

VILLAGE OF ROUND LAKE, ILLINOIS

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

For the Year Ended
April 30, 2009

A Sikich LLP

Certified Public Accountants & Advisors

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INDEPENDENT AUDITOR'S REPORT

The Town Board of Trustees
Village of Round Lake
Round Lake, Illinois

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Village of Round Lake, Illinois (the Village) as of and for the year ended April 30, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Village of Round Lake, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

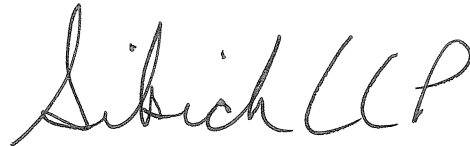
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes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

As described in Note 1, the policy of the Village is to prepare its government-wide and proprietary fund financial statements on the modified cash basis and its governmental fund financial statements on the cash basis, both of which are a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, the accompanying basic financial statements are not intended to present financial position and changes in financial position in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities on the modified cash basis and each major fund and aggregate remaining fund information on the cash basis of the fund financial statements of Village of Round Lake, Illinois as of April 30, 2009, and the respective change in financial position modified cash basis and cash basis, thereof and for the year ended, on the basis of accounting described in Note 1.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and the supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements of Village of Round Lake, Illinois. The information 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.

A handwritten signature in cursive script, appearing to read "Sibich LLP".

Aurora, Illinois
December 23, 2009

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF ROUND LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009

The discussion and analysis of the Village of Round Lake's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2009.

FINANCIAL HIGHLIGHTS

- The Village's Governmental net assets, which equal total assets minus total liabilities, were \$27,144,548 and \$26,920,802 at the end of fiscal year 2009 and 2008, respectively, an increase of \$223,746. Business-type activities net assets were \$41,894,630 and \$42,859,088 at the end of fiscal year 2009 and 2008, respectively, a decrease of \$964,458.
- Governmental unrestricted net assets, assets that may be used to meet the Village's ongoing obligations to residents and creditors, were \$4,420,331 and \$5,564,751 for fiscal year 2009 and 2008, respectively, a decrease of \$1,144,420. Business-type activities unrestricted net assets were \$7,030,680 and \$7,288,758 for fiscal year 2009 and 2008, respectively, a decrease of \$258,078.
- Revenues for Governmental Activities (excluding contributions and transfers) equaled \$8,539,419 and were higher than total program expenses of \$8,361,219 by \$178,200 as compared to total revenues of \$9,250,690 which were lower than total expenses of \$9,738,072 by \$487,382 in the prior year. Revenues for Business-Type Activities (excluding contributions and transfers) equaled \$3,682,561 and were lower than total program expenses of \$4,601,473 by \$918,912, as compared to total revenues of \$3,749,279 which were lower than total expenses of \$4,409,197 by \$614,928 in the prior year.
- The fund balance for the General Fund equaled \$4,487,083, an increase of \$1,176,608 from the beginning fund balance of \$3,310,475.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village of Round Lake's basic financial statements. The Village's basic financial statements are comprised of three main components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Round Lake's finances, in a manner similar to private-sector business. The statement of net assets presents information on all of the Village's assets and liabilities on a modified cash basis, with the difference between the two being reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the receipts are collected (revenues) and the expenditures are paid (expenditures or expenses), except for capital asset and debt related transactions.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, community development, and interest expense. The business-type activities of Village include water/sewer and commuter parking lot activities.

Fund Financial Statements

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

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

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

Proprietary funds. The Village maintains two types of proprietary funds, both are enterprise funds, one to account for its water and sewer operations and the other to account for its commuter lot operations. Both are used to report the functions presented as business-type activities in the governmental-wide financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds include the Police Pension Fund, Special Service Areas #1, #2, and #4, Builders Escrow, and the Impact Fee Funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information and other supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village of Round Lake, assets exceeded liabilities by \$69.0 million at April 30, 2009.

By far the largest portion of the Village's net assets reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets still outstanding. As of April 30, 2009, capital assets net of related debt totaled \$54.8 million, representing 79% of total net assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

Just over \$2.7 million (4 percent) of the Village's net assets represents resources that are subject to restrictions on how they may be used, such as for debt service, capital projects, and other specific purposes. The remaining \$11,451,011 balance of unrestricted net assets may be used to meet the Village's ongoing obligations to citizens and creditors.

Following is a table that summarizes the net assets of the Village at the close of the recent fiscal year by governmental activities, business-type activities, and village-wide. A comparison to the preceding fiscal year is presented for all three categories.

**Village of Round Lake Net Assets
Fiscal Years Ended April 30th**

	Governmental Activities		Business - Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current assets	\$7,168,652	\$8,009,145	\$7,078,237	\$7,288,758	\$14,246,889	\$15,297,903
Capital assets	35,478,640	35,528,890	36,173,950	36,965,330	71,652,590	72,494,220
Total assets	<u>42,647,292</u>	<u>43,538,035</u>	<u>43,252,187</u>	<u>44,254,088</u>	<u>85,899,479</u>	<u>87,792,123</u>
Other liabilities	13,459	260,059	10,065	-	23,524	260,059
Long-term liabilities	<u>15,489,285</u>	<u>16,357,174</u>	<u>1,347,492</u>	<u>1,395,000</u>	<u>16,836,777</u>	<u>17,752,174</u>
Total liabilities	<u>15,502,744</u>	<u>16,617,233</u>	<u>1,357,557</u>	<u>1,395,000</u>	<u>16,860,301</u>	<u>18,012,233</u>
Net assets						
Invested in capital assets, net of debt	19,989,355	19,171,716	34,863,950	35,570,330	54,853,305	54,742,046
Restricted	2,734,862	2,184,335	-	-	2,734,862	2,184,335
Unrestricted	<u>4,420,331</u>	<u>5,564,751</u>	<u>7,030,680</u>	<u>7,288,758</u>	<u>11,451,011</u>	<u>12,853,509</u>
Total net assets	<u>\$27,144,548</u>	<u>\$26,920,802</u>	<u>\$41,894,630</u>	<u>\$42,859,088</u>	<u>\$69,039,178</u>	<u>\$69,779,890</u>

Total net assets of the Village decreased by \$740,712 during the fiscal year. Net assets related to governmental activities increased by \$223,746, while net assets related to business-type activities decreased by \$964,458.

In the governmental activities, current assets decreased \$840,493. General Fund cash increased \$926,525 from the prior year; however, other governmental funds cash decreased \$1,766,323. The decrease is the result of an \$800,000 transfer to the General Fund, debt service payments in the 2003 and 2007 Debt Service Funds higher than the revenues collected by over \$800,000 and capital outlay expenses in the Capital Projects Fund higher than operating revenues. Other liabilities decreased by \$246,600, due to staff efforts returning old outstanding reimbursement of fee deposits back to developers and establishment of a new Builders Escrow Fund. Long-term liabilities decreased by \$867,889 from the preceding fiscal year due to payments made on the Village's outstanding debt series.

In the business-type activities, current assets decreased by \$210,521 mainly due to cash flow activities related to capital asset purchases and bond principal and interest payments. Capital assets decreased by \$791,380 due to depreciation expense of \$1,137,456 and only \$346,076 in new capital assets. Long-term liabilities decreased by \$47,508 from the preceding fiscal year due to an \$85,000 principal payment made on the Village's 2003C outstanding debt series and the addition of the remaining \$37,492 note payable balance moved from the General Fund into the new Commuter Parking Lot Fund.

The table that follows summarizes the changes in net assets for the fiscal year just ended and the prior fiscal year.

**Village of Round Lake Changes in Net Assets
Fiscal Years Ended April 30th**

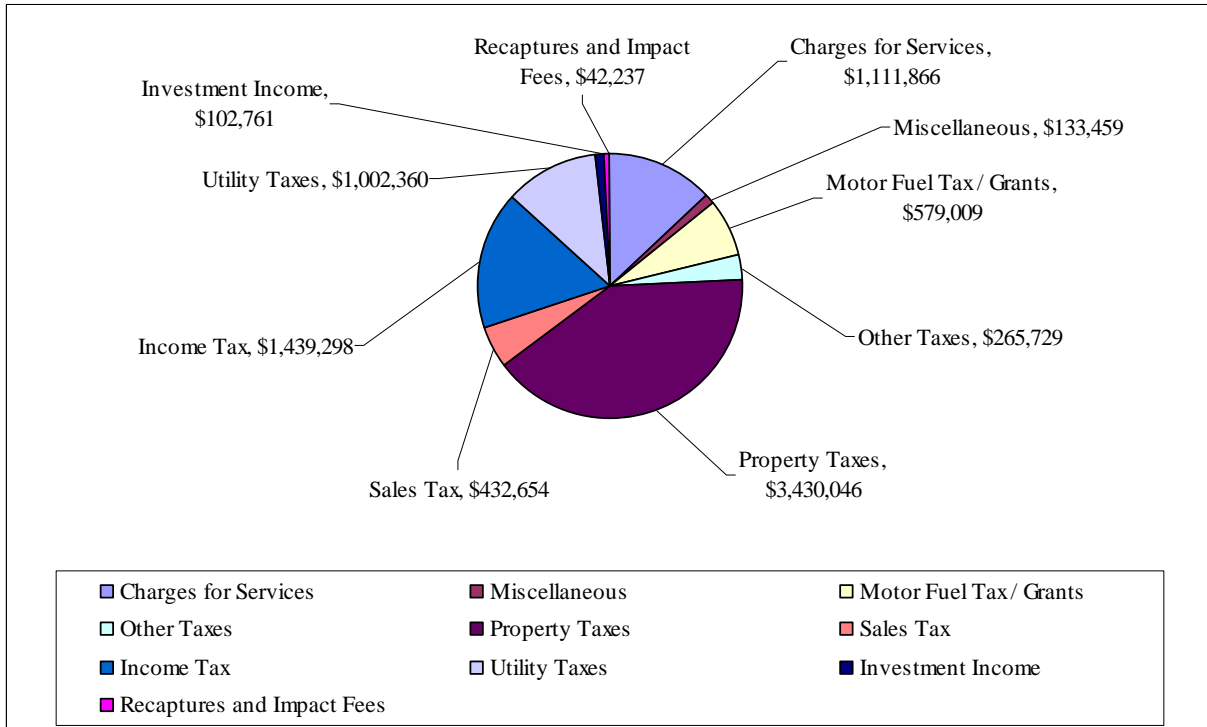
	Governmental Activities		Business - Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program revenues						
Charges for services	\$1,111,866	\$1,844,523	\$3,474,506	\$3,360,950	\$4,586,372	\$5,205,473
Operating Grants	472,079	23,054	-	-	472,079	23,054
Capital Grants	106,930	-	75,000	-	181,930	-
General revenues						
Property taxes	3,430,046	2,978,805	-	-	3,430,046	2,978,805
Income tax	1,439,298	1,524,100	-	-	1,439,298	1,524,100
Utility taxes	1,002,360	1,035,766	-	-	1,002,360	1,035,766
Other taxes	698,383	1,182,647	-	-	698,383	1,182,647
Interest income	102,761	402,279	84,230	291,401	186,991	693,680
Impact fees and recaptures	42,237	134,031	-	46,819	42,237	180,850
Miscellaneous	133,459	125,485	48,825	95,099	182,284	220,584
Total revenues	8,539,419	9,250,690	3,682,561	3,794,269	12,221,980	13,044,959
Program expenses						
General government	2,065,553	2,854,839	-	-	2,065,553	2,854,839
Police department	3,420,180	3,218,505	-	-	3,420,180	3,218,505
Public works	1,594,009	2,320,489	-	-	1,594,009	2,320,489
Community development	422,201	511,391	-	-	422,201	511,391
Debt service	859,276	832,848	-	-	859,276	832,848
Parking Lot	-	-	48,955	-	48,955	-
Water and sewer	-	-	4,552,518	4,409,197	4,552,518	4,409,197
Total expenses	8,361,219	9,738,072	4,601,473	4,409,197	12,962,692	14,147,269
Changes in net assets before contributions and transfers						
Contributions	-	2,325,668	-	1,269,759	-	3,595,427
Transfers	-	(162,711)	-	162,711	-	-
Increase (decrease) in net assets	178,200	1,675,575	(918,912)	817,542	(740,712)	2,493,117
Beginning of year						
Prior period adjustment	45,546	10,273,274	(45,546)	(2,841,749)	-	7,431,525
Beginning of year, restated	26,966,348	25,245,227	42,813,542	42,041,546	69,779,890	67,286,773
End of year	\$27,144,548	\$26,920,802	\$41,894,630	\$42,859,088	\$69,039,178	\$69,779,890

Governmental Activities

Program revenues (amounts charged to residents for programs plus operating and capital grants) for governmental activities totaled \$1,690,875 and general revenues totaled \$6,848,544 for a total of \$8,539,419, a decrease of \$711,271 from the preceding year.

