

**City of Waukegan, Illinois**

***Annual Financial Report***

**For the Year Ended April 30, 2006**

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**ELECTED OFFICIALS & DEPARTMENT HEADS**

April 30, 2006

**Mayor**

Richard H. Hyde

**Treasurer**

Patrick Dutcher

**City Clerk**

Wayne Motley

**Aldermen**

|                 |                |
|-----------------|----------------|
| Sam Cunningham  | John Balen     |
| Greg Moio       | Tony Figueroa  |
| Edith Newsome   | Larry TenPas   |
| Patrick Needham | Richard Larsen |
| Raphael Rivera  |                |

**Agency & Department Heads**

|                                     |                          |
|-------------------------------------|--------------------------|
| Director of Governmental Services   | Ray Vukovich             |
| Corporation Counsel                 | Brian Grach              |
| City Physician                      | Charles Holmberg, M.D.   |
| Building Commissioner               | John Jurkovic            |
| Director of CDBG                    | Ezell Robins             |
| Fire Chief                          | Patrick Gallagher        |
| Police Chief                        | Bill Biang               |
| City Engineer                       | John Moore               |
| Director of Planning & Zoning       | Russ Tomlin              |
| Director of Public Works            | William (Biddy) Johnston |
| Superintendent of Waterworks        | Jeff Musinski            |
| City Collector                      | Sharon Barnes            |
| Director of Finance & Admin. Svcs.  | Don Bruessel             |
| Director of Waukegan Public Library | Richard Lee              |

# **Independent Auditor's Report**



# Evoy, Kamschulte, Jacobs & Co. LLP

Certified Public Accountants

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JOHN D. ACETO, JR., C.P.A.

ALLAN J. JACOBS, C.P.A., OF COUNSEL  
PAUL E. KAMSCHULTE, C.P.A., RETIRED

RALPH S. JACOBS, C.P.A., 1935-1976  
JAMES E. EVOY, C.P.A., 1970-2008

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council  
City of Waukegan  
Waukegan, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Waukegan, Illinois, as of and for the year ended April 30, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Waukegan's management. Our responsibility is to express an opinion 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component, each major fund, and the aggregate remaining fund information of the City of Waukegan, Illinois, as of April 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2009 on our consideration of the City of Waukegan, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

A-1

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Waukegan, Illinois' basic financial statements. The combining and individual fund financial statements and schedules in sections G through P, 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. Such information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Evoy, Kamschulte, Jacobs & Co. LLP*

**EVOY, KAMSCHULTE, JACOBS & CO. LLP**

Waukegan, Illinois  
January 30, 2009

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

**CITY OF WAUKEGAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR FISCAL YEAR ENDING APRIL 30, 2006**

As management of the City of Waukegan ("City"), we offer readers of the City's financial statements, this narrative overview and analysis of the financial activities of the City of Waukegan for the fiscal year ended April 30, 2006. The basic financial statements are preceded by this MD&A, which is required supplementary information. MD&A is intended to provide an objective and easily readable analysis of the City of Waukegan financial activities based on currently known facts, decisions, or conditions. The Finance Committee Chairman, Director of Finance, Mayor and City Council are knowledgeable about the transactions, events, and conditions that are reflected in the City of Waukegan financial report and of the fiscal policies that govern its operations. MD&A provides readers with both a short and long-term analysis of the City of Waukegan activities and finances.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the City of Waukegan's basic financial statements. The City's basic financial statements comprise three 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 City's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reports as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

Both of the government-wide financial statements distinguish functions of the City 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 City include general government, public safety, streets and other public works, sanitation and environment, economic development, community development, and culture and recreation. The business-type activities of the City include a water and sewer department and a motor vehicle parking system.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate library operation, known as the Waukegan Public Library, for which the City is financially accountable. Financial information on this *component unit* is reported separately from the financial information presented for the primary government itself. In addition, separately issued financial statements are available for the Library.

The government-wide financial statements can be found in Section C of this report.

**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 City, 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 City 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 financial requirements.

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

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

The City maintains thirty-one governmental funds including the Waukegan Public Library, as a Component Unit. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, four capital improvement funds, and the debt service fund, each of which are considered to be major funds. Data from the other twenty-five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of *combining and individual statements* in sections G through L of this report.

The City adopts an annual appropriated budget for all funds of the City. Budgetary comparison statements have been provided for in Sections H through P. The original budget was not amended during the year.

The basic governmental fund financial statements can be found in Section D-1 to D-9 of this report.

**Proprietary funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Waterworks and Sewerage operations and for its Motor Vehicle Parking System. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for self-insurance programs in its safety and risk management and employee benefit plan funds. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund and for the Motor Vehicle Parking System, both of which are considered to be major funds of the City. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining and individual statements* in Section N of this report.

The basic proprietary fund financial statements can be found in Section M-1 to M-8 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found in Section O-1 to O-4 of this report.

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

**Notes To The Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement can be found in Section E-29 to E-65 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the aforementioned budgetary comparisons for the General Fund, as well as the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found in Section F of this report.

Combining statements presenting the financial statements of individual non-major funds are presented in Section G of this report, immediately following the required supplementary information. More detailed, combining and individual fund statements, budgetary comparison, and other schedules are presented in Sections H through P of this report.

**Overall Analysis of Government-Wide Financial Statements**

**Governmental Activities.** Spending for Governmental activities increased by 3% from \$71 million in 2005 to \$74 million in 2006, which is substantially attributable to general economic conditions.

**Business-type activities.** Business-type activities increased the City of Waukegan's net assets by \$99 thousand dollars, from the proportionate increase from 12 million dollars in 2005 to \$12.3 million dollars in water sales and parking revenue & their direct expense.

The following tables and charts provide further details.

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

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**CITY OF WAUKEGAN**
**CHANGES IN NET ASSETS**

April 30, 2006

In thousands

|  | Governmental<br>Activities |         | Business-type<br>Activities |        | Total   |         |
|--|----------------------------|---------|-----------------------------|--------|---------|---------|
|  | 2006                       | 2005    | 2006                        | 2005   | 2006    | 2005    |
| Current and other assets                           | 49,850                     | 52,812  | 8,214                       | 7,711  | 58,064  | 60,523  |
| Capital assets                                     | 64,930                     | 63,729  | 53,911                      | 50,521 | 118,841 | 114,250 |
| Total assets                                       | 114,780                    | 116,541 | 62,125                      | 58,232 | 176,905 | 174,773 |
| Long-term liabilities outstanding                  | 91,883                     | 91,434  | 13,862                      | 10,743 | 105,745 | 102,177 |
| Other liabilities                                  | 36,199                     | 34,647  | 3,227                       | 2,553  | 39,426  | 37,200  |
| Total liabilities                                  | 128,082                    | 126,081 | 17,089                      | 13,296 | 145,171 | 139,377 |
| <b>Net Assets</b>                                  |                            |         |                             |        |         |         |
| Invested in Capital Assets,<br>net of related debt | 9,764                      | 8,735   | 38,635                      | 38,930 | 48,399  | 47,665  |
| Restricted   | 11,762                     | 14,067  | 851                         | 817    | 12,613  | 14,884  |
| Unrestricted                                       | -34,829                    | -32,342 | 5,550                       | 5,190  | -29,279 | -27,152 |
| Total net assets                                   | -13,303                    | -9,540  | 45,036                      | 44,937 | 31,733  | 35,397  |

## MANAGEMENT'S DISCUSSION &amp; ANALYSIS

April 30, 2006

## CITY OF WAUKEGAN

## CHANGES IN NET ASSETS

April 30, 2006

In thousands

|                               | Governmental<br>Activities |        | Business-type<br>Activities |        | Total  |        |
|-------------------------------|----------------------------|--------|-----------------------------|--------|--------|--------|
|                               | 2006                       | 2005   | 2006                        | 2005   | 2006   | 2005   |
| Program Revenue               |                            |        |                             |        |        |        |
| Water & Sewer Services        | -                          | -      | 11,547                      | 12,003 | 11,547 | 12,003 |
| Parking Fees                  | -                          | -      | 747                         | 650    | 747    | 650    |
| Fines                         | 4,204                      | 5,006  | -                           | -      | 4,203  | 5,006  |
| Permits & Licenses            | 3,583                      | 3,339  | -                           | -      | 3,583  | 3,339  |
| Grants & Contributions        | 1,804                      | 2,164  | -                           | -      | 1,804  | 2,164  |
| Ambulance & Alarm Fees        | 602                        | 888    | -                           | -      | 602    | 888    |
| Building/Zoning Charges       | 1,145                      | 702    | -                           | -      | 1,145  | 702    |
| Public Works Charges          | 371                        | 137    | -                           | -      | 371    | 137    |
| Theatre Revenue               | 728                        | 317    | -                           | -      | 728    | 317    |
| Other Program Revenue         | 1,399                      | 1,938  | -                           | -      | 1,399  | 1,938  |
| Total Program Revenue         | 13,836                     | 14,491 | 12,294                      | 12,653 | 26,130 | 27,144 |
| General Revenue               |                            |        |                             |        |        |        |
| Property Taxes                | 15,877                     | 16,154 | -                           | -      | 15,877 | 16,154 |
| Sales & Utility Taxes         | 23,061                     | 21,865 | -                           | -      | 23,061 | 21,865 |
| Income Taxes & Franchise Fees | 11,119                     | 9,728  | -                           | -      | 11,119 | 9,728  |
| Motor Fuel Taxes              | 2,646                      | 2,648  | -                           | -      | 2,646  | 2,648  |
| Other General Revenue         | 800                        | 554    | 111                         | 108    | 911    | 662    |
| Total General Revenue         | 53,503                     | 50,949 | 111                         | 108    | 53,614 | 51,057 |
| Total Revenue                 | 67,339                     | 65,440 | 12,405                      | 12,761 | 79,744 | 78,201 |

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

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**CITY OF WAUKEGAN**
**CHANGES IN NET ASSETS**

