

**VILLAGE OF LONG GROVE**  
Long Grove, Illinois

**FINANCIAL STATEMENTS**

April 30, 2005

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# VILLAGE OF LONG GROVE

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## INDEPENDENT AUDITORS' REPORT

To the Village Board  
Village of Long Grove  
Long Grove, Illinois

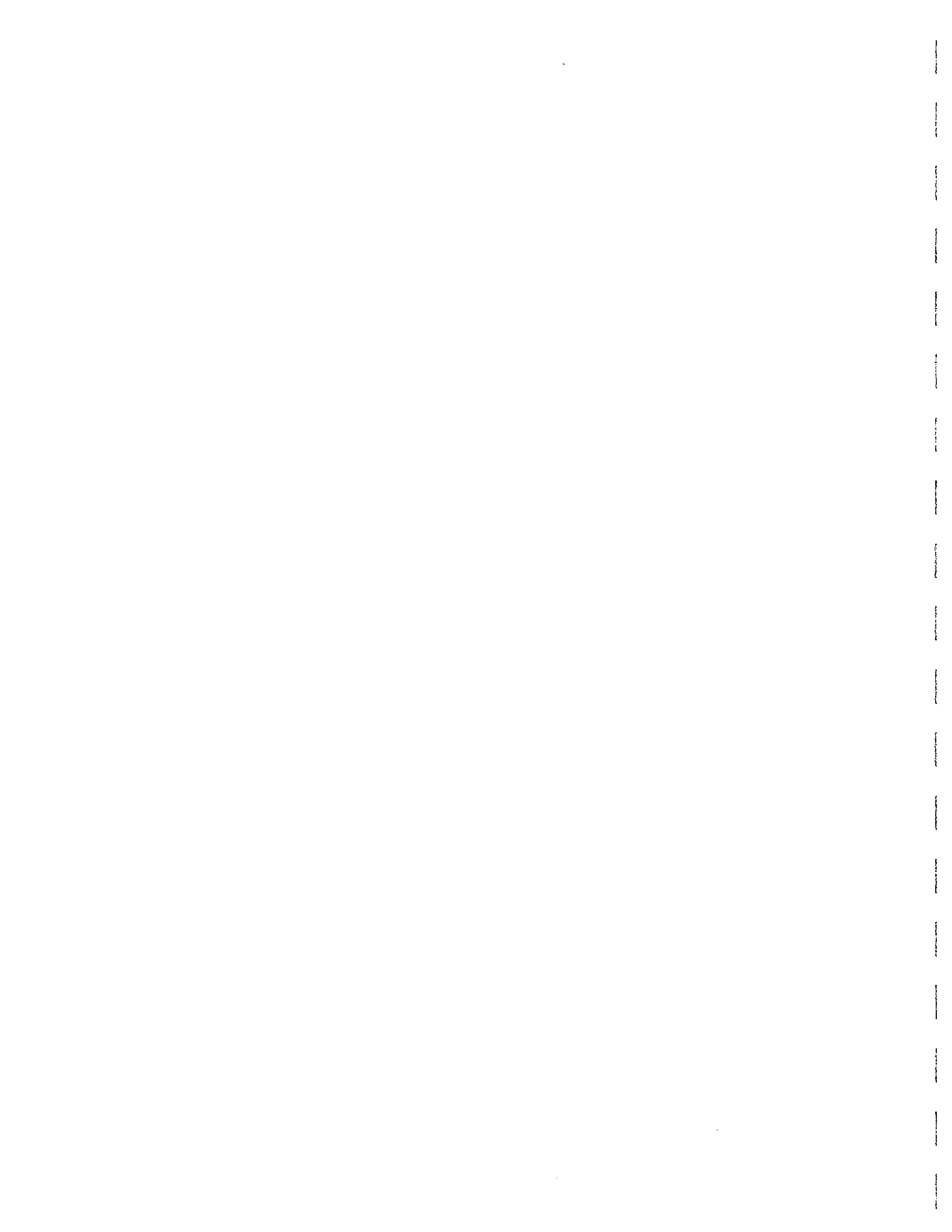
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Long Grove, Illinois, as of and for the year ended April 30, 2005, which collectively comprise the village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Long Grove's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Long Grove, Illinois, as of April 30, 2005, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note I.B. the village has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as of April 30, 2005.

The budgetary comparison information on pages 27 through 32 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it. The Village of Long Grove, Illinois, has not presented the management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.