The following graph depicts both program and general revenues by major revenue sources for governmental activities.

Revenues by Source – Governmental Activities



Property taxes account for the largest revenue source in the governmental type activities of the Village at 40% of the overall revenues. Charges for services, 13% of the total, include items such as business licenses, building permits, refuse pickup, and cable fees. Income Tax (17%) is the portion of state income tax that the State of Illinois distributes to the Village on a per capita basis. Utility taxes include electric, gas, and the municipal telecommunications tax, which accounted for 12% of the overall revenues. Other taxes of \$265,729 include use and replacement tax.

Expenses related to governmental activities totaled \$8,361,219 in the current fiscal year, representing a decrease of \$1,376,853 from the preceding fiscal year. Slightly over \$850,000 of the decrease relates to reductions in operating expenses such as payroll charges, commodities, and professional services. The remaining decrease, or slightly over \$500,000 relates to a reduction of capital asset purchases.

There were no contributions or transfers reported by the governmental activities in fiscal year end 2009 compared to the \$2,162,957 reported last fiscal year.

Business-Type Activities

Program revenues (amounts charged to residents for programs plus operating and capital grants) for business type activities totaled \$3,549,506 and general revenues totaled \$133,055 for a total of \$3,682,561 a decrease of \$111,708 from the preceding year. Charges for services increased by \$113,556 from 2008 to 2009 along with a \$75,000 grant received, however, all other revenue sources decreased from the prior year. The largest revenue decrease from the prior year was \$207,171 in the interest income area.

Expenses from business-type activities totaled \$4,601,473, compared to \$4,409,197 in the preceding year, an increase of \$192,276. From the previous year, operating expenses increased 5.4% (\$172,796), depreciation expense increased 1.7% (\$19,195), and interest expense went up \$285.

There were no contributions or transfers reported by the business-type activities in fiscal year end 2009 compared to the \$1,432,470 reported last fiscal year.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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

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

As of April 30, 2009, the Village's governmental funds reported combined ending fund balances of \$7,155,193, representing a decrease of \$593,893, or 7.6%, from the preceding year. Approximately 61.8% (\$4,420,331) constitutes unreserved, undesignated fund balance, which is available for spending at the village's discretion. The remainder of fund balance is reserved or designated, to indicate that it is not available for new spending because it has already been committed: 1) to pay debt service, or 2) for a variety of other restricted purposes.

General Fund. The General Fund is the main operating fund of the Village. At April 30, 2009 total fund balance was \$4,487,083, an increase of \$1,176,608 over the prior year fund balance. The following table summarizes General Fund revenues and expenditures, with a comparison to budget, for the fiscal year ended April 30, 2009.

	Final Budget	Actual	Variance	Percent Variance
Revenues				
Taxes	3,073,751	3,377,975	304,224	9.90%
Charges for service	576,011	570,213	(5,798)	(1.01%)
Licenses and permits	169,270	151,459	(17,811)	(10.52%)
Intergovernmental	2,252,046	2,146,916	(105,130)	(4.67%)
Fines	203,600	210,756	7,156	3.51%
Franchise fees	183,546	179,437	(4,109)	(2.24%)
Interest Income	79,797	67,240	(12,557)	(15.74%)
Miscellaneous income	77,769	131,459	53,690	69.04%
Other financing sources	800,000	800,000	0	0.00%
Total revenues	7,415,790	7,635,455	219,665	2.96%
Expenditures				
General government	2,285,795	1,782,858	502,937	22.00%
Police department	3,521,476	3,175,855	345,621	9.81%
Public works	1,221,084	922,582	298,502	24.45%
Community development	602,714	415,828	186,886	31.01%
Contingencies	221,682	-	221,682	100.00%
Capital Outlay	647,286	85,641	561,645	86.77%
Debt service	-	76,083	(76,083)	(100.00%)
Total expenditures	8,500,037	6,458,847	2,041,190	24.01%
Changes in fund balance	(1,084,247)	1,176,608	2,260,855	208.52%

As the chart shows, revenues were \$219,665, 2.96% over the final budget amount. Taxes were higher than budget as the Police Pension Fund property tax amount is included in the General Fund as both a revenue and an expense. Miscellaneous income was \$53,690 over the final budget mainly to School Resource Officer payments received that were not budgeted in fiscal year end 2009. Intergovernmental revenue is less than the budget amount due to only eleven payments received from the State in the fiscal year.

Expenditures were 24.01% under the final appropriated amount of \$8,500,037. Actual expenditures were less than the appropriation amount mainly due to the certain capital items not acquired, reduced payroll and related taxes, and no contingency funds used.

Other Governmental Funds. All other governmental fund type revenues were \$1,703,964, a decrease of \$304,075 from the prior year amount of \$2,008,039. The table below lists the revenue types and the change from the prior year.

	2009	2008	Dollar Change	Percent Change
Revenues				
Taxes	1,054,430	1,102,146	(47,716)	(4.33%)
Intergovernmental	569,774	491,939	77,835	15.82%
Recaptures	8,000	0	8,000	100.00%
Impact Fees	34,237	134,031	(99,794)	(74.46%)
Interest Income	35,523	215,891	(180,368)	(83.55%)
Miscellaneous income	2,000	64,032	(62,032)	(96.88%)
Total revenues	1,703,964	2,008,039	(304,075)	(15.14%)

All other governmental fund type expenditures were \$2,674,465, a decrease of \$2,725,151 from the prior year amount of \$5,399,616. The decrease is mainly the result of a reduction of capital expenses in the amount of \$2,401,471 from the previous year.

Proprietary funds. The Village's proprietary funds, the Water and Sewer and the Commuter Parking Lot Fund, provides the same type of information found in the government-wide financial statements, but in more detail.

The Water and Sewer Fund reported total operating income before depreciation expense of \$51,984. Operating revenue totaled \$3,408,738, a decrease of \$47,311 from the preceding year. Operating expenses excluding depreciation totaled \$3,356,754, an increase of \$125,621 from the prior year. Net loss before transfers and contributions totaled \$1,085,472. The total change in net assets reported for the current fiscal year was a negative \$984,692.

The Commuter Parking Lot Fund, new in fiscal year end 2009, reported total operating income before depreciation expense of \$67,418. Operating revenue totaled \$114,593 and operating expenses excluding depreciation totaled \$47,175. The total change in net assets reported for the current fiscal year was \$65,780.

Fiduciary funds. The Village's fiduciary funds consist of five agency funds and one Police Pension Trust Fund. Net assets held by the Police Pension Trust Fund totaled \$3,382,221 at April 30, 2009, a decrease of \$233,068 from the prior year, due to the fair value of investments decreasing by \$575,265. Additions to the pension trust fund totaled \$38,713 and deductions totaled \$271,781.

BUDGETARY INFORMATION

All funds operated within legal budgetary limitations during the year. In some funds, actual expenditures were significantly lower than budgeted amounts. The difference was generally due to actual capital expenditures lower than anticipated or delayed until a future fiscal year.

CAPITAL ASSETS

The Village's investment in capital assets for its governmental and business type activities as of April 30, 2009 was \$71,652,590 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, streets and related infrastructure. The total decrease in the Village's investment in capital assets for the year ended April 30, 2009 was \$841,630.

**Capital Assets (net of depreciation)
Fiscal Year Ended April 30, 2009**

Description	Governmental Activities		Business - Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$11,353,950	\$11,353,950	\$30,000	\$30,000	\$11,383,950	\$11,383,950
Construction in progress	745,681	97,118	277,037	104,028	1,022,718	201,146
Buildings	8,308,990	8,522,734	0	0	8,308,990	8,522,734
Land Improvements	553,874	605,626	0	0	553,874	605,626
Vehicles and equipment	471,387	717,434	310,333	390,297	781,720	1,107,731
Infrastructure	14,044,758	14,232,028	35,556,580	36,441,005	49,601,338	50,673,033
Totals	<u>\$35,478,640</u>	<u>\$35,528,890</u>	<u>\$36,173,950</u>	<u>\$36,965,330</u>	<u>\$71,652,590</u>	<u>\$72,494,220</u>

Governmental activities capital assets decreased \$50,250 from the prior year and business-type activities capital assets decreased 2.14%. Major capital asset events during the current fiscal year include the following:

- The capitalization of \$113,970 for the Lakeview Lift Station.
- The completion of roadway resurfacing improvements to Alpine, Pineview, and Hillandale capitalized at \$122,272.
- Depreciation expense in the governmental and business-type activities totaled \$792,380 and \$1,137,456, respectively in the current fiscal year.

DEBT ADMINISTRATION

As of April 30, 2009, the Village had five debt issues outstanding which include general obligation bonds and debt certificates, along with one note payable and one capital lease. At the end of the current fiscal year, the Village of Round Lake had \$16,836,777 total debt outstanding as shown by the table below.

**Outstanding Debt
Fiscal Year Ended April 30, 2009**

Description	Governmental Activities	Business Type Activities	Total
General Obligation Bonds	\$2,054,000	\$1,310,000	\$3,364,000
Debt Securities	13,420,000	0	13,420,000
Notes Payable	-	37,492	37,492
Capital Leases	15,285	0	15,285
Total	<u>\$15,489,285</u>	<u>\$1,347,492</u>	<u>\$16,836,777</u>

During the year the Village's total outstanding debt decreased by \$915,397. \$272,000 of general obligation bonds and \$565,000 of debt certificates were retired during the fiscal year. Capital leases and notes payable had reductions of \$78,397 combined. There was no new issuance of debt for the fiscal year ended April 30, 2009.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

General economic conditions are expected to continue to be poor in the fiscal year beginning May 1, 2009 and ending April 30, 2010. With general economic conditions as such, it is anticipated that no new development will occur in the near future. Although economic revenues are balanced with property tax revenues, certain tax revenues that are impacted by the economy will need to be monitored carefully, such as sales or income tax. Both revenue sources are expected to decline in the upcoming year.