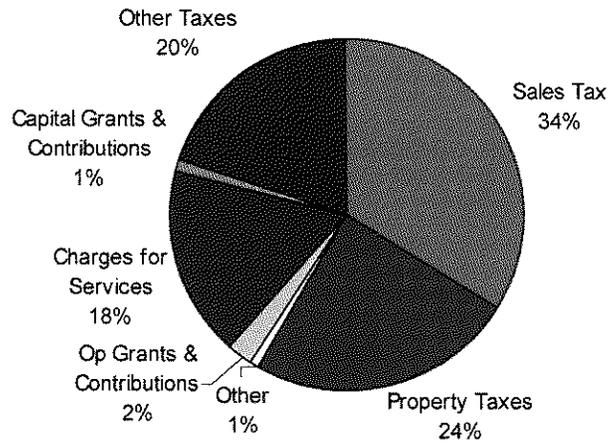
April 30, 2006

In thousands

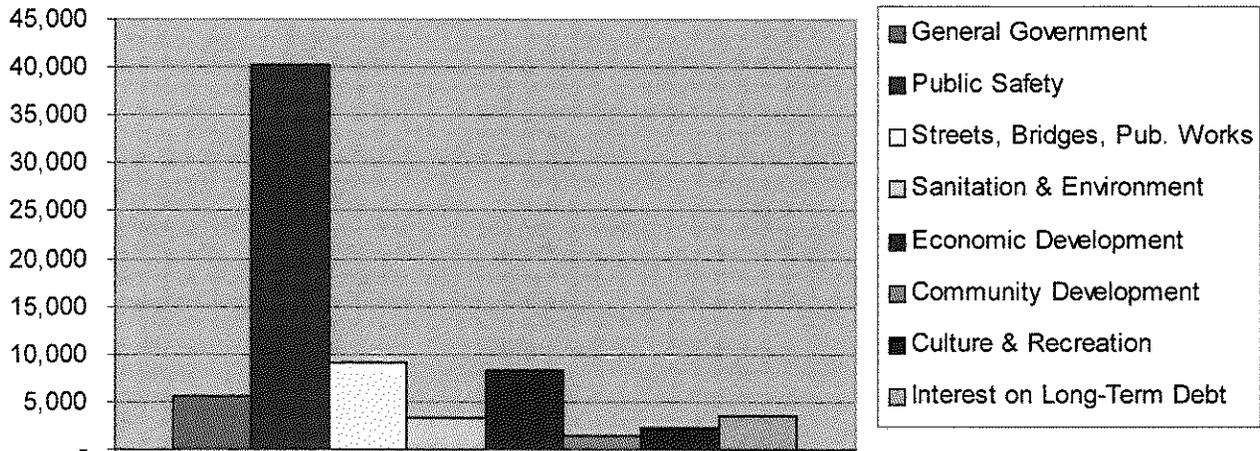
|  | Governmental<br>Activities |                | Business-type<br>Activities |                | Total          |                |
|--|----------------------------|----------------|-----------------------------|----------------|----------------|----------------|
|  | 2006                       | 2005           | 2006                        | 2005           | 2006           | 2005           |
| <b>Expenses by Function/Program</b>          |                            |                |                             |                |                |                |
| General Government                           | 5,481                      | 4,056          | -                           | -              | 5,481          | 4,056          |
| Public Safety                                | 40,217                     | 39,984         | -                           | -              | 40,217         | 39,984         |
| Streets, Bridges, Publ. Works                | 9,183                      | 8,836          | -                           | -              | 9,183          | 8,836          |
| Sanitation & Environment                     | 3,428                      | 3,063          | -                           | -              | 3,428          | 3,063          |
| Economic Development                         | 8,177                      | 8,811          | -                           | -              | 8,177          | 8,811          |
| Community Development                        | 1,444                      | 1,480          | -                           | -              | 1,444          | 1,480          |
| Culture & Recreation                         | 2,215                      | 1,464          | -                           | -              | 2,215          | 1,464          |
| Interest on Long-Term Debt                   | 3,565                      | 3,592          | -                           | -              | 3,565          | 3,592          |
| Water & Sewer Operations                     | -                          | -              | 8,849                       | 9,583          | 8,849          | 9,583          |
| Parking System Operations                    | -                          | -              | 849                         | 614            | 849            | 614            |
| <b>Total Expense</b>                         | <b>73,710</b>              | <b>71,286</b>  | <b>9,698</b>                | <b>10,197</b>  | <b>83,408</b>  | <b>81,483</b>  |
| <b>Change in Net Assets Before Transfers</b> | <b>(6,371)</b>             | <b>(5,846)</b> | <b>2,707</b>                | <b>2,564</b>   | <b>(3,664)</b> | <b>(3,282)</b> |
| <b>Transfers</b>                             | <b>2,608</b>               | <b>2,337</b>   | <b>(2,608)</b>              | <b>(2,337)</b> | <b>-</b>       | <b>-</b>       |
| <b>Change in Net Assets</b>                  | <b>(3,763)</b>             | <b>(3,509)</b> | <b>99</b>                   | <b>227</b>     | <b>(3,664)</b> | <b>(3,282)</b> |

**MANAGEMENT'S DISCUSSION & ANALYSIS**  
 April 30, 2006

**Revenues by Source - Governmental Activities**

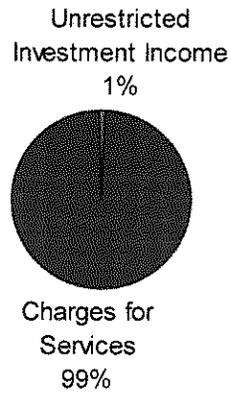


**Government Expense by Function**

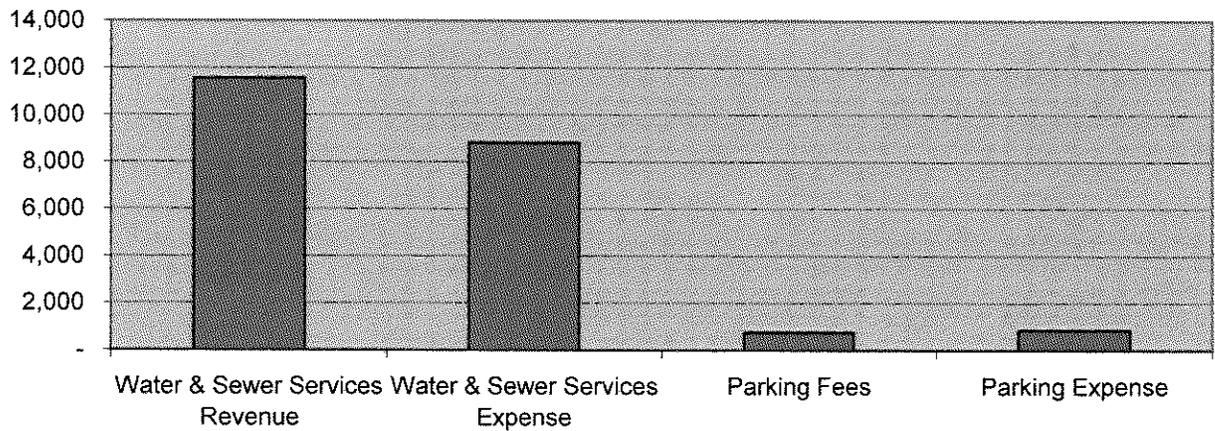


**MANAGEMENT'S DISCUSSION & ANALYSIS**  
April 30, 2006

**Revenues by Source - Business-type Activities**



**Business-Type Revenue & Expense**



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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

**Financial Analysis of the Government's Funds**

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City'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 the end of the current fiscal year, the City of Waukegan's governmental funds reported combined ending fund balances of \$25.5 million. Approximately 62% of this total amount (\$15.9 million) constitutes *unreserved, undesignated fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has been committed 1) to long-term loans to the City's self-insurance programs (\$4.4 million), 2) to fund future debt service expenditures (\$2.8 million), 3) to fund various capital projects (\$.7 million), 4) for various inventories (\$813,000), and 5) to permanent funds where the principal is to be maintained (\$924,000).

The general fund is the chief operating fund of the City of Waukegan. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$8.1 million, while total fund balance reached \$13.1. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 14.6% of total general fund expenditures, while total fund balance represents 23.6% of that same amount.

During fiscal year 2005, the fund balance of the City of Waukegan's general fund increased by \$1.3 million, primarily due to an increase in income-based tax revenues and fines & forfeitures. During the fiscal year 2006, the general fund increased by \$.6 million due to an increase in income-based tax revenues and utility-based tax revenues. In addition, we reduced the budgeted operating transfers by \$880 thousand, normally used to cover budget overruns.

During the fiscal year 2006, the debt service fund decreased \$1.1 to \$3.1 million due to the issuance of new debt and the fund transfers in to cover debt service.

At the end of fiscal year 2005, the special revenue fund had a total fund balance of \$6.3 million. During the fiscal year 2006, the fund balance decreased 41.9%, due to primarily to expenditures exceeding revenues in the Environmental Remediation Fund. Expenditures also exceeded revenues in the 911 Emergency Phone System, Narcotics Enforcement and Motor Fuel Tax Fund and Community Development Block Grant Fund.

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

Last year, the Fund balance in the Capital Projects Funds decreased to \$3.7 million from the completion of the New City Hall and the renovations at the Genesee Theatre, and the near completion of the Fountain Square Development Projects. This year fund balances decreased \$4 million reflecting continued construction project costs and redevelopment in various areas of the City.

Last year the Enterprise fund net assets increased by \$2.5 million before operating transfers out of \$2.3 million. In fiscal year 2006 the net assets increased by \$2.7 million, of which \$2.6 million was transferred out to fund other governmental activities.

Fiduciary funds consisting of both the Police and Fire Pension trust showed a 12% increase (\$10.2 million) in net assets from \$82 million to \$92 million. Components of the increase include \$6.9 million in contributions, \$10.1 million in net investment income and \$6.8 million in pension benefits and other deductions.

**General Fund - Budget vs. Actual**

The budgeted shortfall of \$888,000 was turned into a positive \$633,000 surplus by expenditure control, sales tax, income tax, and utility tax revenues in excess of budget.

There are no currently known reasons for the above budget variation to have a significant effect on future services or liquidity.