To the Village Board  
Village of Long Grove

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Long Grove's basic financial statements. The combining financial statement is presented for purposes of additional analysis and is not a required part of the basic financial statements. The combining financial statement has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Virehow, Kraun & Company, LLP*

Madison, Wisconsin  
August 12, 2005

# VILLAGE OF LONG GROVE

## STATEMENT OF NET ASSETS

April 30, 2005

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments	\$ 7,026,182
Taxes receivable	162,003
Accounts receivable	208,965
Capital Assets	
Land	15,806,648
Other capital assets, net of depreciation	410,337
Total Assets	<u>23,614,135</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	113,480
Unearned revenues	265,819
Total Liabilities	<u>379,299</u>
<b>NET ASSETS</b>	
Invested in capital assets	16,216,985
Restricted for:	
Road projects	101,466
Open space	2,211,092
Unrestricted	<u>4,705,293</u>
<b>TOTAL NET ASSETS</b>	<u><u>\$ 23,234,836</u></u>

See accompanying notes to financial statements.



VILLAGE OF LONG GROVE

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2005

Functions/Programs	Program Revenues			Net Expenses (Revenues) and Changes in Net Assets
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities				
General government	\$ 1,113,740	\$ -	\$ -	(266,233)
Public safety	350,015	-	-	(281,536)
Public works	894,460	-	203,648	(646,812)
Conservation and development	64,406	276	-	137,863
Total Governmental Activities	<u>2,422,621</u>	<u>276</u>	<u>203,648</u>	<u>(1,056,718)</u>

General Revenues	
Taxes	469,300
Income	411,808
Sales	94,463
Other taxes	66,411
Investment income	16,017
Miscellaneous	
Total General Revenues	<u>1,057,999</u>

Change in Net Assets

1,281

NET ASSETS - Beginning of Year

23,233,555

NET ASSETS - END OF YEAR

\$ 23,234,836

See accompanying notes to financial statements.

**VILLAGE OF LONG GROVE**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
April 30, 2005

	General Fund	Open Spaces	Capital Projects	Nonmajor Special Revenue Motor Fuel Tax	Totals
<b>ASSETS</b>					
Cash and investments	\$ 4,612,087	\$ 2,067,050	\$ 261,569	\$ 85,476	\$ 7,026,182
Receivables					
Taxes	162,003	-	-	-	162,003
Accounts	48,933	144,042	-	15,990	208,965
<b>TOTAL ASSETS</b>	<b>\$ 4,823,023</b>	<b>\$ 2,211,092</b>	<b>\$ 261,569</b>	<b>\$ 101,466</b>	<b>\$ 7,397,150</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 113,480	\$ -	\$ -	\$ -	\$ 113,480
Deferred revenues	33,095	-	232,724	-	265,819
<b>Total Liabilities</b>	<b>146,575</b>	<b>-</b>	<b>232,724</b>	<b>-</b>	<b>379,299</b>
<b>Fund Balances</b>					
Unreserved, reported in:					
General fund designated	95,242	-	-	-	95,242
General fund undesignated	4,581,206	-	-	-	4,581,206
Special revenue funds undesignated	-	2,211,092	-	101,466	2,312,558
Capital project funds undesignated	-	-	28,845	-	28,845
<b>Total Fund Balances</b>	<b>4,676,448</b>	<b>2,211,092</b>	<b>28,845</b>	<b>101,466</b>	<b>7,017,851</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,823,023</b>	<b>\$ 2,211,092</b>	<b>\$ 261,569</b>	<b>\$ 101,466</b>	
Amounts reported for governmental activities in the statement of net assets are different because:					
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note II.A.					16,216,985
<b>NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>					<b>\$ 23,234,836</b>

## VILLAGE OF LONG GROVE

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended April 30, 2005

	General Fund	Open Spaces	Capital Projects	Nonmajor Special Revenue Motor Fuel Tax	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 975,572	\$ -	\$ -	\$ -	\$ 975,572
Intergovernmental	-	-	276	203,648	203,924
Fees, licenses and permits	787,478	4,600	-	-	792,078
Fines, forfeitures and penalties	68,479	-	-	-	68,479
Investment income	24,249	36,954	2,508	2,700	66,411
Miscellaneous	317,439	-	-	-	317,439
<b>Total Revenues</b>	<u>2,173,217</u>	<u>41,554</u>	<u>2,784</u>	<u>206,348</u>	<u>2,423,903</u>
<b>EXPENDITURES</b>					
Current					
General government	1,089,158	-	-	-	1,089,158
Public safety	350,015	-	-	-	350,015
Public works	320,906	-	-	-	320,906
Conservation and development	9,534	-	-	-	9,534
Capital Outlay	551,990	1,000	276	220,000	773,266
<b>Total Expenditures</b>	<u>2,321,603</u>	<u>1,000</u>	<u>276</u>	<u>220,000</u>	<u>2,542,879</u>
Excess (deficiency) of revenues over expenditures	<u>(148,386)</u>	<u>40,554</u>	<u>2,508</u>	<u>(13,652)</u>	<u>(118,976)</u>
FUND BALANCES - Beginning of Year	<u>4,824,834</u>	<u>2,170,538</u>	<u>26,337</u>	<u>115,118</u>	<u>7,136,827</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 4,676,448</u>	<u>\$ 2,211,092</u>	<u>\$ 28,845</u>	<u>\$ 101,466</u>	<u>\$ 7,017,851</u>

See accompanying notes to financial statements.