In addition, Village officials considered many factors when setting the fiscal year 2009-2010 budget and the associated property tax rates and charges for services. These factors include anticipated costs and revenues associated with growth, completion of capital projects and an assessment of future staffing needs.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Round Lake's for all those with an interest in the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Steven J. Shields, Director of Finance, Village of Round Lake, 442 N. Cedar Lake Road, Round Lake, IL 60073.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF NET ASSETS - MODIFIED CASH BASIS

APRIL 30, 2009

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 7,168,243	\$ 7,078,237	\$ 14,246,480
Due from fiduciary funds	409	-	409
Capital assets not being depreciated	12,099,631	307,037	12,406,668
Capital assets (net of accumulated depreciation)	23,379,009	35,866,913	59,245,922
Total assets	42,647,292	43,252,187	85,899,479
LIABILITIES			
Payroll withholdings payable	1,249	-	1,249
Escrow deposits	12,210	-	12,210
Other liabilities	-	10,065	10,065
Noncurrent liabilities			
Due within one year	795,285	93,403	888,688
Due within more than one year	14,694,000	1,254,089	15,948,089
Total liabilities	15,502,744	1,357,557	16,860,301
NET ASSETS			
Invested in capital assets, net of related debt	19,989,355	34,863,950	54,853,305
Restricted for			
Streets	161,435	-	161,435
Working cash	642,630	-	642,630
Debt service	267,700	-	267,700
Specific purposes	1,663,097	-	1,663,097
Unrestricted	4,420,331	7,030,680	11,451,011
TOTAL NET ASSETS	\$ 27,144,548	\$ 41,894,630	\$ 69,039,178

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2009

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 2,065,553	\$ 904,111	\$ -	\$ -
Public safety	3,420,180	207,755	9,235	-
Public works	1,594,009	-	462,844	106,930
Community development	422,201	-	-	-
Interest	859,276	-	-	-
Total governmental activities	8,361,219	1,111,866	472,079	106,930
Business-Type Activities				
Water and sewer	4,552,518	3,359,913	-	75,000
Parking lot	48,955	114,593	-	-
Total business-type activities	4,601,473	3,474,506	-	75,000
TOTAL PRIMARY GOVERNMENT	\$ 12,962,692	\$ 4,586,372	\$ 472,079	\$ 181,930

	Net (Expense) Revenue and Change in Net Assets		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (1,161,442)	\$ -	\$ (1,161,442)
	(3,203,190)	-	(3,203,190)
	(1,024,235)	-	(1,024,235)
	(422,201)	-	(422,201)
	(859,276)	-	(859,276)
	<u>(6,670,344)</u>	<u>-</u>	<u>(6,670,344)</u>
	-	(1,117,605)	(1,117,605)
	-	65,638	65,638
	<u>-</u>	<u>(1,051,967)</u>	<u>(1,051,967)</u>
	<u>(6,670,344)</u>	<u>(1,051,967)</u>	<u>(7,722,311)</u>
General Revenues			
Taxes			
Property	3,430,046	-	3,430,046
Replacement	25,408	-	25,408
Sales	432,654	-	432,654
Income	1,439,298	-	1,439,298
Utility	1,002,360	-	1,002,360
Other	240,321	-	240,321
Impact and traffic fees	34,237	-	34,237
Recapture fees	8,000	-	8,000
Investment income	102,761	84,230	186,991
Miscellaneous	133,459	48,825	182,284
	<u>6,848,544</u>	<u>133,055</u>	<u>6,981,599</u>
CHANGE IN NET ASSETS	<u>178,200</u>	<u>(918,912)</u>	<u>(740,712)</u>
NET ASSETS, MAY 1	26,920,802	42,859,088	69,779,890
Prior period adjustment	<u>45,546</u>	<u>(45,546)</u>	<u>-</u>
NET ASSETS, MAY 1, RESTATED	<u>26,966,348</u>	<u>42,813,542</u>	<u>69,779,890</u>
NET ASSETS, APRIL 30	<u>\$ 27,144,548</u>	<u>\$ 41,894,630</u>	<u>\$ 69,039,178</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH BASIS

April 30, 2009

	General	Nonmajor Governmental	Total
ASSETS			
Cash	\$ 5,130,544	\$ 2,037,699	\$ 7,168,243
Due from other funds	-	7,759	7,759
Due from fiduciary funds	409	-	409
Advance to other funds	-	630,411	630,411
TOTAL ASSETS	\$ 5,130,953	\$ 2,675,869	\$ 7,806,822
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Payroll withholdings payable	\$ 1,249	\$ -	\$ 1,249
Escrow deposits	12,210	-	12,210
Due to other funds	-	7,759	7,759
Advance from other funds	630,411	-	630,411
Total liabilities	643,870	7,759	651,629
FUND BALANCES			
Reserved for:			
Audit	25,942	-	25,942
Retirement	40,810	-	40,810
Streets	-	161,435	161,435
Working cash	-	642,630	642,630
Debt service	-	267,700	267,700
Specific purposes	-	1,596,345	1,596,345
Unreserved	4,420,331	-	4,420,331
Total fund balances	4,487,083	2,668,110	7,155,193
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,130,953	\$ 2,675,869	\$ 7,806,822

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

RECONCILIATION OF FUND BALANCES ARISING FROM CASH BASIS
OF THE GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES
IN THE STATEMENT OF NET ASSETS - MODIFIED CASH BASIS

APRIL 30, 2009

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 7,155,193
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	35,478,640
Long-term liabilities, including installment contracts, are not due and payable in the current period and, therefore, are not reported in the governmental funds	<u>(15,489,285)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 27,144,548</u></u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCES - CASH BASIS

For the Year Ended April 30, 2009

	General	Nonmajor Governmental	Total
REVENUES COLLECTED			
Taxes	\$ 3,377,975	\$ 1,054,430	\$ 4,432,405
Intergovernmental	2,146,916	569,774	2,716,690
Licenses and permits	151,459	-	151,459
Fines	210,756	-	210,756
Charges for service	570,213	-	570,213
Impact fees	-	34,237	34,237
Recapture fees	-	8,000	8,000
Investment income	67,240	35,523	102,763
Miscellaneous	310,896	2,000	312,896
Total revenues collected	6,835,455	1,703,964	8,539,419
EXPENDITURES PAID			
Current			
General government	1,782,858	56,426	1,839,284
Public safety	3,175,855	-	3,175,855
Public works	922,582	72,629	995,211
Community development	415,828	-	415,828
Debt service			
Principal retirement	70,343	752,000	822,343
Interest and fiscal charges	5,740	853,536	859,276
Capital outlay	85,641	939,874	1,025,515
Total expenditures paid	6,458,847	2,674,465	9,133,312
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	376,608	(970,501)	(593,893)
OTHER FINANCING SOURCES (USES)			
Transfers in	800,000	2,218,048	3,018,048
Transfers (out)	-	(3,018,048)	(3,018,048)
Total other financing sources (uses)	800,000	(800,000)	-
NET CHANGE IN FUND BALANCES	1,176,608	(1,770,501)	(593,893)
FUND BALANCES, MAY 1	3,310,475	4,438,611	7,749,086
FUND BALANCES, APRIL 30	\$ 4,487,083	\$ 2,668,110	\$ 7,155,193

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES
COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES -
CASH BASIS - TO THE GOVERNMENTAL ACTIVITIES IN
THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2009

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (593,893)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	788,322
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(792,380)
The loss on disposal of a capital asset does not require the use of current financial resources, and therefore is not reported as an expenditure in governmental funds	(46,192)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	<u>822,343</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 178,200</u></u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
ARISING FROM MODIFIED CASH BASIS
PROPRIETARY FUNDS

April 30, 2009

	Water and Sewer	Nonmajor Enterprise Fund	Total
ASSETS			
Cash and investments	\$ 7,020,511	\$ 57,726	\$ 7,078,237
Capital assets not being depreciated	307,037	-	307,037
Capital assets (net of accumulated depreciation)	35,866,913	-	35,866,913
 Total assets	 43,194,461	 57,726	 43,252,187
LIABILITIES			
Current liabilities			
Other liabilities	10,065	-	10,065
Noncurrent liabilities			
Due within one year	85,000	8,403	93,403
Due within more than one year	1,225,000	29,089	1,254,089
 Total liabilities	 1,320,065	 37,492	 1,357,557
NET ASSETS			
Invested in capital assets, net of related debt	34,863,950	-	34,863,950
Unrestricted	7,010,446	20,234	7,030,680
 TOTAL NET ASSETS	 \$ 41,874,396	 \$ 20,234	 \$ 41,894,630

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN NET ASSETS - MODIFIED CASH BASIS
PROPRIETARY FUNDS

For the Year Ended April 30, 2009

	Water and Sewer Fund	Nonmajor Enterprise Fund	Total
OPERATING REVENUES			
Charges for services	\$ 3,359,913	\$ 114,593	\$ 3,474,506
Miscellaneous	48,825	-	48,825
Total operating revenues	<u>3,408,738</u>	<u>114,593</u>	<u>3,523,331</u>
OPERATING EXPENSES			
Operations	<u>3,356,754</u>	<u>47,175</u>	<u>3,403,929</u>
Total operating expenses	<u>3,356,754</u>	<u>47,175</u>	<u>3,403,929</u>
OPERATING INCOME BEFORE DEPRECIATION			
	51,984	67,418	119,402
Depreciation	<u>1,137,456</u>	<u>-</u>	<u>1,137,456</u>
OPERATING INCOME (LOSS)	<u>(1,085,472)</u>	<u>67,418</u>	<u>(1,018,054)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	84,088	142	84,230
Grant	75,000	-	75,000
Interest expense	<u>(58,308)</u>	<u>(1,780)</u>	<u>(60,088)</u>
Total nonoperating revenues (expenses)	<u>100,780</u>	<u>(1,638)</u>	<u>99,142</u>
CHANGE IN NET ASSETS	<u>(984,692)</u>	<u>65,780</u>	<u>(918,912)</u>
NET ASSETS, MAY 1	42,859,088	-	42,859,088
Prior period adjustment	<u>-</u>	<u>(45,546)</u>	<u>(45,546)</u>
NET ASSETS, MAY 1, RESTATED	<u>42,859,088</u>	<u>(45,546)</u>	<u>42,813,542</u>
NET ASSETS, APRIL 30	<u>\$ 41,874,396</u>	<u>\$ 20,234</u>	<u>\$ 41,894,630</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2009

	Water and Sewer Fund	Nonmajor Enterprise Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 3,419,652	\$ 114,593	\$ 3,534,245
Payments to suppliers	(3,357,603)	(47,175)	(3,404,778)
Net cash from operating activities	62,049	67,418	129,467
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
None	-	-	-
Net cash from noncapital financing activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital assets purchased	(346,076)	-	(346,076)
Grants	75,000	-	75,000
Bond principal payments	(85,000)	(8,054)	(93,054)
Bond interest payments	(58,308)	(1,780)	(60,088)
Net cash from capital and related financing activities	(414,384)	(9,834)	(424,218)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	84,088	142	84,230
Net cash from investing activities	84,088	142	84,230
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(268,247)	57,726	(210,521)
CASH AND CASH EQUIVALENTS, MAY 1	7,288,758	-	7,288,758
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 7,020,511</u>	<u>\$ 57,726</u>	<u>\$ 7,078,237</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,085,472)	\$ 67,418	\$ (1,018,054)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	1,137,456	-	1,137,456
Other liabilities	10,065	-	10,065
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 62,049</u>	<u>\$ 67,418</u>	<u>\$ 129,467</u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
ARISING FROM MODIFIED CASH BASIS
FIDUCIARY FUNDS

April 30, 2009

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 358,704	\$ 1,674,377
Investments		
U.S. Treasury obligations	317,551	-
U.S. agency obligations	1,381,223	-
Money market mutual funds	1,244,796	-
Life insurance contracts	79,947	-
Total assets	<u>3,382,221</u>	<u>\$ 1,674,377</u>
LIABILITIES		
Deposits payable	-	\$ 74,270
Due to other funds	-	409
Other payables	-	1,599,698
Total liabilities	<u>-</u>	<u>\$ 1,674,377</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 3,382,221</u>	

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN NET ASSETS - MODIFIED CASH BASIS
PENSION TRUST FUND

For the Year Ended April 30, 2009

ADDITIONS	
Contributions - employer	\$ 276,974
Contributions - employee	<u>133,966</u>
Total contributions	<u>410,940</u>
Investment income	
Net appreciation (depreciation) in fair value of investments	(575,265)
Interest earned on investments	<u>206,595</u>
Total investment income	(368,670)
Less investment expense	<u>(3,557)</u>
Net investment income	<u>(372,227)</u>
Total additions	<u>38,713</u>
DEDUCTIONS	
Benefits and refunds	
Refund of contribution	31,381
Retirement pension	133,196
Disability pension	75,460
Administrative	<u>31,744</u>
Total deductions	<u>271,781</u>
NET INCREASE (DECREASE)	(233,068)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
May 1	<u>3,615,289</u>
April 30	<u><u>\$ 3,382,221</u></u>

See accompanying notes to financial statements.