**Capital Assets and Long-Term Debt Activity**

During the current fiscal year, the City issued \$24.76 million in General Obligation Refunding Bonds. The bonds were issued to advance refund portions of the City's outstanding General Obligation Bonds, Series 2001 and to purchase and cancel the City's outstanding Taxable General Obligation Bonds, Series 2004B. Also, in the current fiscal year, the City issued \$3.695 million in Special Assessment Improvement Bonds Series 2005 to fund construction projects in the Lakehurst TIF District Redevelopment Project Area, including road improvements and a lift station. Also, a capital lease program was undertaken to finance the purchase of over 15 vehicles for the public works fleet.

**Currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations.**

A \$4 million dollar, three million gallon water storage tank was built on the City's southwest side in spring of 2006. A Super Walmart, Starbucks, Sundance Saloon, Chili's and Anastasia's restaurants, opened in the Fountain Square Development Project. These projects will increase the City's sales tax revenues in the coming years.

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

April 30, 2006

In fiscal year 05/06, the City will be changed from the current self-insurance arrangement to a traditional health insurance with a commercial carrier and employee and retiree contributions will increase. This change resulted in a reduction in the deficit of the Employee Benefit Plan Fund of \$900,000. The City expects to recover in excess of \$400,000 of the deficit per year under the new arrangement, through the differential in insurance premiums paid and collected and the current direct payment of insurance claims.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Waukegan's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 100 N. Martin Luther King, City of Waukegan, Waukegan, IL 60085.

# **Government-wide Financial Statements**

## Statement of Net Assets

April 30, 2006

|  | Primary Government         |                             |                    | Component Unit<br>Waukegan<br>Public Library |
|--|----------------------------|-----------------------------|--------------------|--|
|  | Governmental<br>Activities | Business-type<br>Activities | Total              |  |
| <b>ASSETS</b>  |                            |                             |                    |  |
| Cash and Cash Equivalents                                | 9,790,317                  | 5,333,927                   | 15,124,244         | 80,650                                       |
| Investments  | 8,642,945                  | -                           | 8,642,945          | 84,919                                       |
| Property Taxes Receivable                                | 17,135,466                 | -                           | 17,135,466         | 3,351,652                                    |
| Other Taxes Receivable                                   | 8,019,598                  | -                           | 8,019,598          | -  |
| Other Receivables  | 1,405,401                  | 2,388,906                   | 3,794,307          | 2,150  |
| Internal Balances  | 965,347                    | (985,347)                   | -                  | -  |
| Loan to Waukegan Port District                           | 1,834,400                  | -                           | 1,834,400          | -  |
| Deposits   | -                          | -                           | -                  | 20,976                                       |
| Inventories  | 813,298                    | 296,278                     | 1,109,576          | -  |
| Deferred Charges   | 1,223,228                  | 242,247                     | 1,465,475          | -  |
| Temporarily Restricted Assets                            |                            |                             |                    |  |
| Cash and Cash Equivalents                                | -                          | 937,789                     | 937,789            | -  |
| Capital Assets, Not Being Depreciated                    |                            |                             |                    |  |
| Land   | 12,632,520                 | 2,649,170                   | 15,281,690         | 71,486                                       |
| Construction in Progress                                 | 23,447                     | -                           | 23,447             | -  |
| Capital Assets, Net of Depreciation                      |                            |                             |                    |  |
| Buildings, Improvements & Parking Lots<br>Infrastructure | 41,620,736                 | 15,751,923                  | 57,372,659         | 1,806,862                                    |
| Water & Sewer System                                     | -                          | 32,018,841                  | 32,018,841         | -  |
| Other (Added Since May 1, 2003)                          | 5,326,166                  | -                           | 5,326,166          | -  |
| Library Materials  | -                          | -                           | -                  | 1,913,776                                    |
| Vehicles, Equipment, and Furnishings                     | 5,327,037                  | 3,491,002                   | 8,818,039          | 626,403                                      |
| <b>TOTAL ASSETS</b>                                      | <b>114,779,906</b>         | <b>62,124,736</b>           | <b>176,904,642</b> | <b>7,958,774</b>                             |
| <b>LIABILITIES</b>                                       |                            |                             |                    |  |
| Accounts Payable & Accrued Expenses                      | 3,396,775                  | 1,509,407                   | 4,906,182          | 41,817                                       |
| Accrued Interest Payable                                 | 816,698                    | 135,787                     | 952,485            | 35,548                                       |
| Claims & Judgments Payable                               | 2,150,578                  | -                           | 2,150,578          | -  |
| Deferred Revenue   | 18,116,441                 | -                           | 18,116,441         | 3,407,131                                    |
| Deposits   | 648,940                    | 167,778                     | 816,718            | -  |
| Noncurrent liabilities:                                  |                            |                             |                    |  |
| Due within one year                                      | 11,069,774                 | 1,413,807                   | 12,483,581         | 125,000                                      |
| Due in more than one year                                | 91,883,436                 | 13,862,268                  | 105,745,704        | 1,843,699                                    |
| <b>Total Liabilities</b>                                 | <b>128,082,642</b>         | <b>17,089,047</b>           | <b>145,171,689</b> | <b>5,453,195</b>                             |
| <b>NET ASSETS</b>  |                            |                             |                    |  |
| Invested in Capital Assets, Net of Related Debt          | 9,764,400                  | 38,634,861                  | 48,399,261         | 2,583,527                                    |
| Restricted for   |                            |                             |                    |  |
| Public Works   | 2,623,852                  | -                           | 2,623,852          | -  |
| Economic Development                                     | 2,186,257                  | -                           | 2,186,257          | -  |
| Permanent Funds  |                            |                             |                    |  |
| Expendable   | 880,645                    | -                           | 880,645            | -  |
| Nonexpendable  | 43,054                     | -                           | 43,054             | -  |
| Public Safety  | 670,319                    | -                           | 670,319            | -  |
| Debt Service   | 3,118,002                  | 850,846                     | 3,968,848          | -  |
| Capital Projects   | 3,724,136                  | -                           | 3,724,136          | -  |
| Other Purposes   | (1,484,346)                | -                           | (1,484,346)        | -  |
| Unrestricted   | (34,829,055)               | 5,549,982                   | (29,279,073)       | (77,948)                                     |
| <b>Total Net Assets</b>                                  | <b>(13,302,736)</b>        | <b>45,035,689</b>           | <b>31,732,953</b>  | <b>2,505,579</b>                             |
| <b>TOTAL LIABILITIES &amp; NET ASSETS</b>                | <b>114,779,906</b>         | <b>62,124,736</b>           | <b>176,904,642</b> | <b>7,958,774</b>                             |

The accompanying notes are an integral part of these financial statements.

Statement of Activities  
Year Ended April 30, 2006

| Functions/Programs                            | Program Revenues  |                      |                                  | Net (Expense) Revenue and Changes in Net Assets |                         |                          | Component Unit                           |       |
|---|-------------------|----------------------|----------------------------------|---|-------------------------|--------------------------|--|-------|
|   | Expenses          | Charges for Services | Operating Grants & Contributions | Capital Grants & Contributions                  | Governmental Activities | Primary Government       |  |       |
|   |                   |                      |                                  |   |                         | Business-Type Activities |  | Total |
| <b>Primary Government</b>                     |                   |                      |                                  |   |                         |                          | <b>Waukegan</b><br><b>Public Library</b> |       |
| <b>Governmental Activities</b>                |                   |                      |                                  |   |                         |                          |  |       |
| General Government                            | 5,481,166         | 2,160,140            | -                                | -   | (3,321,026)             | (3,321,026)              |  |       |
| Public Safety                                 | 40,217,355        | 8,682,137            | 348,646                          | 48,306  | (31,158,266)            | (31,158,266)             |  |       |
| Streets, Bridges & Other Public Works         | 9,182,856         | 338,360              | -                                | -   | (8,844,496)             | (8,844,496)              |  |       |
| Sanitation & Environment                      | 3,428,431         | 42,002               | 138,516                          | -   | (3,247,913)             | (3,247,913)              |  |       |
| Economic Development                          | 8,176,607         | -                    | -                                | -   | (8,176,607)             | (8,176,607)              |  |       |
| Community Development                         | 1,443,685         | 207,139              | 1,162,059                        | -   | (74,487)                | (74,487)                 |  |       |
| Culture & Recreation                          | 2,214,870         | 728,149              | -                                | -   | (1,486,721)             | (1,486,721)              |  |       |
| Interest on Long-Term Debt                    | 3,564,819         | -                    | -                                | -   | (3,564,819)             | (3,564,819)              |  |       |
| <b>Total Governmental Activities</b>          | <b>73,709,789</b> | <b>12,137,927</b>    | <b>1,649,221</b>                 | <b>48,306</b>                                   | <b>(59,874,335)</b>     | <b>(59,874,335)</b>      |  |       |
| <b>Business-Type Activities</b>               |                   |                      |                                  |   |                         |                          |  |       |
| Water & Sewer                                 | 8,848,645         | 11,546,745           | -                                | -   | -                       | 2,698,100                |  |       |
| Parking System                                | 849,545           | 747,635              | -                                | -   | -                       | (101,910)                |  |       |
| <b>Total Business-Type Activities</b>         | <b>9,698,190</b>  | <b>12,294,380</b>    | <b>-</b>                         | <b>-</b>  | <b>-</b>                | <b>2,596,190</b>         |  |       |
| <b>Total Primary Government</b>               | <b>83,407,979</b> | <b>24,432,307</b>    | <b>1,649,221</b>                 | <b>48,306</b>                                   | <b>(59,874,335)</b>     | <b>(57,278,145)</b>      |  |       |
| <b>Component Unit</b>                         |                   |                      |                                  |   |                         |                          |  |       |
| Waukegan Public Library                       | 3,199,200         | 145,724              | 329,171                          | -   | -                       | (2,724,305)              |  |       |
| <b>General Revenues:</b>                      |                   |                      |                                  |   |                         |                          |  |       |
| Property Taxes                                |                   |                      |                                  |   | 15,877,422              | 15,877,422               | 3,187,161                                |       |
| Sales & Utility Taxes                         |                   |                      |                                  |   | 23,060,469              | 23,060,469               | -  |       |
| Income Taxes & Franchise Fees                 |                   |                      |                                  |   | 11,118,836              | 11,118,836               | -  |       |
| Motor Fuel Taxes                              |                   |                      |                                  |   | 2,646,411               | 2,646,411                | -  |       |
| Unrestricted Investment Income                |                   |                      |                                  |   | 766,019                 | 766,019                  | 34,079                                   |       |
| Gain (Loss) on Sales of Fixed Assets          |                   |                      |                                  |   | 34,372                  | 34,372                   | (9,513)                                  |       |
| <b>Transfers</b>                              |                   |                      |                                  |   | 2,608,389               | (2,608,389)              | -  |       |
| <b>Total General Revenues &amp; Transfers</b> |                   |                      |                                  |   | <b>56,111,918</b>       | <b>(2,497,228)</b>       | <b>3,211,717</b>                         |       |
| <b>Change in Net Assets</b>                   |                   |                      |                                  |   | <b>(3,762,417)</b>      | <b>98,962</b>            | <b>487,412</b>                           |       |
| <b>Net Assets - Beginning</b>                 |                   |                      |                                  |   | <b>(9,540,319)</b>      | <b>44,936,727</b>        | <b>2,018,167</b>                         |       |
| <b>Net Assets - Ending</b>                    |                   |                      |                                  |   | <b>(13,302,736)</b>     | <b>45,035,689</b>        | <b>2,505,579</b>                         |       |