## VILLAGE OF LONG GROVE

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended April 30, 2005

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Net change in fund balances - total governmental funds	\$ (118,976)
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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 net assets the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	773,266
Some items reported as capital outlay were not capitalized	(624,413)
Depreciation is reported in the government-wide statements	<u>(28,596)</u>

<b>CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 1,281</u></b>
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VILLAGE OF LONG GROVE

STATEMENT OF NET ASSETS  
FIDUCIARY FUNDS  
April 30, 2005

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and investments	\$ 1,308,138
Accounts receivable	<u>154,426</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,462,564</u></b>
<b>LIABILITIES</b>	
Liabilities	
Accounts payable	<u>\$ 1,462,564</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 1,462,564</u></b>

See accompanying notes to financial statements.

# VILLAGE OF LONG GROVE

## INDEX TO NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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The accounting policies of the Village of Long Grove, Illinois conform to generally accepted accounting principles as applicable to governmental units.

#### A. REPORTING ENTITY

This report includes all of the funds of the Village of Long Grove. The reporting entity for the village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. This report does not contain any component units.

#### B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In December 1998, the Governmental Accounting Standards Board (GASB) issued Statement No. 33 – *Accounting and Financial Reporting for Nonexchange Transactions* (GASB No. 33). In June 1999, GASB issued Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (GASB No. 34). In June 2001, GASB issued Statement No. 37 *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments – Omnibus*, (GASB No. 37), and Statement No. 38 *Certain Financial Statement Note Disclosures*.

The Village of Long Grove made the decision to implement these standards effective May 1, 2004.

Statements No. 34 and 37, among many other changes, add two new "government-wide" financial statements as basic financial statements required for all governmental units. The statement of net assets and the statement of activities are the two new required statements. Both statements are prepared on the full accrual basis. Previously, in accordance with accounting standards for governmental units, the village used the modified accrual basis of accounting for certain funds. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

In addition, all funds in the fund financial statements are reported as governmental activities or fiduciary funds. The definitions for these types of activities are discussed in other portions of Note I.

Finally, all non-fiduciary funds are further classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the new standard concentrates on major funds versus non-major funds.

Statement No. 33 requires capital contributions to proprietary funds to be presented as a change in net assets rather than being directly credited to net assets. Statement No. 38 requires additional note disclosures.

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

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

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 or segment. The village does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

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

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets/fund equity, revenues, and expenditure/expenses.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.



**VILLAGE OF LONG GROVE**

**NOTES TO FINANCIAL STATEMENTS**

April 30, 2005

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**NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)**

***Fund Financial Statements (cont.)***

Funds are organized as major funds or non-major funds within the governmental financial statements. An emphasis is placed on major funds. A fund is considered major if it is the primary operating fund of the village or meets the following criteria:

- a. 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
- b. In addition, any other governmental fund that the village believes is particularly important to financial statement users may be reported as a major fund.

The Village of Long Grove reports the following major governmental funds:

General Fund – accounts for the village's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Open Space Special Revenue Fund – Accounts for resources legally restricted to supporting expenditures for the open space program.

General Capital Projects Fund – accounts for proceeds from long-term borrowing and other resources to be used for capital improvement projects.

The village reports the following non-major governmental funds:

Special Revenue Funds – used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Motor Fuel Tax Fund

Agency funds are used to account for assets held by the village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Interagency Control Fees

Builders' Refundable Bonds

Fees Refundable to Others

# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### **C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

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

The government-wide statement of net assets and statement of activities are reported using the economic resources measurement focus and 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. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the village is entitled the resources and the amounts are available. Amounts owed to the village which are not available are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Revenues susceptible to accrual include sales and income taxes, miscellaneous taxes, public charges for services, and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)**

##### ***Fund Financial Statements (cont.)***

The village reports deferred revenues on its governmental funds balance sheet. Deferred revenues arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the village has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

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

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

##### ***1. Deposits and Investments***

Investment of village funds is restricted by state statutes. Available investments are limited to:

1. Time deposits in any bank, savings bank, trust company or savings and loan association which are insured.
2. U.S. Treasury, agencies and instrumentalities.
3. Illinois State Treasurer's Investment Pool.
4. Any commercial paper Grade A-1 and P-1 as determined by at least two standard rating services
5. Repurchase agreements with public depositories, with certain conditions.
6. Banker's acceptances.
7. Illinois Metropolitan Investment Fund.