VILLAGE OF ROUND LAKE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Round Lake, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)), except as described in Note 1d. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a body corporate and politic established under Illinois Compiled Statutes (ILCS) governed by an elected Mayor/Board of Trustees. These financial statements present the Village and its component units as required by GAAP. The following component units have all been blended into the Village's reporting entity since, while governed by boards appointed by the Trustees of the Village, the component units are not legally separate entities as defined by ILCS: Police Pension Employees Retirement System.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds) and the management of funds held in trust that can be used for governmental services (permanent fund). The general fund is used to account for all activities of the Village not accounted for in some other fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes a pension trust fund which is generally used to account for assets that the Village holds in a fiduciary capacity and agency funds which are used to account for funds held by the Village in an agent capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the Village, except those required to be accounted for in another fund.

The Village reports the following major proprietary funds:

The Water and Sewer Fund accounts for the provision of water and wastewater services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund and agency funds for special service areas and impact fees.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide, proprietary and fiduciary financial statements are reported using the economic resources measurement focus and using the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Revenues are recorded at the time of receipt by the Village. Expenses are recorded when the funds are disbursed. Depreciation of capital assets has also been shown on the government-wide financial statements. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with accounting principles generally accepted in the United States of America.

Governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Revenues are recorded at the time of receipt by the Village. Expenditures are recorded when the funds are disbursed. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with accounting principles generally accepted in the United States of America.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, nonnegotiable certificates of deposit and investments with maturity of less than one year at date of purchase are stated at amortized cost. All other investments are stated at fair value. All investments of the pension trust fund are stated at fair value. Fair value has been based on quoted market prices at April 30, 2009 for debt and equity securities.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. Short-term interfund loans, if any, are classified as “interfund receivables/payables.” Long-term portions are classified as “advances from other funds” or “advances to other funds.”

g. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$5,000 (except for land which has no threshold) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-45
Equipment and vehicles	5-10
Water and sewer infrastructure	30-50
Other infrastructure	10-50

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Principal payments on long-term debt are recorded as expenditures in the fund financial statements but as a reduction of a liability on the government-wide and proprietary fund statements.

i. Fund Balance/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance, if any, represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. None of the Village's assets are restricted based on the Village's own enabling legislation. Invested in capital assets, net of related debt is the book value of the capital assets less the principal balance of any long-term debt issued to construct or acquire the capital assets.

2. DEPOSITS AND INVESTMENTS

The Village's investment policy authorizes the Village to invest in debt securities guaranteed by the United States (explicitly or implicitly), interest bearing savings and money market accounts (also interest bearing time deposits if FDIC insured and credit if main office is located in Illinois), interest bearing certificates of deposit and Illinois Funds (a money market fund created by the State legislature under the control of the State Treasurer that maintains a \$1 share value).

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds using "good judgment and care" for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

The Village maintains a cash pool that is available for use by all funds. In addition, cash and investments are separately held by several of the Village's funds.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral at a minimum of 110% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name.

Village Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2009:

	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater Than 10
Illinois Funds	\$ 1,236,916	\$ 1,236,916	\$ -	\$ -	\$ -
TOTAL	\$ 1,236,916	\$ 1,236,916	\$ -	\$ -	\$ -

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to meet daily cash flow requirements for ongoing operations in order to maximize yield on longer term investments by avoiding having to sell securities on the open market before maturity and by investing operating funds in shorter term securities, money market mutual funds or external investment pools.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in Illinois Funds. Illinois Funds is rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third-party custodian evidenced by safekeeping receipts.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Village Investments (Continued)

Concentration of credit risk is the risk that the Village has too high a percentage of their investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk.

Police Pension Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2009:

	Investment Maturities in Years				
	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury	\$ 317,552	\$ 87,725	\$ 174,761	\$ 55,066	\$ -
U.S. agency securities	1,381,223	-	510,396	118,753	752,074
Mutual Funds	59,400	59,400	-	-	-
Illinois Funds	6,897	6,897	-	-	-
TOTAL	\$ 1,765,072	\$ 154,022	\$ 685,157	\$ 173,819	\$ 752,074

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to meet daily cash flow requirements for ongoing operations in order to maximize yield on longer term investments by avoiding having to sell securities on the open market before maturity and by investing operating funds in shorter term securities, money market mutual funds or external investment pools. The Police Pension Fund's investment policy requires that securities purchased will not have a maturity of more than one year unless matched to a specific cash flow.

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in investments approved by the Illinois Pension Code. The U.S. agency obligations and money market mutual funds are rate AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third-party custodian approved by the Police Pension Fund Board and evidenced by safekeeping receipts.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Police Pension Investments (Continued)

Concentration of credit risk is the risk that the Police Pension Fund has too high a percentage of their investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk.

3. PROPERTY TAX CALENDAR

The following information gives significant dates on the property tax calendar of the Village.

- The property tax lien date is January 1;
- Property taxes are due to the County Collector in two installments, June 1 and September 1; and
- Property taxes for 2008 were levied in December 2008 and are normally received monthly beginning in June and generally ending by December 2009.

4. CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year ended April 30, 2009 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 11,353,950	\$ -	\$ -	\$ 11,353,950
Construction in progress	97,118	648,563	-	745,681
Total capital assets not being depreciated	11,451,068	648,563	-	12,099,631
Capital assets being depreciated				
Buildings	9,249,505	-	-	9,249,505
Land improvements	877,587	-	-	877,587
Vehicles and equipment	1,898,880	17,487	46,192	1,870,175
Infrastructure	14,718,133	122,272	-	14,840,405
Total capital assets being depreciated	26,744,105	139,759	46,192	26,837,672

VILLAGE OF ROUND LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Governmental Activities (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Buildings	\$ 726,771	\$ 213,744	\$ -	\$ 940,515
Land improvements	271,961	51,752	-	323,713
Vehicles and equipment	1,181,446	217,342	-	1,398,788
Infrastructure	486,105	309,542	-	795,647
Total accumulated depreciation	2,666,283	792,380	-	3,458,663
Total capital assets being depreciated, net	24,077,822	(652,621)	46,192	23,379,009
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 35,528,890	\$ (4,058)	\$ 46,192	\$ 35,478,640

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

GOVERNMENTAL ACTIVITIES		
General government		\$ 270,910
Public safety		167,531
Public works		349,160
Community development		4,779
TOTAL		<u>\$ 792,380</u>

Business-Type Activities

Business-type capital asset activity for the year ended April 30, 2009 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Construction in progress	\$ 104,028	\$ 286,979	\$ 113,970	\$ 277,037
Land	30,000	-	-	30,000
Total capital assets not being depreciated	134,028	286,979	113,970	307,037
Capital assets being depreciated				
Infrastructure	41,227,597	139,100	-	41,366,697
Vehicles and equipment	552,674	33,967	-	586,641
Total capital assets being depreciated	41,780,271	173,067	-	41,953,338

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Business-Type Activities (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES (Continued)				
Less accumulated depreciation for				
Infrastructure	\$ 4,786,592	\$ 1,023,525	\$ -	\$ 5,810,117
Vehicles and equipment	162,377	113,931	-	276,308
Total accumulated depreciation	4,948,969	1,137,456	-	6,086,425
 Total capital assets being depreciated, net	 36,831,302	 (964,389)	 -	 35,866,913
 BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 36,965,330	\$ (677,410)	\$ 113,970	\$ 36,173,950

5. LONG-TERM DEBT

A summary of long-term debt of the Village for the year ended April 30, 2009 consisted of the following:

a. General Obligation Bonds

Issue	Fund Debt Retired by	Balances May 1, 2008	Issuances	Retirements	Balances April 30, 2009	Current Portion
General Obligation (Alternate Revenue Source) Bonds, Series 2000, are due in annual installments of \$30,000 through January 1, 2009, interest rates ranging from 5.45% to 5.60%, and payments are due semi-annually on January 1 and July 1.	Utility Tax	\$ 30,000	\$ -	\$ 30,000	-	\$ -
General Obligation (Alternate Revenue Source) Bonds, Series 2003C, are due in annual installments ranging from \$80,000 to \$525,000 through January 1, 2021, interest rates range from 2.375% to 4.80%, and payments are due semi-annually on January 1 and July 1.	Water and Sewer	1,395,000	-	85,000	1,310,000	85,000

VILLAGE OF ROUND LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Issue	Fund Debt Retired by	Balances May 1, 2008	Issuances	Retirements	Balances April 30, 2009	Current Portion
General Obligation (Alternate Revenue Source) Bonds, Series 2005, are due in annual installments ranging from \$35,000 to \$275,000 through January 1, 2018, interest rates range from 2.60% to 4.10%, and payments are due semi-annually on January 1 and July 1.	Utility Tax	\$ 2,211,000	\$ -	\$ 157,000	\$ 2,054,000	\$ 195,000
TOTAL		\$ 3,636,000	\$ -	\$ 272,000	\$ 3,364,000	\$ 280,000

b. Certificates

Issue	Fund Debt Retired by	Balances May 1, 2008	Issuances	Retirements	Balances April 30, 2009	Current Portion
General Obligation Debt Certificates, Series 2003A, are due in annual installments ranging from \$75,000 to \$135,000 through January 1, 2021, interest rates range from 2.75% to 5.20%, and payments are due semi-annually on January 1 and July 1.	Developer Fees	\$ 1,345,000	\$ -	\$ 80,000	\$ 1,265,000	\$ 85,000
General Obligation Debt Certificates, Series 2003B, are due in annual installments ranging from \$235,000 to \$270,000 through January 1, 2009, interest rates range from 2.50% to 4.50%, and payments are due semi-annually on January 1 and July 1.	Developer Fees	270,000	-	270,000	-	-
General Obligation Debt Certificates, Series 2003D, are due in annual installments ranging from \$205,000 to \$515,000 through January 1, 2022, interest rates range from 4.40% to 5.30%, and payments are due semi-annually on January 1 and July 1.	Utility Tax	4,045,000	-	215,000	3,830,000	220,000

VILLAGE OF ROUND LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Certificates (Continued)

Issue	Fund Debt Retired by	Balances May 1, 2008	Issuances	Retirements	Balances April 30, 2009	Current Portion
General Obligation Debt Certificates, Series 2007, are due in annual installments ranging from \$280,000 to \$725,000 through January 1, 2027, interest rates range from 5.30% to 6.30%, and payments are due semi-annually on January 1 and July 1.	Utility Tax	\$ 8,325,000	\$ -	\$ -	\$ 8,325,000	\$ 280,000
TOTAL		\$ 13,985,000	\$ -	\$ 565,000	\$ 13,420,000	\$ 585,000

c. Notes Payable

Issue	Fund Debt Retired by	Balances May 1, 2008	Issuances	Retirements	Balances April 30, 2009	Current Portion
Note payable in the amount of \$80,000, dated June 2003, interest rate of 4.25%, with a final maturity date of June 17, 2013.	Parking Lot Fees	\$ 45,546	\$ -	\$ 8,054	\$ 37,492	\$ 8,403
TOTAL		\$ 45,546	\$ -	\$ 8,054	\$ 37,492	\$ 8,403

d. Capital Leases

Issue	Fund Debt Retired by	Balances May 1, 2008	Issuances	Retirements	Balances April 30, 2009	Current Portion
Capital leases in the amount of \$168,366, dated July 7, 2006 and August 11, 2006, interest rate of 6.60%, with a final maturity dates of July 7 and August 11, 2008.	General	\$ 56,046	\$ -	\$ 56,046	\$ -	\$ -
Capital leases in the amount of \$45,921, dated August 31, 2007, interest rate of 6.90%, with a final maturity date of August 31, 2009.	General	29,582	-	14,297	15,285	15,285
TOTAL		\$ 85,628	\$ -	\$ 70,343	\$ 15,285	\$ 15,285