# **Fund Financial Statements**

## Governmental Funds

## Balance Sheet

April 30, 2006

|  | General           | Debt Service<br>Fund | Other<br>Governmental<br>Funds | Interfund<br>Eliminations | Total<br>Governmental<br>Funds |
|--|-------------------|----------------------|--------------------------------|---------------------------|--------------------------------|
| <b>ASSETS</b>                                |                   |                      |                                |                           |                                |
| Cash and Cash Equivalents                    | 3,785,238         | 192,096              | 5,018,662                      | -                         | 8,995,996                      |
| Investments                                  | -                 | 2,422,100            | 6,220,846                      | -                         | 8,642,946                      |
| Receivables, Net                             |                   |                      |                                |                           |                                |
| Property Taxes                               | 12,411,039        | 4,335,625            | 388,802                        | -                         | 17,135,466                     |
| Sales, Income, & Utility Taxes               | 6,498,356         | 244,536              | 1,276,705                      | -                         | 8,019,597                      |
| Fees, Fines & Charges for Services           | 721,241           | -                    | -                              | -                         | 721,241                        |
| Accrued Interest Income                      | -                 | 25,546               | 5,030                          | -                         | 30,576                         |
| Loans  | -                 | -                    | 2,577                          | -                         | 2,577                          |
| Intergovernmental                            | 116,806           | -                    | 13,835                         | -                         | 130,641                        |
| Loan to Waukegan Port District               | -                 | 1,834,400            | -                              | -                         | 1,834,400                      |
| Due From Other Funds (Short-Term)            | 2,189,784         | 481,523              | 1,416,241                      | (3,248,522)               | 839,026                        |
| Advances to Other Funds (Long-Term)          | 4,428,577         | -                    | -                              | -                         | 4,428,577                      |
| Other  | -                 | -                    | 142,336                        | -                         | 142,336                        |
| Inventories                                  | 556,678           | -                    | 256,620                        | -                         | 813,298                        |
| <b>TOTAL ASSETS</b>                          | <b>30,707,719</b> | <b>9,535,826</b>     | <b>14,741,654</b>              | <b>(3,248,522)</b>        | <b>51,736,677</b>              |
| <b>LIABILITIES</b>                           |                   |                      |                                |                           |                                |
| Accounts Payable & Accrued Expenses          |                   |                      |                                |                           |                                |
| Accounts Payable                             | 1,169,390         | 4,225                | 995,759                        | -                         | 2,169,374                      |
| Constructions Costs/Retainage Payable        | -                 | -                    | -                              | -                         | -                              |
| Accrued Salaries                             | 1,142,977         | -                    | 65,820                         | -                         | 1,208,797                      |
| Due to Other Funds (Short-Term)              | 209,391           | 152,144              | 3,003,440                      | (3,248,522)               | 116,453                        |
| Deferred Revenue                             |                   |                      |                                |                           |                                |
| Property Taxes                               | 12,411,040        | 4,335,624            | 388,802                        | -                         | 17,135,466                     |
| Other Taxes, Licenses & Fees                 | 2,245,969         | 91,431               | 519,254                        | -                         | 2,856,654                      |
| Intergovernmental                            | 94,387            | -                    | 123,412                        | -                         | 217,799                        |
| Advance to Waukegan Port District            | -                 | 1,834,400            | -                              | -                         | 1,834,400                      |
| Deposits                                     | 377,608           | -                    | 271,332                        | -                         | 648,940                        |
| <b>Total Liabilities</b>                     | <b>17,650,762</b> | <b>6,417,824</b>     | <b>5,367,820</b>               | <b>(3,248,522)</b>        | <b>26,187,884</b>              |
| <b>FUND BALANCES</b>                         |                   |                      |                                |                           |                                |
| Reserved for:                                |                   |                      |                                |                           |                                |
| Inventories                                  | 556,678           | -                    | 256,620                        | -                         | 813,298                        |
| Long-Term Receivable                         | 4,428,577         | -                    | -                              | -                         | 4,428,577                      |
| Permanent Funds                              | -                 | -                    | 923,699                        | -                         | 923,699                        |
| Debt Service                                 | -                 | 2,837,233            | -                              | -                         | 2,837,233                      |
| Capital Projects                             | -                 | -                    | 685,746                        | -                         | 685,746                        |
| Unreserved, Undesignated, Reported in:       |                   |                      |                                |                           |                                |
| General Fund                                 | 8,071,702         | -                    | -                              | -                         | 8,071,702                      |
| Special Revenue Funds                        | -                 | -                    | 3,739,464                      | -                         | 3,739,464                      |
| Capital Projects Funds                       | -                 | -                    | 3,768,306                      | -                         | 3,768,306                      |
| Debt Service Funds                           | -                 | 280,769              | -                              | -                         | 280,769                        |
| <b>Total Fund Balances</b>                   | <b>13,056,957</b> | <b>3,118,002</b>     | <b>9,373,834</b>               | <b>-</b>                  | <b>25,548,794</b>              |
| <b>TOTAL LIABILITIES &amp; FUND BALANCES</b> | <b>30,707,719</b> | <b>9,535,826</b>     | <b>14,741,654</b>              | <b>(3,248,522)</b>        | <b>51,736,678</b>              |

The accompanying notes are an integral part of these financial statements.

## Reconciliation of the Governmental Funds Balance Sheet To the Statement of Net Assets

*April 30, 2006*

Amounts reported for governmental activities in the Statement of Net Assets (C-1) are different because:

**Total Fund Balances per Governmental Funds Balance Sheet (D-1) 25,548,794**

Certain long-term receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds:

|                          |           |           |
|--------------------------|-----------|-----------|
| Sales Taxes              | 1,201,140 |           |
| Utility Taxes            | 551,204   |           |
| Income Taxes             | 341,133   |           |
| Port District Receivable | 1,834,400 | 3,927,877 |

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 64,929,906

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

|   |              |               |
|---|--------------|---------------|
| General Obligation Bonds Payable (Net of Unamortized<br>Premiums, Discounts and Refunding Gains/Losses) | (85,687,004) |               |
| Capital Leases Payable  | (1,490,229)  |               |
| Compensated Absences  | (6,171,467)  |               |
| Net Pension Obligations   | (7,068,906)  | (100,417,606) |

Accrued interest on long-term liabilities is shown as a liability on the Statement of Net Assets. (816,698)

Deferred bond issuance costs are not recorded in the funds. 1,223,228

Internal service funds are used by management to charge the costs of self insurance costs to individual funds. The net assets of the internal service funds are included in governmental activities in the Statement of Net Assets:

|   |             |             |
|---|-------------|-------------|
| Assets  | 1,172,354   |             |
| Internal Balances   | (4,428,577) |             |
| Liabilities   | (4,704,786) |             |
|   | (7,961,009) |             |
| Portion of net assets allocated to business-type activities | 262,772     | (7,698,237) |

**Net assets of governmental activities (C-1) (13,302,736)**

The accompanying notes are an integral part of these financial statements.

