</u>	<u>42,219</u>
Expenditures:					
Debt service					
GO bond - principal	38,637	38,637	30,568	8,069	29,455
GO bond - interest	6,381	6,381	5,221	1,160	6,333
Total expenditures	<u>45,018</u>	<u>45,018</u>	<u>35,789</u>	<u>9,229</u>	<u>35,788</u>
Net change in fund balance	\$ <u>(3,518)</u>	<u>(3,518)</u>	5,915	<u>9,433</u>	6,431
Fund balance					
Beginning			<u>93,983</u>		<u>87,552</u>
Ending			<u>\$ 99,898</u>		<u>93,983</u>

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues and Expenditures
and Changes in Fund Balance— Budget to Actual (Continued)
Proprietary Fund Types
Water, Sewer, Refuse, and Recycling Funds
For the Year Ended April 30, 2008
With Comparative Totals for the Year Ended April 30, 2007

	2008			Variance	2007
	Original Budget	Final Budget	Actual	Positive (Negative)	Actual
Operating revenues:					
Water service income	\$ 145,128	145,128	180,371	35,243	137,849
Sewer service income	434,718	434,718	425,026	(9,692)	400,472
Water hook-up fees	25,000	25,000	19,950	(5,050)	10,950
Sewer hook-up fees	25,000	25,000	12,550	(12,450)	9,400
Water deposit revenue	2,000	2,000	566	(1,434)	-
Garbage charges	145,200	145,200	141,613	(3,587)	131,533
Garbage stickers	3,000	3,000	4,659	1,659	4,033
Grant income	25,000	25,000	25,000	-	-
Miscellaneous revenue	3,600	3,600	3,171	(429)	11,813
Total operating revenues	\$ 808,646	808,646	812,906	4,260	706,050
Operating expenses:					
Office salary	33,750	34,290	25,168	9,122	12,775
Part-time wages	1,250	250	-	250	-
Public works assistant	-	-	-	-	45,967
Meter reader	26,250	25,090	19,219	5,871	22,627
Plant operator	71,250	73,120	59,584	13,536	56,599
Payroll taxes	13,440	13,460	10,749	2,711	14,720
Employee benefits	14,688	15,328	12,388	2,940	22,981
Building water usage	1,500	1,500	705	795	748
Alarm system	3,750	4,600	3,848	752	3,888
Chemicals	15,000	15,000	8,087	6,913	7,569
Contingency	25,000	25,000	-	25,000	-
Engineering	37,500	37,925	30,421	7,504	3,836
EPA permit fees	7,500	7,500	6,000	1,500	6,000
Garbage expense	156,250	156,250	132,992	23,258	122,591
Garbage stickers / bins	3,750	5,687	4,937	750	3,100
Liability insurance	15,000	15,000	10,713	4,287	14,330
Large and maintenance service equip	10,000	4,163	29,532	(25,369)	2,933
Office & computer equipment	1,250	850	570	280	4,951
Office supplies	-	-	-	-	279
Operating supplies	25,000	25,000	9,865	15,135	9,312
Postage	6,000	6,000	4,642	1,358	4,670
Pre-employment physical	200	200	-	200	25
Printing	2,500	2,500	1,621	879	1,805
Professional fees	3,000	3,000	1,314	1,686	1,181
Rental and small equipment	7,000	7,000	2,748	4,252	2,026
Telephone	2,250	2,250	1,073	1,177	2,161
Travel & training	2,500	2,500	458	2,042	-
Utilities	112,875	112,875	79,621	33,254	41,674
Water analysis	6,000	6,000	3,450	2,550	1,563
Water deposit expense	1,250	1,250	-	1,250	1,924
Water sewer upgrade	50,000	49,075	26,843	22,232	98,891
Grant expense	-	-	25,000	(25,000)	-
Depreciation	-	-	173,954	(173,954)	173,703
Capital outlay	30,500	33,540	-	33,540	-
Total operating expenses	686,203	686,203	685,502	701	684,829
Operating income	122,443	122,443	127,404	3,559	21,221

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues and Expenditures
and Changes in Fund Balance-- Budget to Actual (Continued)
Proprietary Fund Types
Water, Sewer, Refuse, and Recycling Funds
For the Year Ended April 30, 2007
With Comparative Totals for the Year Ended April 30, 2006

Nonoperating income (expenses):