VILLAGE OF ROUND LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

e. Long-Term Liabilities Summarized

Transactions for the year ended April 30, 2009 are summarized as follows:

	Beginning Balance, Restated	Additions	Deductions	Ending Balance, Restated	Due Within One Year
Governmental Activities					
General obligation bonds	\$ 2,241,000	\$ -	\$ 187,000	\$ 2,054,000	\$ 195,000
Debt certificates	13,985,000	-	565,000	13,420,000	585,000
Capital leases	85,628		70,343	15,285	15,285
Total governmental activities	16,311,628	-	822,343	15,489,285	795,285
Business-Type Activities					
General obligation bonds	1,395,000	-	85,000	1,310,000	85,000
Notes payable	45,546	-	8,054	37,492	8,403
Total business-type activities	1,440,546	-	93,054	1,347,492	93,403
TOTAL GOVERNMENT	\$ 17,752,174	\$ -	\$ 915,397	\$ 16,836,777	\$ 888,688

f. Debt Service to Maturity

The annual requirements to amortize all debt outstanding of the Village, except the net pension obligation, as of April 30, 2009 are as follows:

Bonds

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 195,000	\$ 80,653	\$ 275,653	\$ 85,000	\$ 55,133	\$ 140,133
2011	200,000	74,315	274,315	90,000	52,285	142,285
2012	205,000	66,315	271,315	95,000	49,045	144,045
2013	215,000	58,115	273,115	95,000	45,483	140,483
2014	225,000	49,515	274,515	100,000	41,778	141,778
2015-2019	1,014,000	105,650	1,119,650	575,000	141,198	716,198
2020-2024	-	-	-	270,000	19,225	289,225
TOTAL	\$ 2,054,000	\$ 434,563	\$ 2,488,563	\$ 1,310,000	\$ 404,147	\$ 1,714,147

VILLAGE OF ROUND LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

f. Debt Service to Maturity (Continued)

Notes Payable

Fiscal Year	Principal	Interest	Total
2010	\$ 8,403	\$ 1,431	\$ 9,834
2011	8,767	1,067	9,834
2012	9,147	687	9,834
2013	9,544	290	9,834
2014	1,631	8	1,639
TOTAL	\$ 37,492	\$ 3,483	\$ 40,975

Capital Leases

Fiscal Year	Principal	Interest	Total
2010	\$ 15,285	\$ 1,054	\$ 16,339
TOTAL	\$ 15,285	\$ 1,054	\$ 16,339

Certificates

Fiscal Year	Principal	Interest	Total
2010	\$ 585,000	\$ 738,273	\$ 1,323,273
2011	610,000	710,565	1,320,565
2012	635,000	681,525	1,316,525
2013	670,000	650,550	1,320,550
2014	700,000	617,200	1,317,200
2015-2019	4,025,000	2,504,595	6,529,595
2020-2024	4,150,000	1,314,788	5,464,788
2025-2027	2,045,000	263,024	2,308,024
TOTAL	\$ 13,420,000	\$ 7,480,520	\$ 20,900,520

5. LONG-TERM DEBT (Continued)

g. Special Service Area Debt Without Village Obligation

Special Service Area #1 - The Village issued special tax bonds in the fiscal year ended 2003 in the amount of \$12,600,000 for improvements within SSA #1. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #1 issued Special Tax Refunding Bonds, Series 2007 with a face value of \$13,000,000, bearing interest ranging from 5.00% to 9.00%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund the Prior SSA One Bonds. These bonds are payable by tax levy from the Special Service Area #1 only, and are not Village obligations. SSA One Bonds outstanding at April 30, 2009 were \$12,815,000, and Refunding Bonds outstanding at April 30, 2009 were \$12,428,000.

Special Service Area #3 - The Village issued special tax bonds in the fiscal year ended 2004 in the amount of \$3,570,000 for improvements within SSA #3. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #3 issued Special Tax Refunding Bonds, Series 2007 with a face value of \$4,040,000 bearing interest ranging from 4.70% to 5.50%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund Prior SSA Three Bonds. These bonds are payable by tax levy from the Special Service Area #3 only, and are not Village obligations. SSA Three Bonds outstanding at April 30, 2009 were \$3,968,000, and Refunding Bonds outstanding at April 30, 2009 were \$3,489,000.

Special Service Area #4 - The Village issued special tax bonds in the fiscal year ended 2004 in the amount of \$5,040,000 for improvements within SSA #4. During the fiscal year ended 2007, the Village, as agent for Lakewood Grove Special Service Area #4 issued Special Tax Refunding Bonds, Series 2007 with a face value of \$5,750,000 and an interest rate of 6.75%. A portion of the sale of the bonds has been deposited into an escrow account to be used to advance refund Prior SSA Four Bonds. These bonds are payable by tax levy from the Special Service Area #4 only, and are not Village obligations. SSA Four Bonds outstanding at April 30, 2009 were \$5,634,000, and Refunding Bonds outstanding at April 30, 2009 were \$4,968,000.

These Special Service Area Bonds are treated as special service area no commitment debt without Village obligation. The Village acts only as an agent for the property owners in collecting assessments and forwarding payments to the bond paying agent. Transactions are recorded in an agency fund. The bonds are not reflected in long-term debt.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

h. Prior Years' Debt Defeasance

In prior years, the Village has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the Village's government-wide financial statements. As of April 30, 2009, the amount of defeased debt outstanding but removed from liabilities amounted to \$1,065,000 from the Series 1998A issue, \$845,000 from the Series 1998B issue and \$290,000 from the Series 2000 issue.

6. INTERFUND ACTIVITY

Interfund transfers during the year ended April 30, 2009 consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 800,000	\$ -
Nonmajor Governmental Funds	2,218,048	3,018,048
TOTAL	<u>\$ 3,018,048</u>	<u>\$ 3,018,048</u>

Significant transfers between funds for the year ended April 30, 2009 consist of the following:

- \$800,000 transferred from the Utility Tax Fund to the General Fund to support general operations.
- \$1,811,830 transferred to the Capital Projects Fund. \$1,454,276 transferred from the Utility Tax Fund to support current and future capital projects of the fund and to close out the Utility Tax Fund. \$357,554 transferred from the Traffic Fund to support current and future capital projects of the fund and to close out the Traffic Fund.
- \$406,218 of developer impact fee revenue transferred from the Developer Fee Fund to the 2003 Debt Service Fund to support debt service payments for the 2003A, 2003B, and 2003D Debt Series, and to close out the Developer Fee Fund.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. INTERFUND ACTIVITY (Continued)

Interfund payables and receivables at April 30, 2009 consisted of the following:

	Payable Fund	Receivable Fund
General Fund	\$ -	\$ 409
Nonmajor Governmental Funds	7,759	7,759
Agency Funds	409	-
TOTAL	\$ 8,168	\$ 8,168

Interfund payables and receivables at April 30, 2009 consist of the following:

- The 2007 Bonds Debt Service Fund owes the 2003 Bonds Debt Service Fund \$1,711 for a temporary cash advance related to paying agent fees. Repayment is expected within one year.
- The Capital Projects Fund owes the 2000 and 2005 Bonds Debt Service Fund \$6,588 for an adjustment to gas utility tax allocation. Repayment is expected within one year.
- The General Fund is owed \$409. The Builders Escrow Fund and the Impact Fee Fund owes the General Fund \$249 and \$159 for interest earned on cash balances in these funds. Repayment for both is expected within one year.

Interfund advances at April 30, 2009 consisted of the following:

	Payable Fund	Receivable Fund
General Fund	\$ 630,411	\$ -
Nonmajor Governmental Funds	-	630,411
TOTAL	\$ 630,411	\$ 630,411

- The General Fund owes the Working Cash Fund \$630,410 representing a loan supported by General Fund revenues. As of April 30, 2009, no repayment schedule has been established.

7. RISK MANAGEMENT

The Village purchases health, dental and life insurance from various insurance brokers for the benefit of its employees.

Illinois Municipal League Risk Management Association

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

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IMLRMA beyond its representation on the Board of Directors. Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IMLRMA and experience modification factors based on past member loss experience. Each member assumes the first \$1,000 of each occurrence, and IMLRMA has self-insurance retentions at various amounts above that level. Members have a contractual obligation to fund any deficit of IMLRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village's payments to IMLRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. The coverages provided by IMLRMA are generally consistent with the coverages in the prior year. The Village incurred no losses in excess of coverages for each of the past three fiscal years.

8. COMMITMENTS AND CONTINGENCIES

a. Litigation

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

b. Grants

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

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

8. COMMITMENTS AND CONTINGENCIES (Continued)

c. Solid Waste Agency of Lake County (SWALCO)

The Village's contract with SWALCO provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

d. Construction contracts

The Village has entered into contracts for the construction or renovation of various facilities as follows:

	Purpose	Expended to Date	Total Commitment
Alpine & Cedarcrest Roadway Project	Reconstruction of roadway, and to add curbs gutters and storm sewers.	\$ 474,800	\$ 607,456
Village Hall Annex Remodel	Remodel the Village Hall Annex, adding new rooms and making ADA accessible.	85,411	626,476
East Metra Lot Construction	Replace old lot and reconstruct new lot with added spaces, decorative lighting, and new lot machines.	182,466	316,494
ITEP Beautification Project	Move old concrete bins and replace with green space.	102,186	176,898
Sanitary Sewer Flow Monitoring	Study of flow monitoring in the Village to identify inflow and infiltration	4,200	33,300
Alpine & Cedarcrest Project Watermain	Upsize the current watermain on the above roadway project	277,067	316,257
Water & Sewer Rate Study	Consultant services for an analysis of the water and sewer rates, and rate structure	2,467	22,500

9. JOINT VENTURES

Solid Waste Agency of Lake County (SWALCO)

Description of Joint Venture

The Village is a member of SWALCO, which consists of thirty-five municipalities. SWALCO is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWALCO is empowered under the Act to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members.

These percentage shares are subject to change in future years based on the combination of the population and equalized assessed valuation of the municipalities.

The members form a contiguous geographic service area, which is located in Lake County. Under the Agency Agreement, additional members may join SWALCO upon the approval of each member.

SWALCO is governed by a Board of Directors, which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWALCO are appointed by the Board of Directors. The Board of Directors determines the general policy of SWALCO; makes all appropriations; approves contracts; adopts resolutions providing for the issuance of bonds or notes by SWALCO; adopts bylaws, rules and regulations; and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the bylaws.

SWALCO is an oversight advisory board providing long-range planning services to member municipalities. The Village is a participant in SWALCO, but no agreement has been reached as to services to be provided. The Village made no payments to SWALCO for the year ended April 30, 2009.

Complete financial statements can be obtained from the Solid Waste Agency of Lake County, 1300 N. Skokie Highway, Suite 103, Gurnee, Illinois 60031.

The Village does not have an equity interest in SWALCO at April 30, 2009.

CenCom E-911 Joint Emergency Telephone System

The Village is a member of CenCom E-911 Joint Emergency Telephone System. The Village's contribution to CenCom is reflected as an operating disbursement of the general fund.

The purpose of the joint agreement is to provide joint and mutual operation of an E-911 emergency telephone system.

9. JOINT VENTURES (Continued)

CenCom E-911 Joint Emergency Telephone System (Continued)

At April 30, 2009, CenCom had eight members. Each member is represented on the Board of Directors, which governs CenCom and establishes the budget.

CenCom is financed by a telephone surcharge. In addition, participating members pay a share of operating costs for dispatching services. Payments to CenCom during the current fiscal year totaled \$183,318. The entity is not considered a component unit of the Village.