**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
*For the Year Ended April 30, 2006*

|  | General            | Debt Service<br>Fund | Other<br>Governmental<br>Funds | Interfund<br>Eliminations | Total<br>Governmental<br>Funds |
|--|--------------------|----------------------|--------------------------------|---------------------------|--------------------------------|
| <b>REVENUES</b>                                      |                    |                      |                                |                           |                                |
| Sales-Based Taxes                                    | 10,707,300         | 979,380              | 4,997,367                      | -                         | 16,684,047                     |
| Property-Based Taxes                                 | 11,463,744         | 4,171,694            | 241,984                        | -                         | 15,877,422                     |
| Utility-Based Taxes                                  | 8,130,341          | -                    | 729,575                        | -                         | 8,859,916                      |
| Income-Based Taxes                                   | 10,184,355         | -                    | -                              | -                         | 10,184,355                     |
| Fines & Forfeitures                                  | 4,202,458          | -                    | 164,244                        | -                         | 4,366,702                      |
| Intergovernmental                                    | 527,920            | -                    | 1,661,264                      | -                         | 2,189,184                      |
| Charges for Services                                 | 1,754,381          | -                    | 732,165                        | -                         | 2,486,546                      |
| Licenses   | 1,760,925          | -                    | -                              | -                         | 1,760,925                      |
| Permits  | 1,822,378          | -                    | -                              | -                         | 1,822,378                      |
| Franchise and Other Similar Fees                     | 931,712            | -                    | -                              | -                         | 931,712                        |
| Investment Income                                    | 364,172            | 104,607              | 422,805                        | -                         | 891,584                        |
| Miscellaneous Revenue                                | 985,393            | -                    | 224,325                        | -                         | 1,209,718                      |
| <b>TOTAL REVENUES</b>                                | <b>52,835,079</b>  | <b>5,255,681</b>     | <b>9,173,729</b>               | <b>-</b>                  | <b>67,264,489</b>              |
| <b>EXPENDITURES</b>                                  |                    |                      |                                |                           |                                |
| <b>Current:</b>                                      |                    |                      |                                |                           |                                |
| Public Safety - Police/Communications                | 23,131,794         | -                    | 1,336,745                      | -                         | 24,468,539                     |
| Economic Development                                 | 945,265            | -                    | 7,241,317                      | -                         | 8,186,582                      |
| Public Safety - Fire/Emergency Medical               | 13,129,267         | -                    | 171,512                        | -                         | 13,300,779                     |
| Streets, Bridges & Other Public Works                | 5,827,109          | -                    | 2,233,149                      | -                         | 8,060,258                      |
| Sanitation and Environment                           | 3,286,432          | -                    | 167,799                        | -                         | 3,454,231                      |
| General Government                                   | 5,345,046          | 21,012               | 226,875                        | -                         | 5,592,933                      |
| Public Safety - Protective Inspection                | 1,715,165          | -                    | 72,940                         | -                         | 1,788,105                      |
| Community Development                                | -                  | -                    | 1,227,676                      | -                         | 1,227,676                      |
| Culture and Recreation                               | 490,264            | -                    | 935,683                        | -                         | 1,425,947                      |
| <b>Capital Outlay</b>                                |                    |                      |                                |                           |                                |
| General Government-City Hall                         | 37,905             | -                    | 33,990                         | -                         | 71,895                         |
| Culture and Recreation-Genssee Theatre               | 1,995              | -                    | 358,470                        | -                         | 360,465                        |
| Economic Development                                 | -                  | -                    | 172,283                        | -                         | 172,283                        |
| Streets, Bridges & Other Public Works                | 847,423            | -                    | 1,984,539                      | -                         | 2,831,962                      |
| Public Safety, Community Dev., Gen. Gov.             | 486,517            | -                    | 556,606                        | -                         | 1,042,123                      |
| <b>Debt Service</b>                                  |                    |                      |                                |                           |                                |
| Bond Issuance Costs                                  | -                  | 343,846              | 191,384                        | -                         | 535,230                        |
| Principal Retirement                                 | 75,945             | 5,663,222            | 108,410                        | -                         | 5,847,577                      |
| Interest and Fiscal Charges                          | 10,182             | 2,138,616            | 231,722                        | -                         | 2,380,520                      |
| Waukegan Port District Pass Throughs                 | -                  | (748,393)            | -                              | -                         | (748,393)                      |
| <b>TOTAL EXPENDITURES</b>                            | <b>55,330,308</b>  | <b>7,418,303</b>     | <b>17,250,100</b>              | <b>-</b>                  | <b>79,998,711</b>              |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXP</b>      | <b>(2,495,229)</b> | <b>(2,162,622)</b>   | <b>(8,076,371)</b>             | <b>-</b>                  | <b>(12,734,222)</b>            |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                    |                      |                                |                           |                                |
| General Fixed Asset Sales & Trade-Ins                | 34,372             | -                    | -                              | -                         | 34,372                         |
| Proceeds of Capital Lease                            | 1,000,000          | -                    | -                              | -                         | 1,000,000                      |
| General Obligation Bonds Issued - Principal          | -                  | 24,760,000           | 3,695,000                      | -                         | 28,455,000                     |
| General Obligation Bonds Issued - Premium/(Discount) | -                  | 427,575              | -                              | -                         | 427,575                        |
| Payment to Refunded Bond Escrow Agent                | -                  | (24,649,006)         | -                              | -                         | (24,649,006)                   |
| Operating Transfers In                               | 2,274,293          | 4,420,419            | 1,359,746                      | (5,446,069)               | 2,608,389                      |
| Operating Transfers (Out)                            | (180,041)          | (1,635,336)          | (3,630,692)                    | 5,446,069                 | (0)                            |
| <b>TOTAL OTHER FIN. SOURCES (USES)</b>               | <b>3,128,624</b>   | <b>3,323,652</b>     | <b>1,424,054</b>               | <b>-</b>                  | <b>7,876,330</b>               |
| <b>NET CHANGE IN FUND BALANCES</b>                   | <b>633,395</b>     | <b>1,161,030</b>     | <b>(6,652,317)</b>             | <b>-</b>                  | <b>(4,857,892)</b>             |
| <b>FUND BALANCE</b>                                  |                    |                      |                                |                           |                                |
| Incr (Decr)-Fund Bal, Reserve for Inventory          | -                  | -                    | 256,620                        | -                         | 256,620                        |
| Beginning of Year, as restated                       | 12,423,562         | 1,956,972            | 15,769,532                     | -                         | 30,150,066                     |
| <b>End of Year</b>                                   | <b>13,056,957</b>  | <b>3,118,002</b>     | <b>9,373,834</b>               | <b>-</b>                  | <b>25,548,794</b>              |

The accompanying notes are an integral part of these financial statements.

**Reconciliation of the  
Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance  
To the Statement of Net Assets**

*Year Ended April 30, 2006*

Amounts reported for governmental activities in the Statement of Activities (C-2) are different because:

**Net Change in Fund Balances - Total Governmental Funds (D-3) (4,857,892)**

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation. This is the amount by which capital outlays exceeded depreciation in the current period:

|                 |                    |           |
|-----------------|--------------------|-----------|
| Capital Outlays | 4,478,728          |           |
| Depreciation    | <u>(3,248,799)</u> | 1,229,929 |

The issuance of long-term debt (bonds, leases) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

|  |                |           |
|--|----------------|-----------|
| Principal Repayments-General Obligation Bonds      | 5,663,222      |           |
| Capital Lease Principal Payments                   | 184,355        |           |
| Debt Issuance Amounts:                             |                |           |
| Capital Lease Proceeds                             | (1,000,000)    |           |
| Payment to Refunded Bond Escrow Agent              | 24,649,006     |           |
| Bond Principal Issued (Net of Premiums, Discounts) | (28,882,575)   |           |
| Bond Issuance Costs                                | <u>526,230</u> | 1,140,238 |

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

|   |                    |             |
|---|--------------------|-------------|
| Police and fire pension costs-decrease in net pension obligation        | 235,501            |             |
| Compensated Absences  | (460,711)          |             |
| Change in accrued interest-General Obligation Bonds and Capital Leases  | (156,813)          |             |
| Amortization of Bond Issuance Costs                                     | (150,991)          |             |
| Amortization of Bond Premiums, Discounts and Gains/Losses on Refundings | <u>(1,308,429)</u> | (1,841,443) |

The principal repayment portion of debt service pass-throughs from the Waukegan Port District provides current financial resources to governmental funds. However, only the interest portion of those pass-throughs increase net assets.

(567,300)

**(Continued)**

The accompanying notes are an integral part of these financial statements.

**Reconciliation of the  
Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance  
To the Statement of Net Assets**

*Year Ended April 30, 2006*

(Continued)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

|               |         |         |
|---------------|---------|---------|
| Sales Taxes   | 113,040 |         |
| Utility Taxes | (7,329) |         |
| Income Taxes  | 59,975  | 165,686 |

Internal service funds are used by management to charge the costs of self insurance costs to individual funds. The net income of the internal service funds is reported with governmental activities in the Statement of Activities:

968,365

**Change in net assets of governmental activities (C-2)**

**(3,762,417)**

## PROPRIETARY FUNDS

## Statement of Net Assets

April 30, 2006

|   | Business-type Activities - Enterprise Funds |                                 |                   | Governmental<br>Activities -<br>Internal Service<br>Funds |
|---|---|---------------------------------|-------------------|---|
|   | Waterworks and<br>Sewerage                  | Motor Vehicle<br>Parking System | Totals            |   |
| <b>ASSETS</b>                           |   |                                 |                   |   |
| <b>Current Assets</b>                   |   |                                 |                   |   |
| Cash And Cash Equivalents               | 5,279,944                                   | 53,983                          | 5,333,927         | 794,322   |
| Trade Receivables, Net                  |   |                                 |                   |   |
| Billed                                  | 418,868                                     | -                               | 418,868           | 378,030   |
| Unbilled                                | 1,565,136                                   | -                               | 1,565,136         | -   |
| Accrued Interest                        | 11,488                                      | 1,108                           | 12,596            | -   |
| Inventories                             | 296,278                                     | -                               | 296,278           | -   |
| Due From Other Funds                    | 132,111                                     | 62,233                          | 194,344           | -   |
| <b>Total Current Assets</b>             | <b>7,703,825</b>                            | <b>117,324</b>                  | <b>7,821,149</b>  | <b>1,172,352</b>  |
| <b>Noncurrent Assets</b>                |   |                                 |                   |   |
| Capital Assets, Net of Depreciation     |   |                                 |                   |   |
| Land                                    | 1,040,947                                   | 1,608,223                       | 2,649,170         | -   |
| Buildings, Parking Lots & Improvements  | 5,330,030                                   | 10,421,893                      | 15,751,923        | -   |
| Machinery & Equipment                   | 1,742,271                                   | 61,456                          | 1,803,727         | 890   |
| System Infrastructure                   | 32,018,841                                  | -                               | 32,018,841        | -   |
| Vehicles                                | 1,685,434                                   | 1,841                           | 1,687,275         | -   |
| <b>Total Capital Assets</b>             | <b>41,817,523</b>                           | <b>12,093,413</b>               | <b>53,910,936</b> | <b>890</b>  |
| Cash & Cash Equivalents, Restricted for |   |                                 |                   |   |
| Revenue Bond Reserve Requirements       | -   | 937,789                         | 937,789           | -   |
| Special Assessments Receivable          | 392,303                                     | -                               | 392,303           | -   |
| Deferred Bond Issuance Costs            | 41,935                                      | 200,312                         | 242,247           | -   |
| <b>Total Noncurrent Assets</b>          | <b>42,251,761</b>                           | <b>13,231,514</b>               | <b>55,483,275</b> | <b>890</b>  |
| <b>TOTAL ASSETS</b>                     | <b>49,955,586</b>                           | <b>13,348,838</b>               | <b>63,304,424</b> | <b>1,173,242</b>  |

(Continued)

The accompanying notes are an integral part of these financial statements.