Property taxes	\$ 9,292	9,292	105	(9,187)	7,939
Interest income	29,077	29,077	33,525	4,448	37,488
Well loan principal	(31,930)	(31,930)	-	31,930	-
Revenue bond principal	(68,014)	(68,014)	-	68,014	-
Revenue bond interest	(11,082)	(11,082)	(11,344)	(262)	(15,885)
Total nonoperating income (expenses)	<u>(72,657)</u>	<u>(72,657)</u>	<u>22,286</u>	<u>94,943</u>	<u>29,542</u>
Income before contributions and transfer	<u>49,786</u>	<u>49,786</u>	<u>149,690</u>	<u>98,502</u>	<u>50,763</u>

Other financing sources (uses):

Contributed capital - infrastructure	-	-	-	-	124,241
Operating transfers out	<u>(143,750)</u>	<u>(143,750)</u>	<u>-</u>	<u>143,750</u>	<u>-</u>
Total other financing sources (uses)	<u>(143,750)</u>	<u>(143,750)</u>	<u>-</u>	<u>143,750</u>	<u>124,241</u>

Net change in fund balance	\$ <u>(93,964)</u>	<u>(93,964)</u>	149,690	<u>242,252</u>	175,004
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Net assets

Beginning			<u>2,408,610</u>		<u>2,233,606</u>
Ending			<u>\$ 2,558,300</u>		<u>2,408,610</u>

VILLAGE OF WINNEBAGO, ILLINOIS

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

April 30, 2008

	Tax Years		
	2007	2006	2005
Assessed valuations	\$ 46,896,221	43,576,884	40,965,285
Tax rates:			
General	0.4280	0.2547	0.2581
General – Audit	-	0.0085	0.0049
General – Liability	-	0.0085	0.0290
Police	0.2776	0.3923	0.3971
Debt Service	0.0839	0.0904	0.0962
Sewer Chlorination	-	0.0184	0.0199
Pension	-	0.0396	0.0145
Total tax rate	0.7895	0.8124	0.8197
Tax extensions:			
General	200,716	110,990	105,731
General- Audit	-	3,704	2,007
General- Liability	-	3,704	11,880
Police	130,184	170,952	162,673
Debt Service	39,346	39,394	39,409
Sewer Chlorination	-	8,018	8,152
Pension	-	17,257	5,940
	370,246	354,019	335,792
Collections **			
General	-	110,810	105,402
General- Audit	-	3,698	2,001
General- Liability	-	3,698	11,843
Police	-	170,674	162,167
Debt Service	-	39,329	39,286
Sewer Chlorination	-	8,005	8,127
Pension	-	17,228	5,921
	\$ -	353,442	334,747
Percentage of extensions collected	-	99.84 %	99.69 %

** Includes mobile home privilege tax, protested and back taxes.

VILLAGE OF WINNEBAGO, ILLINOIS

Schedule of Legal Debt Margin

April 30, 2008

	<u>2008</u>	<u>2007</u>
Assessed Valuations *	\$ 46,896,221	43,576,884
Statutory Debt Limitation (8.625% of Assessed Valuation)	<u>4,044,799</u>	<u>3,758,506</u>
General Obligation bonds payable	116,381	146,949
Notes payable	-	-
Capital lease	<u>22,987</u>	<u>44,800</u>
Total payable	<u>139,368</u>	<u>191,749</u>
Legal Debt Margin	\$ 3,905,431	3,566,757

* Assessed valuations are for the tax year one year earlier. For example, the assessed value for year ended April 30, 2008 is the assessed value of tax year 2007.

VILLAGE OF WINNEBAGO, ILLINOIS

Supplementary Information for Bond Ordinance

April 30, 2008
(Unaudited)

Total gallons treated at the wastewater plant for year 123,506,800

Water, Sewer, and Garbage Rates:

Water, sewer and garbage rates effective January 1, 2008 are as follows:

Water and sewer combined rates

First 1,000 gallons-	\$	25.27	(minimum charge)
Up to 2,000 gallons-	\$	27.96	(minimum charge)
2,000 to 3,000 gallons-	\$	30.68	(minimum charge)
Next 97,000 gallons-	\$	4.4300	per thousand gallons
Over 100,000 gallons-	\$	4.1633	per thousand gallons

Water service

First 1,000 gallons-	\$	6.57	(minimum charge)
Up to 2,000 gallons-	\$	7.27	(minimum charge)
2,000 to 3,000 gallons-	\$	7.99	(minimum charge)
Next 97,000 gallons-	\$	1.5943	per thousand gallons
Over 100,000 gallons-	\$	1.3287	per thousand gallons

Sewer Service

Flat sewer rate	\$	35.45	
First 1,000 gallons-	\$	18.70	(minimum charge)
Up to 2,000 gallons-	\$	20.69	(minimum charge)
2,000 to 3,000 gallons-	\$	22.69	(minimum charge)
Over 3,000 gallons-	\$	2.8346	per thousand gallons

Garbage Service

\$11.50 per month