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)*

##### *1. Deposits and Investments (cont.)*

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The 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. This Fund is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in The Illinois Funds are valued at The Illinois Funds' share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment fund established under the Illinois Municipal Code. The pooled funds are invested exclusively in U.S. government-backed securities. This fund is not registered with the SEC as an investment company, but makes investments only in those investments specifically authorized in the Public Investment Act of the State of Illinois (30 ILCS 235/1). Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

See Note IV.A. for further information.

##### *2. Receivables*

Accounts receivable have been shown net of an allowance for uncollectible accounts.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets.

**VILLAGE OF LONG GROVE**

**NOTES TO FINANCIAL STATEMENTS**  
April 30, 2005

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**NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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**D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)**

**3. Capital Assets**

***Government-Wide Statements***

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$1,000 for general capital assets and \$15,000 for infrastructure assets, and an estimated useful life in excess of two years. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Prior to May 2004, infrastructure assets of governmental funds were not capitalized. Upon implementing GASB No. 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is encouraged but GASB No. 34 does not require the village to retroactively report all major general infrastructure assets. For the year ended April 30, 2005, the village has not retroactively reported any infrastructure.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 Years
Machinery and Equipment	5-10 Years
Infrastructure	10-50 Years

***Fund Financial Statements***

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**4. Compensated Absences**

Under terms of employment, employees are granted sick leave and vacations in varying amounts. The benefits do not vest to the employee and cannot be carried over and paid out; therefore, there are no amounts accrued in these financial statements.

# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)*

##### *5. Claims and Judgments*

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

##### *6. Equity Classifications*

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

Equity is classified as net assets and displayed in three components:

- a. 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.
- b. Restricted net assets – Consists of net assets with constraints placed on their 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 legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

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

###### *Fund Statements*

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Unreserved fund balance includes funds set aside by management for specific uses, which are labeled "designated". The balance of unreserved fund balance is labeled "undesignated", which indicates it is available for appropriation.

# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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### NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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#### A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET ASSETS

The governmental funds balance sheet includes a reconciliation between total fund balance and net assets of governmental activities as reported in the government-wide statement of net assets. The reconciliation explains that "capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds." The details of this difference are as follows:

Land	\$ 15,806,648
Buildings	205,630
Machinery and equipment	168,285
Infrastructure	148,853
Less: Accumulated depreciation	<u>(112,431)</u>
Adjustment for Capital Assets	<u>\$ 16,216,985</u>

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

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#### A. BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C.

A budget has been adopted for all funds.

The budgeted amounts presented are as presented in the original budget and no amendments were adopted during the year. The village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds board action. There were no supplemental appropriations during the year.

Appropriations lapse at year end unless specifically carried over. Carryovers to the following year were \$-0-. Budgets are adopted at department level of expenditure.

#### B. EXCESS EXPENDITURES OVER APPROPRIATIONS

Budgeted expenditures in the general fund (including amendments) were \$2,037,600. Total expenditures were \$2,321,603. This results in excess expenditures of \$284,003.

Budgeted expenditures in the open spaces special revenue fund were \$-0-. Total expenditures were \$1,000. This results in excess expenditures of \$1,000.

The village controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the village's year-end budget to actual report.

# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

### NOTE IV – DETAILED NOTES ON ALL FUNDS

#### A. DEPOSITS AND INVESTMENTS

The village's deposits and investments are categorized to give an indication of the level of custodial credit risk assumed by the entity at year end. Category 1 includes items that are insured or registered or which are collateralized by or evidenced by securities held by the village or its agent in the village's name. Category 2 includes deposits collateralized with securities held by the pledging institution's trust department or agent in the village's name, or uninsured and unregistered investments for which the securities are held by the counter party's trust department or agent in the village's name. Category 3 includes uncollateralized deposits, and uninsured and unregistered investments, with securities held by the counterparty or its trust department or agent but not in the village's name.

	Category			Total	Carrying Amount
	1	2	3		
Local and area banks	\$ 1,094,515	\$ -	\$ -	\$ 1,094,515	\$ 753,444
Government securities	500,000	-	6,039,441	6,539,441	6,539,441
Sub-Totals	\$ 1,594,515	\$ -	\$ 6,039,441	\$ 7,633,956	
The Illinois Funds					758,397
Illinois Metropolitan Investment Fund					255,698
Money market					27,090
Cash on hand					250
 Total Deposits and Investments					<b>\$ 8,334,320</b>
 Per statement of net assets					\$ 7,026,182
Per statement of net assets – fiduciary funds					1,308,138
 Total					<b>\$ 8,334,320</b>

The village had no significant type of investment during the year not included in the above schedule.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between two willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

Deposits in each local and area bank are insured by the FDIC in the amount of \$100,000 for interest bearing accounts and \$100,000 for noninterest bearing accounts.