**PROPRIETARY FUNDS**  
**Statement of Net Assets (cont.)**  
*April 30, 2006*

|  | <u>Business-type Activities - Enterprise Funds</u> |   |                          | <u>Governmental<br/>Activities -<br/>Internal Service<br/>Funds</u> |
|--|--|---|--------------------------|---|
|  | <u>Waterworks and<br/>Sewerage</u>                 | <u>Motor Vehicle<br/>Parking System</u> | <u>Totals</u>            |   |
| <b>LIABILITIES</b>   |  |   |                          |   |
| <b>Current Liabilities</b>   |  |   |                          |   |
| Accounts Payable   | 659,960  | 362,486                                 | 1,022,446                | 25,031  |
| Accrued Salaries   | 133,357  | 3,688                                   | 137,045                  | 2,948   |
| Interest Payable   | 48,844   | 86,943                                  | 135,787                  | -   |
| Due To Other Funds (Short-Term)  | 369,710  | 547,206                                 | 916,916                  | -   |
| Health Insurance Claims Payable (Net of Reinsurance)   | -  | -                                       | -                        | 4,262   |
| Prepaid Premiums (Net)   | -  | -                                       | -                        | (9,374)   |
| Estimated Liability, Claims & Judgments (Net of Reinsurance)                                       |  |   |                          |   |
| Environmental Matters  | -  | -                                       | -                        | 2,525,000   |
| Other Claims & Judgments   | -  | -                                       | -                        | 2,146,316   |
| Current Portion Of Long-Term Debt  | 890,538  | 523,269                                 | 1,413,807                | -   |
| <b>Total Current Liabilities</b>   | <b><u>2,102,409</u></b>                            | <b><u>1,523,592</u></b>                 | <b><u>3,626,001</u></b>  | <b><u>4,694,183</u></b>   |
| <b>Noncurrent Liabilities</b>  |  |   |                          |   |
| Bonds Payable  |  |   |                          |   |
| (Net of Unamortized Discounts and Deferred Amounts on Refunding)                                   |  |   |                          |   |
| 1998 G.O. Bonds Payable  | 373,986  | 309,761                                 | 683,747                  | -   |
| 2000 G.O. Bonds Payable  | 261,741  | -                                       | 261,741                  | -   |
| 2004A Revenue Bonds Payable  | -  | 7,640,000                               | 7,640,000                | -   |
| Total Bonds Payable, Net   | <b><u>635,727</u></b>                              | <b><u>7,949,761</u></b>                 | <b><u>8,585,488</u></b>  | <b><u>-</u></b>   |
| Note Payable   | 3,761,618  | -                                       | 3,761,618                | -   |
| Capital Leases Payable   | 1,515,162  | -                                       | 1,515,162                | -   |
| Total Bonds & Notes & Capital Leases Payable   | <b><u>5,912,507</u></b>                            | <b><u>7,949,761</u></b>                 | <b><u>13,862,268</u></b> | <b><u>-</u></b>   |
| Other Noncurrent Liabilities   |  |   |                          |   |
| Advances from Other Funds (Long-Term)  | -  | -                                       | -                        | 4,428,577   |
| Compensated Absences   | 345,176  | 4,740                                   | 349,916                  | 10,603  |
| Customer Deposits  | 167,778  | -                                       | 167,778                  | -   |
| <b>Total Noncurrent Liabilities</b>  | <b><u>6,425,461</u></b>                            | <b><u>7,954,501</u></b>                 | <b><u>14,379,962</u></b> | <b><u>4,439,180</u></b>   |
| <b>TOTAL LIABILITIES</b>   | <b><u>8,527,870</u></b>                            | <b><u>9,478,093</u></b>                 | <b><u>18,005,963</u></b> | <b><u>9,133,363</u></b>   |
| <b>NET ASSETS</b>  |  |   |                          |   |
| Invested in Capital Assets, Net of Related Debt  | 35,014,478   | 3,620,383                               | 38,634,861               | 890   |
| Restricted for Debt Service/Bond Covenant Reserves   | -  | 850,846                                 | 850,846                  | -   |
| Unrestricted   | 6,413,238  | (600,484)                               | 5,812,754                | (7,961,011)   |
| <b>TOTAL NET ASSETS</b>  | <b><u>41,427,716</u></b>                           | <b><u>3,870,745</u></b>                 | <b><u>45,298,461</u></b> | <b><u>(7,960,121)</u></b>   |
| Adj. to reflect the consolidation of internal service fund activities related to enterprise funds. |  |   | (262,772)                |   |
| <b>Net Assets of Business-Type Activities (C-1)</b>  |  |   | <b><u>45,035,689</u></b> |   |

The accompanying notes are an integral part of these financial statements.

**PROPRIETARY FUNDS**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
*For the Year Ended April 30, 2006*

|   | <b>Business-type Activities - Enterprise Funds</b> |   |                    | <b>Governmental<br/>Activities -<br/>Internal Service<br/>Funds</b> |
|---|--|---|--------------------|---|
|   | <b>Waterworks and<br/>Sewerage</b>                 | <b>Motor Vehicle<br/>Parking System</b> | <b>Totals</b>      |   |
| <b>OPERATING REVENUES</b>               |  |   |                    |   |
| Water and Sewer Billings                | 10,450,389   | -                                       | 10,450,389         | -   |
| Premiums                                | -  | -                                       | -                  | 10,673,269  |
| Permits & Fees                          | 835,441  | -                                       | 835,441            | -   |
| Parking Fees & Rent                     | -  | 747,635                                 | 747,635            | -   |
| Penalties                               | 227,332  | -                                       | 227,332            | -   |
| Miscellaneous Income                    | 33,583   | -                                       | 33,583             | 53,464  |
| <b>TOTAL OPERATING REVENUES</b>         | <b>11,546,745</b>                                  | <b>747,635</b>                          | <b>12,294,380</b>  | <b>10,726,733</b>   |
| <b>OPERATING EXPENSES</b>               |  |   |                    |   |
| Personnel - Compensation                | 3,015,621  | 72,643                                  | 3,088,264          | 61,821  |
| Personnel - Benefits, Taxes & Insurance | 1,298,672  | 25,686                                  | 1,324,358          | 20,035  |
| Contractual Services                    | 1,446,361  | 110,560                                 | 1,556,921          | 288,775   |
| Claims & Judgments                      |  |   |                    |   |
| Health Claims                           | -  | -                                       | -                  | 156,374   |
| Other Claims & Judgments                | -  | -                                       | -                  | 2,394,744   |
| Insurance Premiums                      |  |   |                    |   |
| Health Insurance                        | -  | -                                       | -                  | 6,114,716   |
| Other Insurance                         | -  | -                                       | -                  | 570,940   |
| Commodities                             | 973,854  | 24,841                                  | 998,695            | 25,398  |
| Total Oper. Exp. Before Depr.           | 6,734,508  | 233,730                                 | 6,968,238          | 9,632,803   |
| Depreciation                            | 1,979,236  | 260,374                                 | 2,239,610          | -   |
| <b>TOTAL OPERATING EXPENSES</b>         | <b>8,713,744</b>                                   | <b>494,104</b>                          | <b>9,207,848</b>   | <b>9,632,803</b>  |
| <b>OPERATING INCOME (LOSS)</b>          | <b>2,833,001</b>                                   | <b>253,531</b>                          | <b>3,086,532</b>   | <b>1,093,930</b>  |
| <b>NONOPERATING REVENUES (EXPENSE)</b>  |  |   |                    |   |
| Interest Earned                         | 89,815   | 21,346                                  | 111,161            | 27,155  |
| Special Assessment Revenue              | -  | -                                       | -                  | -   |
| Interest & Fiscal Charges               | (134,901)  | (355,441)                               | (490,342)          | (152,720)   |
| <b>TOTAL NONOPERATING REV (EXPENSE)</b> | <b>(45,086)</b>                                    | <b>(334,095)</b>                        | <b>(379,181)</b>   | <b>(125,565)</b>  |
| <b>NET INCOME BEFORE OPER TRANSFERS</b> | <b>2,787,915</b>                                   | <b>(80,564)</b>                         | <b>2,707,351</b>   | <b>968,365</b>  |
| <b>OPERATING TRANSFERS IN (OUT)</b>     |  |   |                    |   |
| Operating Transfers In                  | -  | -                                       | -                  | -   |
| Operating Transfers Out                 | (2,568,389)  | (40,000)                                | (2,608,389)        | -   |
| <b>TOTAL OPER. TRANSFERS IN (OUT)</b>   | <b>(2,568,389)</b>                                 | <b>(40,000)</b>                         | <b>(2,608,389)</b> | <b>-</b>  |
| <b>CHANGE IN NET ASSETS</b>             | <b>219,526</b>                                     | <b>(120,564)</b>                        | <b>98,962</b>      | <b>968,365</b>  |
| <b>RETAINED EARNINGS</b>                |  |   |                    |   |
| Beginning of Year                       | 41,208,190   | 3,991,309                               | 45,199,499         | (8,928,486)   |
| End of Year                             | 41,427,716   | 3,870,745                               | 45,298,461         | (7,960,121)   |

The accompanying notes are an integral part of these financial statements.