10. EMPLOYEE RETIREMENT SYSTEMS

a. Plan Descriptions and Provisions

The Village contributes to four defined benefit pension plans (collectively referred to as the Pension Plans), the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system the Sheriff's Law Enforcement Personnel Fund (SLEP), which is administered by IMRF and is also an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all four plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. Neither the Pension Plan nor Other Postemployment Benefit Plan issue separate reports on the Plans. However, IMRF issues a publicly available report that includes financial statements and required supplementary information for the plan as a whole, but not for individual employers. Those reports can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Illinois Municipal Retirement Fund

The Village contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois (other than those covered by the SLEP or Police Pension Plan).

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings for each year of credited service up to 15 years and 2% for each year thereafter. IMRF also provides death and disability benefits. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Illinois Municipal Retirement Fund (Continued)

Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the coverage of its own employees in the system, using the actuarial basis specified by state statute (entry age normal). The employer contribution for the calendar year ended December 31, 2008 was 9.59% of covered payroll.

Sheriff's Law Enforcement Personnel

Sheriff's Law Enforcement Personnel (SLEP) having accumulated at least 20 years of SLEP service and terminating IMRF participation or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited service up to 20 years, 2.0% of their final earnings rate for the next 10 years of credited service and 1.0% for each year thereafter. For SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statute. Participating members are required to contribute 7.5% of their annual salary to SLEP. The Village is required to contribute the remaining amounts necessary to fund the SLEP as specified by statute. The employer contribution for the year ended December 31, 2008 was 23.52% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and can be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. At April 30, 2009, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	6
Terminated employees entitled to benefits but not yet receiving them	1
Current employees	
Vested	3
Nonvested	18
	<hr/>
TOTAL	28
	<hr/>

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Police Pension Plan (Continued)

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

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

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. The Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded by the year 2033. The employer contribution for the fiscal year ended April 30, 2009 was 19.63% of covered payroll.

b. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: The financial statements are prepared using the modified cash basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee contributions are withheld and the employer contributions are received.

Method Used to Value Investments: Investments are reported at fair value. Investment income is recognized as earned.

Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

VILLAGE OF ROUND LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Significant Investments: There were no investments (other than U.S. Government and U.S. Government guaranteed obligations) in any one organization that represents 5% or more of net assets available for benefits.

Related Party Transactions: There were no securities of the employer or any other related parties included in plan assets, including any loans.

Administrative costs for the Police Pension Plan are financed primarily through investment earnings.

c. Annual Pension Cost

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

	For Calendar Year	Sherriff Law Enforcement Personnel	Illinois Municipal Retirement	For Fiscal Year	Police Pension
Annual pension cost (APC)	2006	\$ 11,082	\$ 143,103	2007	N/A
	2007	11,197	161,502	2008	\$ 245,451
	2008	22,793	178,771	2009	342,824
Actual contribution	2006	11,082	143,103	2007	N/A
	2007	11,197	161,502	2008	\$ 245,451
	2008	22,793	178,771	2009	274,466
Percentage of APC contributed	2006	100.00%	100.00%	2007	N/A
	2007	100.00%	100.00%	2008	100.00%
	2008	100.00%	100.00%	2009	80.06%
NPO (asset)	2006	\$ -	\$ -	2007	N/A
	2007	-	-	2008	\$ -
	2008	-	-	2009	65,850

N/A - not available

A net pension obligation (asset) has not been included in the basic financial statements of the Village, as it is not a requirement for cash basis presentation.

VILLAGE OF ROUND LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Cost (Continued)

Funded Status and Funding Progress: Based on actuarial valuations as of December 31, 2008 and April 30, 2008, the funded status of the plans as of April 30, 2009 were as follows:

	Illinois Municipal Retirement	Sherriff Law Enforcement Personnel	Police Pension
Actuarial accrued liability (AAL)	\$ 2,846,652	\$ 232,612	\$ 5,893,880
Actuarial value of plan assets	2,055,947	64,775	3,615,290
Unfunded actuarial accrued liability (UAAL)	790,705	167,837	2,278,590
Funded ratio (actuarial value of plan assets/AAL)	72.22%	27.85%	61.34%
Covered payroll (active plan members)	\$ 1,864,145	\$ 96,910	\$ 1,250,304
UAAL as a percentage of covered payroll	42.42%	173.19%	182.24%

11. OTHER POSTEMPLOYMENT BENEFITS

The Village extends COBRA health and dental benefits to all former employees and dependents as required by federal law. These individuals pay 100 percent of the premium.

12. PRIOR PERIOD ADJUSTMENT

The Village has restated net assets as of May 1, 2008 to account for commuter parking lot notes payable previously being recorded in governmental activities. The Village has established an enterprise fund in the current year to account for the notes payable.

	Parking Lot Fund	
	Governmental Activities	Business-Type Activities
NET ASSETS, JANUARY 1 (as previously reported)	\$ 26,920,802	\$ -
Restatement	45,546	(45,456)
NET ASSETS, JANUARY 1, RESTATED	\$ 26,966,348	\$ (45,456)

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
GENERAL FUND

For the Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
REVENUES COLLECTED			
Property taxes	\$ 3,073,751	\$ 3,073,751	\$ 3,377,975
Charges for service	576,011	576,011	570,213
Licenses and permits	169,270	169,270	151,459
Intergovernmental	2,252,046	2,252,046	2,146,916
Fines	203,600	203,600	210,756
Franchise fees	183,546	183,546	179,437
Investment income	79,797	79,797	67,240
Miscellaneous income	77,769	77,769	131,459
	<hr/>		
Total revenues collected	6,615,790	6,615,790	6,835,455
<hr/>			
EXPENDITURES PAID			
General government	2,285,795	2,285,795	1,782,858
Public safety	3,521,476	3,521,476	3,175,855
Public works	1,074,584	1,221,084	922,582
Community development	602,714	602,714	415,828
Contingencies	221,682	221,682	-
Capital outlay	643,786	647,286	85,641
Debt service			
Principal retirement	-	-	70,343
Interest and fiscal charges	-	-	5,740
	<hr/>		
Total expenditures paid	8,350,037	8,500,037	6,458,847
<hr/>			
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(1,734,247)	(1,884,247)	376,608
<hr/>			
OTHER FINANCING SOURCES (USES)			
Transfers in	800,000	800,000	800,000
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ (934,247)	\$ (1,084,247)	1,176,608
<hr/>			
FUND BALANCE, MAY 1			3,310,475
			<hr/>
FUND BALANCE, APRIL 30			\$ 4,487,083
			<hr/>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS
 SCHEDULE OF FUNDING PROGRESS
 ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2009

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2003	\$ 1,893,033	\$ 1,965,722	96.30%	\$ 72,689	\$ 1,019,294	7.13%
2004	2,117,653	2,260,698	93.67%	143,045	1,204,151	11.88%
2005	2,314,734	2,506,222	92.36%	191,488	1,339,086	14.30%
2006	2,358,720	2,678,374	88.07%	319,654	1,520,757	21.02%
2007	2,242,161	2,660,046	84.29%	417,885	1,710,825	24.43%
2008	2,055,947	2,846,652	72.22%	790,705	1,864,145	42.42%

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
SHERRIFF'S LAW ENFORCEMENT PERSONNEL PLAN

April 30, 2009

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2003	NA	NA	NA	NA	NA	NA
2004	NA	NA	NA	NA	NA	NA
2005	NA	NA	NA	NA	NA	NA
2006	\$ 22,715	\$ 195,683	11.61%	\$ 172,968	\$ 82,272	210.24%
2007	41,050	184,604	22.24%	143,554	90,961	157.82%
2008	64,775	232,612	27.85%	167,837	96,910	173.19%

NA - The Village began participation in the Plan in 2006.

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2009

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2003	\$ 2,417,596	\$ 3,319,010	72.84%	\$ 901,414	\$ 789,073	114.24%
2004	2,280,580	3,760,768	60.64%	1,480,188	991,596	149.27%
2005	2,585,482	4,499,338	57.46%	1,913,856	1,013,558	188.83%
2006	2,911,917	5,036,023	57.82%	2,124,106	1,133,899	187.33%
2007	3,246,110	4,924,860	65.91%	1,678,750	1,049,875	159.90%
2008	3,615,290	5,893,880	61.34%	2,278,590	1,250,304	182.24%

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2009

<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2003	\$ 74,510	\$ 74,510	100.00%
2004	110,782	110,782	100.00%
2005	119,848	119,848	100.00%
2006	143,103	143,103	100.00%
2007	161,502	161,502	100.00%
2008	178,771	178,771	100.00%

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
SHERIFF'S LAW ENFORCEMENT PERSONNEL PLAN

April 30, 2009

<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2003	NA	NA	NA
2004	NA	NA	NA
2005	NA	NA	NA
2006	\$ 11,082	\$ 11,082	100.00%
2007	11,197	11,197	100.00%
2008	22,793	22,793	100.00%

NA - The Village began participation in the Plan in 2006.

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2009

<u>April 30,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2004	\$ 142,455	\$ 141,511	100.67%
2005	173,164	171,739	100.83%
2006	164,106	164,765	99.60%
2007	222,712	223,427	99.68%
2008	245,451	245,451	100.00%
2009	274,466	342,824	80.06%

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2009

BUDGETS AND BUDGETARY ACCOUNTING

The governmental, proprietary and trust funds (excluding the Special Service Area #1, #3 and #4 and Bright Meadows SSA Funds) have legally adopted annual budgets prepared on the cash basis. Budgetary comparisons are reflected in the financial statements for all governmental and enterprise funds. The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The Finance Director submits a proposed appropriation ordinance to the Village Board for review and approval. The proposed ordinance is made available for public inspection at least 10 days prior to final Board action.
2. A public hearing is conducted to obtain taxpayer comments on the proposed fiscal year appropriation ordinance.
3. The appropriation ordinance is legally enacted prior to August 1. Appropriations lapse at year end.
4. Per State statutes, the Board of Trustees may:

By two-thirds vote transfer within any department amounts appropriated for an object or purpose to another object or purpose. No object or purpose can be reduced below an amount sufficient to provide for all obligations incurred or to be incurred against the appropriation.

Adopt a supplemental appropriation ordinance in an amount not to exceed any additional revenue available, including unappropriated fund balances or amounts estimated to be received after adoption of the annual appropriation ordinance. A supplemental appropriation ordinance was passed.

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUND

VILLAGE OF ROUND LAKE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES PAID -
BUDGET AND ACTUAL - CASH BASIS
GENERAL FUND

For the Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
EXPENDITURES PAID			
General government			
Administration			
Personal services	\$ 563,930	\$ 549,355	\$ 425,188
Taxes, pensions and insurance	151,045	151,045	113,589
Contractual services	1,373,229	1,378,654	1,114,000
Commodities	22,534	22,684	17,772
Repairs and replacement	22,655	31,655	26,072
Miscellaneous	152,402	152,402	86,237
Total administrative	<u>2,285,795</u>	<u>2,285,795</u>	<u>1,782,858</u>
Capital outlay	<u>217,300</u>	<u>217,300</u>	<u>23,806</u>
Public safety			
Police			
Personal services	2,184,085	2,176,285	1,890,351
Taxes, pensions and insurance	484,779	484,779	673,292
Contractual services	534,576	538,226	418,483
Commodities	167,119	167,269	114,840
Repairs and replacement	76,028	78,528	59,991
Miscellaneous	74,889	76,389	18,898
Total police	<u>3,521,476</u>	<u>3,521,476</u>	<u>3,175,855</u>
Capital outlay	<u>344,329</u>	<u>344,329</u>	<u>30,602</u>
Public works			
Public works department			
Personal services	442,764	394,264	345,137
Taxes, pensions and insurance	146,894	146,894	123,102
Contractual services	263,814	273,814	163,772
Commodities	80,477	265,477	194,419
Repairs and replacement	140,635	140,635	96,152
Total public works	<u>1,074,584</u>	<u>1,221,084</u>	<u>922,582</u>
Capital outlay	<u>37,458</u>	<u>40,958</u>	<u>12,152</u>

(This schedule is continued on the following page.)