**VILLAGE OF LONG GROVE**

**NOTES TO FINANCIAL STATEMENTS**

April 30, 2005

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**A. DEPOSITS AND INVESTMENTS (cont.)**

The village has a collateral agreement with Midwest Bank and Trust Company in the amount of \$4,795,300.

Fluctuating cash flows during the year due to tax collections, receipt of state aids and/or proceeds from borrowing may have resulted in uninsured balances during the year significantly exceeding uninsured amounts at year end.

**B. RECEIVABLES**

All receivables are expected to be collected within one year.

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Totals</u>
Local use taxes receivable	\$ -	\$ 7,713	\$ 7,713
Sales taxes receivable	-	25,382	25,382
Grant drawdowns prior to meeting all eligibility requirements	-	232,724	232,724
Total Deferred/Unearned Revenue for Governmental Funds	\$ -	\$ 265,819	\$ 265,819

## VILLAGE OF LONG GROVE

### NOTES TO FINANCIAL STATEMENTS April 30, 2005

#### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### C. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2005 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 15,806,648	\$ -	\$ -	\$ 15,806,648
Total Capital Assets Not Being Depreciated	\$ 15,806,648	\$ -	\$ -	\$ 15,806,648
Capital assets being depreciated				
Buildings	\$ 205,630	\$ -	\$ -	\$ 205,630
Machinery and equipment	168,285	-	-	168,285
Bridges	-	148,853	-	148,853
Total Capital Assets Being Depreciated	373,915	148,853	-	522,768
Less: Accumulated depreciation for				
Buildings	(22,807)	(5,595)	-	(28,402)
Machinery and equipment	(61,028)	(14,895)	-	(75,923)
Bridges	-	(8,106)	-	(8,106)
Total Accumulated Depreciation	(83,835)	(28,596)	-	(112,431)
Governmental Activities Capital Assets, Net of Depreciation	\$ 16,096,728	\$ 120,257	\$ -	\$ 16,216,985

Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
General government	\$ 16,618
Public works	8,106
Conservation and development	3,872
Total Governmental Activities Depreciation Expense	\$ 28,596

VILLAGE OF LONG GROVE

NOTES TO FINANCIAL STATEMENTS  
April 30, 2005

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**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

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**D. LEASE DISCLOSURES**

The village has no material leases as lessee or lessor.

**E. NET ASSETS/FUND BALANCES**

Net assets reported on the government wide statement of net assets at April 30, 2005 includes the following:

**Governmental Activities**

Invested in capital assets	
Land	\$ 15,806,648
Other capital assets, net of accumulated depreciation	<u>410,337</u>
Total Invested in Capital Assets	<u>16,216,985</u>
Restricted	
Road projects	101,466
Open spaces	<u>2,211,092</u>
Total Restricted	<u>2,312,558</u>
Unrestricted	<u>4,705,293</u>
Total Governmental Activities Net Assets	<u>\$ 23,234,836</u>

Governmental fund balances reported on the fund financial statements at April 30, 2005 include the following:

<b>Unreserved (designated)</b>	
Major Fund	
General fund	
Subsequent year's expenditures	<u>\$ 95,242</u>
<b>Unreserved (undesignated)</b>	
Major Funds	
General fund	<u>\$ 4,581,206</u>
Open spaces special revenue fund	<u>\$ 2,211,092</u>
Capital projects fund	<u>\$ 28,845</u>
Non-Major Funds	
Special Revenue Fund	
Motor fuel tax fund	<u>\$ 101,466</u>

# VILLAGE OF LONG GROVE

## NOTES TO FINANCIAL STATEMENTS

April 30, 2005

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### NOTE V – OTHER INFORMATION

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#### A. EMPLOYEES' RETIREMENT SYSTEM

The village's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple employer pension plan that 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 publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The employer is required to contribute at an actuarially determined rate. The employer rate for calendar year 2004 was 9.22%. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2004 was 31 years.

For December 31, 2004, the employer's annual pension cost of \$27,900 was equal to the employer's required and actual contributions. The required contribution was determined as part of the December 31, 2002 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% per year attributable to inflation, (c) additional projected salary increased ranging from 0.4% to 11.6% per year 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. The assumptions used for the 2004 actuarial valuation were based on the 1999-2001 experience study.

#### TREND INFORMATION

The village began participating in the plan in January, 2003. Therefore, trend information prior to January, 2003 is not applicable.