**PROPRIETARY FUNDS**  
**Statement of Cash Flows**  
*For the Year Ended April 30, 2006*

|  | <b>Business-type Activities - Enterprise Funds</b> |   |                    | <b>Governmental<br/>Activities -<br/>Internal Service<br/>Funds</b> |
|--|--|---|--------------------|---|
|  | <b>Waterworks and<br/>Sewerage</b>                 | <b>Motor Vehicle<br/>Parking System</b> | <b>Totals</b>      |   |
| <b>Cash Flows From Operating Activities</b>  |  |   |                    |   |
| Receipts from customers & users  | 12,012,077   | 747,635                                 | 12,759,712         | -   |
| Receipts from employees & retirees   | -  | -                                       | -                  | 1,613,145   |
| Receipts for Special Police Duty   | -  | -                                       | -                  | 53,464  |
| Receipts from insurance companies  | -  | -                                       | -                  | 364,389   |
| Receipts from interfund services provided  | -  | -                                       | -                  | 8,602,024   |
| Payments to suppliers & insurance carriers   | (2,248,397)  | (139,234)                               | (2,387,631)        | (7,008,248)   |
| Payments for Claims & Judgments  | -  | -                                       | -                  | (3,465,235)   |
| Payments to employees  | (3,042,728)  | (72,315)                                | (3,115,043)        | (61,848)  |
| Payments for interfund services (Insurance)  | (374,732)  | (5,856)                                 | (380,588)          | (5,856)   |
| Payments for interfund services (Employee Health Insurance)  | (425,352)  | (8,546)                                 | (433,898)          | (4,007)   |
| Payments for other employee benefits & taxes   | (498,588)  | (11,284)                                | (509,872)          | (10,172)  |
| <b>Net Cash Provided By (Used For) Oper. Activities</b>  | <b>5,422,280</b>                                   | <b>510,400</b>                          | <b>5,932,680</b>   | <b>77,656</b>   |
| <b>Cash Flows From Noncapital Financing Activities</b>   |  |   |                    |   |
| Transfers to General Fund  | (1,963,799)  | (40,000)                                | (2,003,799)        | -   |
| Transfers to Other Funds   | (604,590)  | -                                       | (604,590)          | (497)   |
| Transfers from Other Funds   | -  | 540,393                                 | 540,393            | -   |
| Interest Paid On Interfund Loan  | -  | -                                       | -                  | (152,720)   |
| Proceeds from Note Payable   | 4,000,000  | -                                       | 4,000,000          | -   |
| Other Interfund Advances (Net of Repayments)   | (10,055)   | (59,736)                                | (69,791)           | (537,200)   |
| <b>Net Cash Provided By (Used For) Noncapital<br/>Financing Activities</b>                                   | <b>1,421,556</b>                                   | <b>440,657</b>                          | <b>1,862,213</b>   | <b>(690,417)</b>  |
| <b>Cash Flows From Capital &amp; Related Financing Activities</b>  |  |   |                    |   |
| Payments on Special Assessments  | 49,260   | -                                       | 49,260             | -   |
| Proceeds from Capital Lease  | 1,000,000  | -                                       | 1,000,000          | -   |
| Deferred Bond Issue Costs  | (23,327)   | (9,258)                                 | (32,585)           | -   |
| Principal Paid On Capital Debt   | (960,590)  | (544,882)                               | (1,505,472)        | -   |
| Interest Paid On Capital Debt  | (123,870)  | (376,217)                               | (500,087)          | -   |
| Purchase/Construction Of Capital Assets  | (5,530,234)  | (4,608)                                 | (5,534,842)        | -   |
| <b>Net Cash Provided By (Used For) Capital &amp; Related<br/>Financing Activities</b>                        | <b>(5,588,761)</b>                                 | <b>(934,965)</b>                        | <b>(6,523,726)</b> | <b>-</b>  |
| <b>Cash Flows From Investing Activities</b>  |  |   |                    |   |
| Interest Received  | 78,740   | 20,460                                  | 99,200             | 27,155  |
| <b>Net Cash Provided By (Used For) Investing Activities</b>  | <b>78,740</b>                                      | <b>20,460</b>                           | <b>99,200</b>      | <b>27,155</b>   |
| <b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>  | <b>1,333,815</b>                                   | <b>36,552</b>                           | <b>1,370,367</b>   | <b>(585,606)</b>  |
| <b>TOTAL CASH &amp; CASH EQUIVALENTS</b>   |  |   |                    |   |
| <b>Beginning of Year<br/>(Including \$924,213 for the Parking Fund, reported in<br/>restricted accounts)</b> | <b>3,946,129</b>                                   | <b>955,220</b>                          | <b>4,901,349</b>   | <b>1,379,928</b>  |
| <b>End of Year<br/>(Including \$937,789 for the Parking Fund, reported in<br/>restricted accounts)</b>       | <b>5,279,944</b>                                   | <b>991,772</b>                          | <b>6,271,716</b>   | <b>794,322</b>  |

(Continued)

The accompanying notes are an integral part of these financial statements.

**PROPRIETARY FUNDS**  
**Statement of Cash Flows (continued)**  
*Year Ended April 30, 2006*

|  | <u>Business-type Activities - Enterprise Funds</u> |   |                  | <u>Governmental</u>                                |
|--|--|---|------------------|--|
|  | <u>Waterworks and<br/>Sewerage</u>                 | <u>Motor Vehicle<br/>Parking System</u> | <u>Totals</u>    | <u>Activities -<br/>Internal Service<br/>Funds</u> |
| <b>Reconciliation of operating income to<br/>net cash provided (used) by operating activities</b>    |  |   |                  |  |
| Operating Income   | 2,833,001  | 253,531                                 | 3,086,532        | 1,093,930  |
| Adjustments To Reconcile Operating Income To Net Cash<br>Provided By (Used For) Operating Activities |  |   |                  |  |
| Depreciation Expense   | 1,979,236  | 260,374                                 | 2,239,610        | (378,030)  |
| (Increase) Decrease In Receivables-Billed  | (32,649)   | -                                       | (32,649)         | -  |
| (Increase) Decrease In Receivables-Unbilled  | 432,653  | -                                       | 432,653          | -  |
| (Increase) Decrease In Inventories   | (7,101)  | -                                       | (7,101)          | -  |
| Increase (Decrease) In Accounts Payable (Non-Capital Items)  | 178,921  | (3,833)                                 | 175,088          | (8,419)  |
| Increase (Decrease) In Accrued Salaries  | (27,107)   | 328                                     | (26,779)         | (27)   |
| Increase (Decrease) In Compensated Absences  | -  | -                                       | -                | -  |
| Increase (Decrease) In Prepaid Premiums Payable  | -  | -                                       | -                | (80,070)   |
| Increase (Decrease) In Claims & Judgments Payable  | -  | -                                       | -                | (549,728)  |
| Increase (Decrease) In Customer Deposits   | 65,326   | -                                       | 65,326           | -  |
| <b>Net Cash Provided By (Used For) Operating Activities</b>  | <u>5,422,280</u>                                   | <u>510,400</u>                          | <u>5,932,680</u> | <u>77,656</u>                                      |
| <b>Supplemental Disclosure Of Non Cash<br/>Financing, Investing &amp; Capital Activities</b>         |  |   |                  |  |
| None   | <u>-</u>   | <u>-</u>                                | <u>-</u>         | <u>-</u>   |

The accompanying notes are an integral part of these financial statements.

**FIDUCIARY FUNDS**  
**Statement of Fiduciary Net Assets**  
*April 30, 2006*

|                                    | <u>Police<br/>Pension</u> | <u>Fire<br/>Pension</u>  | <u>Totals-<br/>Pension Trust<br/>Funds</u> |
|------------------------------------|---------------------------|--------------------------|--|
| <b>ASSETS</b>                      |                           |                          |  |
| Cash & Cash Equivalents            | 1,945,345                 | 673,416                  | 2,618,761                                  |
| Investments                        | 46,547,130                | 37,319,723               | 83,866,853                                 |
| Receivables:                       |                           |                          | -  |
| Employer Contributions             | 2,760,910                 | 2,362,600                | 5,123,510                                  |
| Employee Contributions             | 39,508                    | -                        | 39,508                                     |
| Accrued Investment Income          | 260,118                   | 217,973                  | 478,091                                    |
| <b>TOTAL ASSETS</b>                | <u><b>51,553,011</b></u>  | <u><b>40,573,712</b></u> | <u><b>92,126,723</b></u>                   |
| <b>LIABILITIES</b>                 |                           |                          |  |
| Accounts Payable                   | -                         | 11,782                   | 11,782                                     |
| Pensions Payable                   | 8,122                     | 738                      | 8,860                                      |
| <b>TOTAL LIABILITIES</b>           | <u><b>8,122</b></u>       | <u><b>12,520</b></u>     | <u><b>20,642</b></u>                       |
| <b>NET ASSETS</b>                  |                           |                          |  |
| Held in Trust for Pension Benefits | <u><b>51,544,889</b></u>  | <u><b>40,561,192</b></u> | <u><b>92,106,081</b></u>                   |

The accompanying notes are an integral part of these financial statements.

**FIDUCIARY FUNDS**  
**Statement Of Changes in Fiduciary Net Assets**  
*For the Year Ended April 30, 2006*

|   | Police<br>Pension | Fire<br>Pension   | Totals-<br>Pension Trust<br>Funds |
|---|-------------------|-------------------|-----------------------------------|
| <b>ADDITIONS</b>  |                   |                   |                                   |
| <b>Contributions</b>  |                   |                   |                                   |
| City-Property Taxes   | 2,752,065         | 2,362,760         | 5,114,825                         |
| Plan Participants-Salary Deductions                                 | 1,035,162         | 774,848           | 1,810,010                         |
| <b>Total Contributions</b>  | <b>3,787,227</b>  | <b>3,137,608</b>  | <b>6,924,835</b>                  |
| <b>Investment Income</b>  |                   |                   |                                   |
| Net Appreciation (Depreciation) in the<br>Fair Value of Investments | 4,289,204         | 3,371,739         | 7,660,943                         |
| Interest & Dividend Income  | 1,580,241         | 1,134,656         | 2,714,897                         |
|   | 5,869,445         | 4,506,395         | 10,375,840                        |
| Less: Investment Expense  | 152,098           | 132,056           | 284,154                           |
| <b>Net Investment Income</b>  | <b>5,717,347</b>  | <b>4,374,339</b>  | <b>10,091,686</b>                 |
| <b>TOTAL ADDITIONS</b>  | <b>9,504,574</b>  | <b>7,511,947</b>  | <b>17,016,521</b>                 |
| <b>DEDUCTIONS</b>   |                   |                   |                                   |
| <b>Pension Benefits</b>   |                   |                   |                                   |
| Retirees  | 2,383,389         | 2,348,489         | 4,731,878                         |
| Disability Pensions   | 541,350           | 528,633           | 1,069,983                         |
| Survivors Pensions  | 350,154           | 536,519           | 886,673                           |
| <b>Total Pension Benefits</b>                                       | <b>3,274,893</b>  | <b>3,413,641</b>  | <b>6,688,534</b>                  |
| <b>Other Deductions</b>   |                   |                   |                                   |
| Administrative Expense  | 20,410            | 115,442           | 135,852                           |
| Depreciation  | -                 | -                 | -                                 |
| Employee Contributions Refunded                                     | 3,341             | -                 | 3,341                             |
| <b>TOTAL DEDUCTIONS</b>   | <b>3,298,644</b>  | <b>3,529,083</b>  | <b>6,827,727</b>                  |
| <b>NET INCREASE (DECREASE)</b>                                      | <b>6,205,930</b>  | <b>3,982,864</b>  | <b>10,188,794</b>                 |
| <b>NET ASSETS HELD IN TRUST FOR<br/>PENSION BENEFITS</b>            |                   |                   |                                   |
| <b>Beginning of Year</b>  | <b>45,338,959</b> | <b>36,578,328</b> | <b>81,917,287</b>                 |
| <b>End of Year</b>  | <b>51,544,889</b> | <b>40,561,192</b> | <b>92,106,081</b>                 |

The accompanying notes are an integral part of these financial statements.