DETAILED SCHEDULE OF EXPENDITURES PAID -
 BUDGET AND ACTUAL - CASH BASIS (Continued)
 GENERAL FUND

For the Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
EXPENDITURES PAID (Continued)			
Community development			
Building department			
Personal services	\$ 392,599	\$ 375,599	\$ 279,326
Taxes, pensions and insurance	122,349	137,349	92,700
Contractual services	56,395	58,395	28,533
Commodities	27,733	27,733	13,708
Repairs and replacement	3,638	3,638	1,561
Total building department	602,714	602,714	415,828
Capital outlay	44,699	44,699	19,081
Debt service			
Principal	-	-	70,343
Interest and fiscal charges	-	-	5,740
Total debt service	-	-	76,083
Contingencies	221,682	221,682	-
TOTAL EXPENDITURES PAID	\$ 8,350,037	\$ 8,500,037	\$ 6,458,847

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS

APRIL 30, 2009

	Special Revenue			
	Motor Fuel Tax Fund	Developer Fees Fund	Traffic Fund	Utility Tax Fund
ASSETS				
Cash and investments	\$ 161,435	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-
Advance to other funds	-	-	-	-
TOTAL ASSETS	\$ 161,435	\$ -	\$ -	\$ -
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
FUND BALANCES				
Reserved for streets	161,435	-	-	-
Reserved for working cash	-	-	-	-
Reserved for debt service	-	-	-	-
Reserved for specific purpose	-	-	-	-
Total fund balances	161,435	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 161,435	\$ -	\$ -	\$ -

Bright Meadows SSA # 1 Fund	Debt Service			Capital Projects		Permanent Working Cash Fund	Total
	2000 and 2005 Bonds Debt Service Fund	2003 Bonds Debt Service Fund	2007 Bonds Debt Service Fund	Capital Projects Fund			
\$ 64,818	\$ 59,272	\$ 157,831	\$ 44,009	\$ 1,538,115	\$ 12,219	\$ 2,037,699	
-	6,588	1,171	-	-	-	7,759	
-	-	-	-	-	630,411	630,411	
<u>\$ 64,818</u>	<u>\$ 65,860</u>	<u>\$ 159,002</u>	<u>\$ 44,009</u>	<u>\$ 1,538,115</u>	<u>\$ 642,630</u>	<u>\$ 2,675,869</u>	
\$ -	\$ -	\$ -	\$ 1,171	\$ 6,588	\$ -	\$ 7,759	
-	-	-	1,171	6,588	-	7,759	
-	-	-	-	-	-	161,435	
-	-	-	-	-	642,630	642,630	
-	65,860	159,002	42,838	-	-	267,700	
64,818	-	-	-	1,531,527	-	1,596,345	
<u>64,818</u>	<u>65,860</u>	<u>159,002</u>	<u>42,838</u>	<u>1,531,527</u>	<u>642,630</u>	<u>2,668,110</u>	
<u>\$ 64,818</u>	<u>\$ 65,860</u>	<u>\$ 159,002</u>	<u>\$ 44,009</u>	<u>\$ 1,538,115</u>	<u>\$ 642,630</u>	<u>\$ 2,675,869</u>	

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCES - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2009

	Special Revenue			
	Motor Fuel Tax Fund	Developer Fees Fund	Traffic Fund	Utility Tax Fund
REVENUES COLLECTED				
Property taxes	\$ -	\$ -	\$ -	\$ -
Utility taxes	-	-	-	-
Intergovernmental				
Motor fuel tax	462,844	-	-	-
Grants	98,130	-	-	-
Impact fees	-	-	-	-
Recapture fees	-	-	-	-
Investment income	2,394	-	-	-
Miscellaneous income	250	-	-	-
Total revenues collected	563,618	-	-	-
EXPENDITURES PAID				
Current				
General government	-	-	-	-
Public works	72,629	-	-	-
Capital outlay	448,812	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures paid	521,441	-	-	-
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	42,177	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	(406,218)	(357,554)	(2,254,276)
Total other financing sources (uses)	-	(406,218)	(357,554)	(2,254,276)
FUND BALANCES, MAY 1	119,258	406,218	357,554	2,254,276
FUND BALANCES, APRIL 30	\$ 161,435	\$ -	\$ -	\$ -

Bright Meadows SSA # 1 Fund	Debt Service			Capital Projects			Total
	2000 and 2005 Bonds Debt Service Fund	2003 Bonds Debt Service Fund	2007 Bonds Debt Service Fund	Capital Projects Fund	Permanent Working Cash Fund		
\$ 39,851	\$ -	\$ -	\$ -	\$ -	\$ 12,219	\$ 52,070	
-	340,390	495,746	-	166,224	-	1,002,360	
-	-	-	-	-	-	462,844	
-	-	-	-	8,800	-	106,930	
-	-	-	-	34,237	-	34,237	
-	-	-	-	8,000	-	8,000	
172	979	5,710	4,917	21,351	-	35,523	
-	-	-	-	1,750	-	2,000	
40,023	341,369	501,456	4,917	240,362	12,219	1,703,964	
19,333	20	7,470	-	29,603	-	56,426	
-	-	-	-	-	-	72,629	
-	-	-	-	491,062	-	939,874	
-	187,000	565,000	-	-	-	752,000	
-	88,489	276,509	488,538	-	-	853,536	
19,333	275,509	848,979	488,538	520,665	-	2,674,465	
20,690	65,860	(347,523)	(483,621)	(280,303)	12,219	(970,501)	
-	-	406,218	-	1,811,830	-	2,218,048	
-	-	-	-	-	-	(3,018,048)	
-	-	406,218	-	1,811,830	-	(800,000)	
44,128	-	100,307	526,459	-	630,411	4,438,611	
\$ 64,818	\$ 65,860	\$ 159,002	\$ 42,838	\$ 1,531,527	\$ 642,630	\$ 2,668,110	

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
REVENUES COLLECTED			
Motor fuel tax	\$ 479,873	\$ 479,873	\$ 462,844
Grants	95,000	95,000	98,130
Investment income	2,191	2,191	2,394
Miscellaneous	-	-	250
Total revenues collected	<u>577,064</u>	<u>577,064</u>	<u>563,618</u>
EXPENDITURES PAID			
Current			
Public works			
Contractual services	24,166	24,166	11,277
Commodities	105,669	75,669	35,898
Repairs and replacement	5,060	5,060	454
Administrative charges	25,000	25,000	25,000
Contingencies	16,088	16,088	-
Capital outlay	405,413	560,413	448,812
Total expenditures paid	<u>581,396</u>	<u>706,396</u>	<u>521,441</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,332)</u>	<u>\$ (129,332)</u>	42,177
FUND BALANCE, MAY 1			<u>119,258</u>
FUND BALANCE, APRIL 30			<u>\$ 161,435</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
DEVELOPER FEE FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
None	\$ -	\$ -
Total revenues collected	-	-
EXPENDITURES PAID		
None	-	-
Total expenditures paid	-	-
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	-	-
OTHER FINANCING SOURCES (USES)		
Transfer (out)	(406,218)	(406,218)
NET CHANGE IN FUND BALANCE	<u>\$ (406,218)</u>	(406,218)
FUND BALANCE, MAY 1		<u>406,218</u>
FUND BALANCE, APRIL 30		<u>\$ -</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
TRAFFIC FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
None	\$ -	\$ -
Total revenues collected	-	-
EXPENDITURES PAID		
None	-	-
Total expenditures paid	-	-
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	-	-
OTHER FINANCING SOURCES (USES)		
Transfer (out)	(357,554)	(357,554)
NET CHANGE IN FUND BALANCE	<u>\$ (357,554)</u>	(357,554)
FUND BALANCE, MAY 1		<u>357,554</u>
FUND BALANCE, APRIL 30		<u>\$ -</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
UTILITY TAX FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
None	\$ -	\$ -
Total revenues collected	-	-
EXPENDITURES PAID		
None	-	-
Total expenditures paid	-	-
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	-	-
OTHER FINANCING SOURCES (USES)		
Transfers (out)	(2,254,276)	(2,254,276)
Total other financing sources (uses)	(2,254,276)	(2,254,276)
NET CHANGE IN FUND BALANCE	<u>\$ (2,254,276)</u>	(2,254,276)
FUND BALANCE, MAY 1		<u>2,254,276</u>
FUND BALANCE, APRIL 30		<u>\$ -</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
BRIGHT MEADOWS SSA #1 FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
Property taxes	\$ 39,900	\$ 39,851
Investment income	882	172
Total revenues collected	<u>40,782</u>	<u>40,023</u>
EXPENDITURES PAID		
Current		
General government		
Contractual services	29,975	19,333
Contingencies	818	-
Total expenditures paid	<u>30,793</u>	<u>19,333</u>
NET CHANGE IN FUND BALANCE	<u>\$ 9,989</u>	20,690
FUND BALANCE, MAY 1		<u>44,128</u>
FUND BALANCE, APRIL 30		<u>\$ 64,818</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
2000 AND 2005 BONDS DEBT SERVICE FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
Utility taxes	\$ 305,673	\$ 340,390
Investment income	299	979
Total revenues collected	<u>305,972</u>	<u>341,369</u>
EXPENDITURES PAID		
Current		
General government		
Contractual services	-	20
Debt service		
Principal	187,000	187,000
Interest and fiscal charges	88,928	88,489
Total expenditures paid	<u>275,928</u>	<u>275,509</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 30,044</u></u>	65,860
FUND BALANCE, MAY 1		<u>-</u>
FUND BALANCE, APRIL 30		<u><u>\$ 65,860</u></u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
2003 BONDS DEBT SERVICE FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
Utility taxes	\$ 504,750	\$ 495,746
Investment income	1,998	5,710
Total revenues collected	<u>506,748</u>	<u>501,456</u>
EXPENDITURES PAID		
Current		
General government		
Contractual services	-	20
Utilities	8,800	7,450
Debt service		
Principal	565,000	565,000
Interest and fiscal charges	278,181	276,509
Total expenditures paid	<u>851,981</u>	<u>848,979</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(345,233)	(347,523)
OTHER FINANCING SOURCES (USES)		
Transfer in	<u>406,117</u>	<u>406,218</u>
NET CHANGE IN FUND BALANCE	<u>\$ 60,884</u>	58,695
FUND BALANCE, MAY 1		<u>100,307</u>
FUND BALANCE, APRIL 30		<u>\$ 159,002</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
 2007 BONDS DEBT SERVICE FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
Investment income	\$ 90,000	\$ 4,917
Land reimbursement	5,825,000	-
Total revenues collected	<u>5,915,000</u>	<u>4,917</u>
EXPENDITURES PAID		
Debt service		
Interest and fiscal charges	<u>488,983</u>	<u>488,538</u>
Total expenditures paid	<u>488,983</u>	<u>488,538</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 5,426,017</u></u>	(483,621)
FUND BALANCE, MAY 1		<u>526,459</u>
FUND BALANCE, APRIL 30		<u><u>\$ 42,838</u></u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
Utility tax	\$ 273,807	\$ 166,224
Grants	8,000	8,800
Impact fees	37,200	34,237
Recapture fees	288,416	8,000
Investment income	10,000	21,351
Miscellaneous	-	1,750
Total revenues collected	617,423	240,362
EXPENDITURES PAID		
Current		
General government		
Contractual services	38,860	29,603
Contingencies	11,254	-
Capital outlay	2,368,736	491,062
Total expenditures paid	2,418,850	520,665
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		
	(1,801,427)	(280,303)
OTHER FINANCING SOURCES (USES)		
Transfer in	1,801,840	1,811,830
NET CHANGE IN FUND BALANCE	<u>\$ 413</u>	1,531,527
FUND BALANCE, MAY 1		<u>-</u>
FUND BALANCE, APRIL 30		<u><u>\$ 1,531,527</u></u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
WORKING CASH FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
REVENUES COLLECTED		
Property tax	\$ 12,109	\$ 12,219
Total revenues collected	12,109	12,219
EXPENDITURES PAID		
None	-	-
Total expenditures paid	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 12,109</u>	12,219
FUND BALANCE, MAY 1		<u>630,411</u>
FUND BALANCE, APRIL 30		<u>\$ 642,630</u>

(See independent auditor's report.)