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/04	\$ 27,900	100%	\$ -
12/31/03	\$ 25,446	100%	\$ -

VILLAGE OF LONG GROVE

NOTES TO FINANCIAL STATEMENTS

April 30, 2005

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress

Table with 7 columns: Actuarial Valuation Date, Actuarial Value of Assets, Actuarial Accrued Liability (AAL) --Entry Age, Unfunded AAL (UAAL), Funded Ratio, Covered Payroll, UAAL as a Percentage of Covered Payroll. Rows for 12/31/04 and 12/31/03.

Digest of Changes

Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2004 were changed due to the 1999-2001 Experience Study.

The principal changes were:

- Fewer members are expected to take refunds early in their career.
- For regular members, fewer normal and early retirements are expected to occur.

B. RISK MANAGEMENT

The village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

C. COMMITMENTS AND CONTINGENCIES

From time to time, the village is party to various pending claims and legal proceedings. The village is currently involved in litigation in which the plaintiff is attacking the validity of certain impact fees collected by the village. The total in dispute is approximately \$130,000. The village continues to vigorously defend this action.

For all other claims and legal proceedings that the village is involved with, the outcome of such matters cannot be forecasted with certainty, but it is the opinion of the management and the village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the village's financial position or results of operations.

## VILLAGE OF LONG GROVE

### NOTES TO FINANCIAL STATEMENTS

April 30, 2005

#### NOTE V – OTHER INFORMATION (cont.)

#### D. JOINT VENTURES

##### *Description of Joint Venture*

The village is a member of the Solid Waste Agency of Lake County ("Agency"), which consists of area municipalities. The Agency is a municipal corporation and public body politic and corporate established pursuant to the Constitution Act of the State of Illinois, as amended (the "Act"). The Agency is empowered under the Act to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members.

The members of the Agency and their percentage shares based on formulas contained in the Agency agreement are:

	% Share		% Share
Antioch	1.06%	Lincolnshire	1.74%
Beach Park	1.65	Lindenhurst	1.45
Deer Park	.74	Long Grove	1.42
Deerfield	4.25	Mundelein	4.12
Grayslake	1.46	North Barrington	.66
Green Oaks	.47	North Chicago	3.13
Gurnee	3.11	Park City	.86
Hawthorne Woods	1.07	Riverwoods	.94
Highland Park	8.03	Round Lake	.61
Kildeer	.67	Round Lake Beach	2.55
Lake Barrington	1.16	Round Lake Park	.64
Lake Bluff	1.61	Third Lake	.24
Lake County	19.88	Vernon Hills	3.36
Lake Forest	6.13	Wadsworth	.39
Lake Villa	.55	Wauconda	1.31
Lake Zurich	3.21	Waukegan	12.15
Libertyville	4.38	Winthrop Harbor	1.08
		Zion	3.92
		Total	100.00%

These percentages are subject to change in future years due to changes in population and equalized assessed valuation of the municipalities.

The Agency is governed by a Board of Directors, which consists of one appointed mayor or president, trustee, or chief administrative officer from each member municipality. Each director has an equal vote. The officers of the Agency are appointed by the Board of Directors. The Board of Directors determines the general policy of the Agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of Bonds or Notes by the Agency, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

**VILLAGE OF LONG GROVE**

**NOTES TO FINANCIAL STATEMENTS**  
April 30, 2005

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**NOTE V – OTHER INFORMATION (cont.)**

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***D. JOINT VENTURES (cont.)***

***Description of Joint Venture (cont.)***

The Agency generates revenue from user charges. The village did not make any payments to the district during the year.

Complete financial statements for SWALCO can be obtained from the Agency's administrative office at 1311 N. Estes Street, Gurnee, Illinois 60031-2125.

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REQUIRED SUPPLEMENTARY INFORMATION

## VILLAGE OF LONG GROVE

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended April 30, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 901,000	\$ 901,000	\$ 975,572	\$ 74,572
Fees, permits and licenses	862,000	862,000	787,478	(74,522)
Fines, forfeitures and penalties	39,000	39,000	68,479	29,479
Investment income	90,000	90,000	24,249	(65,751)
Miscellaneous revenues	45,600	45,600	317,439	271,839
Total Revenues	<u>1,937,600</u>	<u>1,937,600</u>	<u>2,173,217</u>	<u>235,617</u>
<b>EXPENDITURES</b>				
Current				
General government	966,600	966,600	1,089,158	(122,558)
Public safety	360,000	360,000	350,015	9,985
Public works	241,000	241,000	320,906	(79,906)
Conservation and development	1,000	1,000	9,534	(8,534)
Capital outlay	<u>359,000</u>	<u>469,000</u>	<u>551,990</u>	<u>(82,990)</u>
Total Expenditures	<u>1,927,600</u>	<u>2,037,600</u>	<u>2,321,603</u>	<u>(284,003)</u>
Excess (deficiency) of revenues over expenditures	<u>10,000</u>	<u>(100,000)</u>	<u>(148,386)</u>	<u>(48,386)</u>
FUND BALANCE - Beginning of Year	<u>4,824,834</u>	<u>4,824,834</u>	<u>4,824,834</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,834,834</u>	<u>\$ 4,724,834</u>	<u>\$ 4,676,448</u>	<u>\$ (48,386)</u>

See accompanying notes to required supplementary information.

VILLAGE OF LONG GROVE

DETAILED SCHEDULE OF REVENUES - BUDGET  
AND ACTUAL - GENERAL FUND  
For the Year Ended April 30, 2005

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>TAXES</b>				
Sales tax	\$ 400,000	\$ 400,000	\$ 411,808	\$ 11,808
Income tax	410,000	410,000	✓ 469,300	59,300
Road and bridge tax	41,000	41,000	✓ 41,483	483
Telecommunications tax	50,000	50,000	✓ 52,981	2,981
<b>TOTAL TAXES</b>	<b>\$ 901,000</b>	<b>\$ 901,000</b>	<b>\$ 975,572</b>	<b>\$ 74,572</b>
<b>FEES, PERMITS AND LICENSES</b>				
Franchise fees	\$ 57,000	\$ 57,000	\$ 60,130	\$ 3,130
Permits	755,000	755,000	✓ 686,465	(68,535)
Licenses	50,000	50,000	✓ 40,883	(9,117)
<b>TOTAL FEES, PERMITS AND LICENSES</b>	<b>\$ 862,000</b>	<b>\$ 862,000</b>	<b>\$ 787,478</b>	<b>\$ (74,522)</b>
<b>FINES, FORFEITURES AND PENALTIES</b>				
Citations	\$ 35,000	\$ 35,000	\$ 64,979	\$ 29,979
Fines	4,000	4,000	✓ 3,500	(500)
<b>TOTAL FINES, FORFEITURES AND PENALTIES</b>	<b>\$ 39,000</b>	<b>\$ 39,000</b>	<b>\$ 68,479</b>	<b>\$ 29,479</b>
<b>INVESTMENT INCOME</b>				
Investment income	\$ 90,000	\$ 90,000	\$ 24,249	\$ (65,751)
<b>MISCELLANEOUS REVENUES</b>				
Settlement with IDOT	\$ -	\$ -	\$ 60,029	\$ 60,029
Reconciled building bond accounts	-	-	197,393	197,393
Reimbursement for road repairs	-	-	44,000	44,000
Other	45,600	45,600	16,017	(29,583)
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>\$ 45,600</b>	<b>\$ 45,600</b>	<b>\$ 317,439</b>	<b>\$ 271,839</b>

## VILLAGE OF LONG GROVE

### DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended April 30, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>GENERAL GOVERNMENT</b>				
Employee Compensation				
Salaries and wages	\$ 347,884	\$ 347,884	\$ 337,913	\$ 9,971
Fringe benefits	102,000	102,000	113,919	(11,919)
Total Employee Compensation	<u>449,884</u>	<u>449,884</u>	<u>451,832</u>	<u>(1,948)</u>
Office				
Utilities	13,000	13,000	12,988	12
Supplies	20,000	20,000	11,736	8,264
Equipment leases and maintenance	3,500	3,500	5,408	(1,908)
Other maintenance	5,200	5,200	3,248	1,952
Total Office	<u>41,700</u>	<u>41,700</u>	<u>33,380</u>	<u>8,320</u>
Administrative and Professional				
Insurance	25,000	25,000	21,055	3,945
Dues, memberships and travel	8,500	8,500	7,214	1,286
Legal	243,000	243,000	330,662	(87,662)
PrimeCo. Settlement	-	-	38,235	(38,235)
Audit	9,500	9,500	9,500	-
Planning and review	10,000	10,000	4,385	5,615
Inspections	100,000	100,000	98,865	1,135
Bridge supplement	23,000	23,000	24,436	(1,436)
Computer consultant	5,000	5,000	7,807	(2,807)
Internet home page	2,300	2,300	1,485	815
Administrative services	17,000	17,000	34,127	(17,127)
Legal notices and subscriptions	2,000	2,000	1,031	969
Total Administrative and Professional	<u>445,300</u>	<u>445,300</u>	<u>578,802</u>	<u>(133,502)</u>
Miscellaneous				
Donations	150	150	400	(250)
Mosquito abatement	24,566	24,566	24,566	-
Other	5,000	5,000	178	4,822.00
Total Miscellaneous	<u>29,716</u>	<u>29,716</u>	<u>25,144</u>	<u>4,572.00</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>\$ 966,600</u>	<u>\$ 966,600</u>	<u>\$ 1,089,158</u>	<u>\$ (122,558)</u>
<b>PUBLIC SAFETY</b>				
Village security	<u>\$ 360,000</u>	<u>\$ 360,000</u>	<u>\$ 350,015</u>	<u>\$ 9,985</u>

See accompanying notes to required supplementary information.