ENTERPRISE FUNDS

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
WATER AND SEWER FUND

For the Year Ended April 30, 2009
(With Comparative Actual)

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water and sewer fees	\$ 3,374,633	\$ 3,374,633	\$ 3,359,913
Miscellaneous			
Permits and fees	60,000	60,000	45,000
Other	47,000	47,000	3,825
	<u>3,481,633</u>	<u>3,481,633</u>	<u>3,408,738</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Water and Sewer Operations			
Personal services	584,141	594,466	515,635
Taxes, pensions, and insurance	178,398	178,398	143,673
Contractual services	2,720,816	2,697,016	2,512,028
Commodities	81,940	81,940	54,953
Repairs & replacement	255,772	267,797	114,526
Contingencies	215,242	215,242	-
Capital outlay	574,165	574,915	362,015
	<u>4,610,474</u>	<u>4,609,774</u>	<u>3,702,830</u>
	<u>(1,128,841)</u>	<u>(1,128,141)</u>	<u>(294,092)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	143,955	143,955	84,088
Grants	70,000	70,000	75,000
Interest expense	(57,683)	(58,383)	(58,308)
	<u>156,272</u>	<u>155,572</u>	<u>100,780</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u>\$ (972,569)</u>	<u>\$ (972,569)</u>	(193,312)
ADJUSTMENTS TO MODIFIED CASH BASIS			
Debt principal payment			\$ -
Capitalized assets			346,076
Depreciation			<u>(1,137,456)</u>
			<u>(791,380)</u>
NET INCOME (LOSS) - MODIFIED CASH BASIS			(984,692)
NET ASSETS, MAY 1			<u>42,859,088</u>
NET ASSETS, APRIL 30			<u>\$ 41,874,396</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
COMMUTER PARKING LOT FUND

For the Year Ended April 30, 2009

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Parking lot fees	\$ 125,000	\$ 114,593
Total operating revenues	<u>125,000</u>	<u>114,593</u>
OPERATING EXPENSES		
Parking Lot Operations		
Contractual services	11,880	8,519
Commodities	1,925	-
Repairs & replacement	7,150	165
Miscellaneous	38,500	38,491
Contingencies	1,227	-
Capital outlay	11,000	-
Total operating expenses	<u>71,682</u>	<u>47,175</u>
OPERATING INCOME	<u>53,318</u>	<u>67,418</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	935	142
Principal retirement	(9,835)	-
Interest expense	-	(1,780)
Total nonoperating revenues (expenses)	<u>(8,900)</u>	<u>(1,638)</u>
CHANGE IN NET ASSETS	<u>\$ 44,418</u>	<u>65,780</u>
NET ASSETS, MAY 1		-
Prior period adjustment		<u>(45,546)</u>
NET ASSETS, MAY 1, RESTATED		<u>(45,546)</u>
NET ASSETS, APRIL 30		<u>\$ 20,234</u>

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL - CASH BASIS
POLICE PENSION FUND

For the Year Ended April 30, 2009

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions - employer	\$ 274,466	\$ 274,466	\$ 276,974
Contributions - employee	125,000	125,000	133,966
Total contributions	<u>399,466</u>	<u>399,466</u>	<u>410,940</u>
Investment income			
Net appreciation (depreciation) in fair value of investments	-	-	(575,265)
Interest earned on investments	160,700	160,700	206,595
Total investment income	160,700	160,700	(368,670)
Less investment expense	(8,855)	(855)	(3,557)
Net investment income	<u>151,845</u>	<u>159,845</u>	<u>(372,227)</u>
Total additions	<u>551,311</u>	<u>559,311</u>	<u>38,713</u>
DEDUCTIONS			
Benefits and refunds			
Refund of contribution	5,500	31,500	31,381
Retirement pension	138,960	133,960	133,196
Disability pension	83,007	77,007	75,460
Administrative	45,939	43,938	31,744
Total deductions	<u>273,406</u>	<u>286,405</u>	<u>271,781</u>
NET INCREASE	<u>\$ 277,905</u>	<u>\$ 272,906</u>	<u>(233,068)</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
May 1			<u>3,615,289</u>
April 30			<u>\$ 3,382,221</u>

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - CASH BASIS
AGENCY FUNDS

For the Year Ended April 30, 2009

	Balances May 1	Additions	Deductions	Balances April 30
ALL FUNDS				
ASSETS				
Cash and investments	\$ 1,648,574	\$ 3,163,869	\$ 3,138,066	\$ 1,674,377
TOTAL ASSETS	\$ 1,648,574	\$ 3,163,869	\$ 3,138,066	\$ 1,674,377
LIABILITIES				
Deposits payable	\$ 35,592	\$ 74,270	\$ 35,592	\$ 74,270
Other payables	1,611,878	3,089,349	3,101,529	1,599,698
Due to other funds	1,104	250	945	409
TOTAL LIABILITIES	\$ 1,648,574	\$ 3,163,869	\$ 3,138,066	\$ 1,674,377
BUILDERS ESCROW FUND				
ASSETS				
Cash and investments	\$ -	\$ 74,520	\$ -	\$ 74,520
TOTAL ASSETS	\$ -	\$ 74,520	\$ -	\$ 74,520
LIABILITIES				
Deposits payable	\$ -	\$ 74,270	\$ -	\$ 74,270
Due to other funds	-	250	-	250
TOTAL LIABILITIES	\$ -	\$ 74,520	\$ -	\$ 74,520
IMPACT FEE FUND				
ASSETS				
Cash and investments	\$ 36,696	\$ -	\$ 36,537	\$ 159
TOTAL ASSETS	\$ 36,696	\$ -	\$ 36,537	\$ 159
LIABILITIES				
Deposits payable	\$ 35,592	\$ -	\$ 35,592	\$ -
Due to other funds	1,104	-	945	159
TOTAL LIABILITIES	\$ 36,696	\$ -	\$ 36,537	\$ 159

(This statement is continued on the following pages.)

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - CASH BASIS (Continued)
AGENCY FUNDS

For the Year Ended April 30, 2009

	Balances May 1	Additions	Deductions	Balances April 30
SPECIAL SERVICE AREAS				
1, 3, AND 4 FUND				
ASSETS				
Cash and investments	\$ 1,611,878	\$ -	\$ 1,611,878	\$ -
TOTAL ASSETS	\$ 1,611,878	\$ -	\$ 1,611,878	\$ -
LIABILITIES				
Other payables	\$ 1,611,878	\$ -	\$ 1,611,878	\$ -
TOTAL LIABILITIES	\$ 1,611,878	\$ -	\$ 1,611,878	\$ -
LAKWOOD GROVE SSA # 1 FUND				
ASSETS				
Cash and investments	\$ -	\$ 1,833,451	\$ 870,302	\$ 963,149
TOTAL ASSETS	\$ -	\$ 1,833,451	\$ 870,302	\$ 963,149
LIABILITIES				
Other payables	\$ -	\$ 1,833,451	\$ 870,302	\$ 963,149
TOTAL LIABILITIES	\$ -	\$ 1,833,451	\$ 870,302	\$ 963,149
LAKWOOD GROVE SSA # 3 FUND				
ASSETS				
Cash and investments	\$ -	\$ 521,499	\$ 259,673	\$ 261,826
TOTAL ASSETS	\$ -	\$ 521,499	\$ 259,673	\$ 261,826
LIABILITIES				
Other payables	\$ -	\$ 521,499	\$ 259,673	\$ 261,826
TOTAL LIABILITIES	\$ -	\$ 521,499	\$ 259,673	\$ 261,826

(This statement is continued on the following page.)

VILLAGE OF ROUND LAKE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - CASH BASIS (Continued)
 AGENCY FUNDS

For the Year Ended April 30, 2009

	Balances May 1	Additions	Deductions	Balances April 30
LAKESIDE GROVE SSA # 4 FUND				
ASSETS				
Cash and investments	\$ -	\$ 734,399	\$ 359,676	\$ 374,723
TOTAL ASSETS	\$ -	\$ 734,399	\$ 359,676	\$ 374,723
LIABILITIES				
Other payables	\$ -	\$ 734,399	\$ 359,676	\$ 374,723
TOTAL LIABILITIES	\$ -	\$ 734,399	\$ 359,676	\$ 374,723

(See independent auditor's report.)

SUPPLEMENTARY INFORMATION

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF TAX DATA

For the Last Five Levy Years

	Levy Year				
	2008	2007	2006	2005	2004
ASSESSSED VALUATION	\$ 421,556,835	\$ 407,703,238	\$ 377,475,750	\$ 319,702,385	\$ 243,920,458
TAX RATES BY FUND					
Corporate	0.416	0.386	0.359	0.246	0.234
Municipal audit	0.006	0.008	0.012	0.014	0.016
Road and Bridge	0.021	0.029	0.031	0.048	0.057
Garbage	0.076	0.078	0.103	0.168	0.155
Retirement	0.091	0.118	0.125	0.136	0.164
Bond and interest	-	-	-	-	0.037
Working cash	0.002	0.003	0.007	0.035	0.050
Liability insurance	0.041	0.050	0.056	0.064	0.077
Civil defense/ES&DA	0.001	0.001	0.001	-	-
Police protection	0.116	0.083	0.076	0.074	0.070
Police pension	0.057	0.068	0.065	0.070	0.068
TOTAL TAX RATES BY FUND	0.827	0.824	0.835	0.855	0.928
TAX EXTENSIONS BY FUND					
Corporate	\$ 1,753,676	\$ 1,573,735	\$ 1,355,138	\$ 786,468	\$ 570,774
Municipal audit	25,293	32,616	45,297	44,758	39,027
Road and Bridge	88,527	80,992	76,099	117,115	105,084
Garbage	320,383	318,009	388,800	537,100	378,077
Retirement	383,617	481,090	471,845	434,795	400,030
Bond and interest	-	-	-	-	90,251
Working cash	8,431	12,231	26,423	111,896	121,960
Liability insurance	172,838	203,852	211,386	204,610	187,819
Civil defense/ES&DA	4,216	4,077	3,775	-	-
Police protection	489,006	338,394	286,882	236,580	170,744
Police pension	240,287	277,238	245,359	223,792	165,866
TOTAL TAX EXTENSIONS BY FUND	\$ 3,486,274	\$ 3,322,234	\$ 3,111,004	\$ 2,697,114	\$ 2,229,632
TAX COLLECTIONS - ALL FUNDS					
Levy Collections Through Year End	\$ -	\$ 3,319,067	\$ 3,106,020	\$ 2,684,166	\$ 2,204,463
PERCENT COLLECTED	N/A	99.90%	99.84%	99.52%	98.87%

(See independent auditor's report.)

VILLAGE OF ROUND LAKE, ILLINOIS

SCHEDULE OF ASSESSED VALUATION BY TYPE OF PROPERTY

For the Last Ten Levy Years

Tax Levy Year	Real Estate	Railroad	Total
1999	\$ 63,555,359	\$ -	\$ 63,555,359
2000	75,241,760	-	75,241,760
2001	93,873,302	-	93,873,302
2002	122,024,880	-	122,024,880
2003	176,938,389	98,998	177,037,387
2004	243,920,458	-	243,920,458
2005	319,702,385	-	319,702,385
2006	377,475,750	-	377,475,750
2007	407,703,238	-	407,703,238
2008	421,556,835	-	421,556,835

(See independent auditor's report.)