## VILLAGE OF LONG GROVE

### DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended April 30, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>PUBLIC WORKS</b>				
Plowing	\$ 145,000	\$ 145,000	\$ 213,256	\$ (68,256)
Mowing	28,000	28,000	26,710	1,290
Road signs	7,500	7,500	4,335	3,165
Utilities	8,500	8,500	9,173	(673)
Engineering	40,000	40,000	62,324	(22,324)
Planting	-	-	2,277	(2,277)
Vehicle maintenance - gas and oil	2,000	2,000	2,831	(831)
Village parking maintenance	10,000	10,000	-	10,000
<b>TOTAL PUBLIC WORKS</b>	<b>\$ 241,000</b>	<b>\$ 241,000</b>	<b>\$ 320,906</b>	<b>\$ (79,906)</b>
<b>CONSERVATION AND DEVELOPMENT</b>				
Planning	\$ 1,000	\$ 1,000	\$ 9,534	\$ (8,534)
<b>CAPITAL OUTLAY</b>				
Barb Turner house	\$ -	\$ -	\$ 2,286	\$ (2,286)
Office equipment	3,000	3,000	1,209	1,791
Office building improvements	-	-	769	(769)
External building improvements	-	-	3,425	(3,425)
Road, culvert and ditch	256,000	256,000	296,441	(40,441)
Community development grant	50,000	50,000	50,000	-
Bridge repair	-	110,000	147,860	(37,860)
Park district grant	50,000	50,000	50,000	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$ 359,000</b>	<b>\$ 469,000</b>	<b>\$ 551,990</b>	<b>\$ (82,990)</b>

See accompanying notes to required supplementary information.

## VILLAGE OF LONG GROVE

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - OPEN SPACES For the Year Ended April 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Licenses and permits	\$ 150,000	\$ 150,000	\$ 4,600	\$ (145,400)
Investment income	30,000	30,000	36,954	6,954
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>41,554</u>	<u>(138,446)</u>
<b>EXPENDITURES</b>				
Capital outlay	-	-	1,000	(1,000)
Excess (deficiency) of revenues over expenditures	<u>180,000</u>	<u>180,000</u>	<u>40,554</u>	<u>(139,446)</u>
FUND BALANCE - Beginning of Year	<u>2,170,538</u>	<u>2,170,538</u>	<u>2,170,538</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,350,538</u>	<u>\$ 2,350,538</u>	<u>\$ 2,211,092</u>	<u>\$ (139,446)</u>

See accompanying notes to required supplementary information.

# VILLAGE OF LONG GROVE

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION April 30, 2005

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### ***BUDGETARY INFORMATION***

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

Excess expenditures over appropriations are as follows:

	<u>Amended Budget</u>	<u>Expenditures</u>	<u>Excess</u>
<u>General Fund</u>			
Employee compensation	\$ 449,884	\$ 451,832	\$ 1,948
Administrative and professional	445,300	578,802	133,502
Public works	241,000	320,906	79,906
Planning	1,000	9,534	8,534
Capital outlay	469,000	551,990	82,990
<u>Open Spaces Special Revenue Fund</u>			
Capital outlay	\$ -	\$ 1,000	\$ 1,000

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SUPPLEMENTARY INFORMATION

**VILLAGE OF LONG GROVE**

COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 AGENCY FUNDS  
 April 30, 2005

	Agency			Totals
	Interagency Control Fees	Builders' Refundable Bonds	Fees Refundable to Others	
<b>ASSETS</b>				
Cash and investments	\$ 884,844	\$ 423,294	\$ -	\$ 1,308,138
Accounts receivable	16,255	-	138,171	154,426
<b>TOTAL ASSETS</b>	<b>\$ 901,099</b>	<b>\$ 423,294</b>	<b>\$ 138,171</b>	<b>\$ 1,462,564</b>
<b>LIABILITIES</b>				
Liabilities				
Accounts payable	\$ 901,099	\$ 423,294	\$ 138,171	\$ 1,462,564
<b>TOTAL LIABILITIES</b>	<b>\$ 901,099</b>	<b>\$ 423,294</b>	<b>\$ 138,171</b>	<b>\$ 1,462,564</b>