# **Notes to the Financial Statements**

**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

**Introduction** - The notes to the Financial Statements contain a summary of significant accounting policies and other information considered necessary for a clear understanding of the Financial Statements.

#### **I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Reporting Entity**

The City is a municipal corporation governed by a Mayor and a nine-member City Council, each elected to four-year terms of office. Also elected are the City Treasurer and City Clerk. The Mayor heads the administration of the City and with the consent of the City Council, appoints the various department heads. The City is a home rule unit under the 1970 Illinois Constitution and accordingly has no limitation as to prevailing property tax rates or total outstanding bonded debt.

As required by generally accepted accounting principles, these financial statements present the City of Waukegan and its component units, entities for which the City is considered to be financially accountable. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

The City has one discretely presented component unit, the Waukegan Public Library. The Mayor appoints the governing board of the Library with the approval of the City Council. The Library's budget is approved and adopted by the City Council. The Library also submits its property tax levy to the council for approval and the taxes are levied under the City's authority and included as part of the City's total tax levy. Complete financial statements may be obtained from the Library's administrative office, Waukegan Public Library, 128 N. County Street, Waukegan, Illinois 60085.

##### **B. Related Organizations**

The City's Mayor and Council are also responsible for appointing and approving the members of the Board of the Waukegan Housing Authority. However, the City's accountability for the Authority does not extend beyond making the appointments. The Authority's operating, capital and debt service expenditures are financed entirely from federal grants and rentals. The City of Waukegan has no involvement in the determination of the Authority's budget and rental rates and no obligation for the Authority's outstanding debts, if any.

##### **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 non-fiduciary activities of the City and its component unit. Eliminations have been made to minimize the double counting of internal activities of the City. These statements distinguish between governmental and business-type activities. *Governmental activities* generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. *Business-type activities* are financed in whole or in part by fees charged to external parties. Likewise, the *primary government* (the City) is reported separately from the component unit (the Library) for which the City is financially accountable.

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### **C. Government-wide and Fund Financial Statements (continued)**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) fines, fees, and charges to customers, citizens, and applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

The *fund financial statements* provide information about the City's funds, including its fiduciary funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The emphasis in fund financial statements is on *major* governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported in a column titled *other governmental funds*.

The City reports the following two major governmental funds:

**General Fund** – This fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on bonded indebtedness.

The City reports the following two major proprietary funds:

**Waterworks and Sewerage Fund** – This fund accounts for the City's water and sewerage operations. The City operates a water filtration plant and system lines that provide water to its own citizens as well as other municipalities. The City also maintains the sewer systems and collects the sewage, although treatment is the responsibility of the North Shore Sanitary District.

**Motor Vehicle Parking System** – This fund accounts for the operations of the City's on and off-street parking garages, lots, and other facilities.

Additionally, the City reports the following fund types in the fund financial statements:

**Internal Service Funds** – These funds account for the provision of liability, workers compensation and employee health insurance to other departments of the City, through two self-insurance programs. Financial statements are presented in a separate column in the proprietary financial statements.

**Pension Trust Funds** – These funds account for the accumulation of resources for future disability and retirement benefits for the members of the police and firefighters' pension plans. These two funds are presented separately in the Fiduciary Fund financial statements.

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### **D. Measurement Focus, Basis Of Accounting, and Financial Statement Presentation**

**Government-wide, Proprietary Fund, and Fiduciary Fund Financial Statements** - The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. For example the levy passed by council action in December 2005 will be recognized as revenue during the 2006/07 fiscal year. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the *Government Accounting Standards Board* (GASB). The City also has the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Amounts reported as *program revenues* on the government-wide *Statement of Net Assets* include 1) charges to customers, citizens, or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources and all taxes are reported as *general revenues* rather than as program revenues.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water & Sewer and Parking System enterprise funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition, including investment income, special assessments income for user-specific water/sewer system improvements, and interest expense on debt, are reported as non-operating revenue and expenses.

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

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### **D. Measurement Focus, Basis Of Accounting, and Financial Statement Presentation (cont.)**

**Governmental Fund Financial Statements** - Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, long-term debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes are recognized as revenues in the year for which they are intended to finance. Property taxes levied before the start of the fiscal year they are intended to finance are recorded as receivables with an offsetting deferred revenue amount. All other significant tax (sales, income, utility), franchise, fine, grant, and interest revenues are considered to be susceptible to accrual and so have been recognized as receivables of the current period. However, portions of such accrued revenues that are not deemed available according to the criteria as noted above, are offset by a deferred revenue liability. All other revenue items are considered to be measurable and available only when the City receives the related cash

#### **E. Deposits and Investments**

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

The City's Investment Policy conforms to the Illinois State Statutes and includes the following allowable investments: (1) Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereinafter issued, which are issued by an agency of the United States or guaranteed by the full faith and credit of the United States as to principal and interest; (2) Interest - bearing savings accounts, interest bearing certificates of deposit or interest-bearing time deposits; (3) Short term obligations of corporations organized in the United States with assets exceeding \$500,000,000; (4) Money market mutual funds registered under the Investment Company Act of 1940; (5) Illinois Public Treasurer's Investment Pool; (6) Repurchase agreements; and (7) Other investments allowed by Illinois State Statutes. However, in practice the City maintains a conservative policy that generally restricts investments to repurchase agreements with local financial institutions, U.S. Treasury Securities, and the Illinois Public Treasurer's Investment Pool, *The Illinois Funds*. However, the police and fire pension funds also invest in equity securities and mutual funds, as allowed by Illinois State Statutes.

All investments are carried at fair value. *The Illinois Funds* is an external investment pool administered by the Illinois State Treasurer. The fair value of the City's investment in the fund is the same as the value of the pool shares. Although not subject to direct regulatory oversight, this fund is administered in accordance with the provisions of the Illinois Public Investment Act, 30 ILCS 235.

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### F. Receivables

**Property Taxes** - Uncollectible property taxes are less than 1 percent of the related extension and thus, property taxes receivable has been recorded at the full amount of the levy as extended. Property tax revenues are recorded on the "deferred method." In both the government-wide and fund financial statements, property tax receivables are recorded as levied. However, property tax revenues are only recorded in the year for which they were intended to finance. Therefore, at fiscal year-end, deferred revenue is recorded as a liability to indicate the property taxes receivable that have been levied for the next fiscal year's operations.

Real and personal property values are assessed on a countywide basis by the Lake County Property Assessor as of January 1, each year. The Waukegan Public Library, a component unit of the City of Waukegan, is included in the City's tax levy. The City levies a property tax rate upon the taxable value that will provide revenue required for the fiscal year beginning May 1. The tax levy must be filed with the County Clerk no later than the last Tuesday in December.

Property taxes levied by the City and all other tax authorities within the County are centrally billed and collected by Lake County, with monthly remittance to the City of the proportionate share of collected taxes. Taxes are billed on May 1, at which time the property owner can elect to pay the bill in full or in two installments due June 1 and September 1. Full payment is due no later than September 2. On September 2, unpaid amounts become delinquent with interest and penalties added thereafter. Beginning December 1, tax certificates representing delinquent amounts are sold by Lake County, with remittance to the City for its share of those receipts. Liens are attached on January 1 of each tax year.

At April 30, uncollected current year amounts are classified as delinquent taxes receivable and offset by an allowance for uncollectibles in a like amount. Generally, the City collects more than 99% of current year property taxes during the year in which they are due. Delinquent taxes collected in subsequent periods are recognized as revenue for the fiscal year in which they are received.

**Unbilled Utility Receivables** – In addition to unpaid utility receivables that have been billed, unbilled water and sewer utility service receivables are recorded at year-end, by prorating cycle billings subsequent to April 30 for the applicable number of days to the current fiscal year.

**Loans Receivable** - The City's Community Development Block Grant Program (CDBG) has issued three types of loans. In 1994, CDBG loaned \$300,000 at no interest with a year 2034 maturity, to a private developer for the rehabilitation of an apartment building for senior and low-income housing. CDBG also issues loans to qualified low-income homeowners for rehabilitation of their residences. Repayment terms vary based on the borrower's income level. Depending on eligibility, portions of loans can be forgiven, attached as liens on the property, or repaid at 3% over varying maturities. Due to their possible forgiveness and the uncertainty of the timing of collection, these amounts are recorded as program expenditures when "loaned" and as program revenues when repaid. Amounts currently outstanding as liens total approximately \$3.1 million.

**Due from Component Unit** - The City also periodically loans funds to its component unit for cash flow purposes. Amounts outstanding at April 30 are expected to be repaid within the next year.

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**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006****F. Receivables (continued)**

**Loan to Waukegan Port District** – A 1983 City Bond Issue (subsequently refunded) and an intergovernmental agreement with the Waukegan Port District resulted in the recording of a long-term receivable and offsetting deferred revenue for the amount of the bonds issued on behalf of the Port District. Port District payments are recorded as a reduction of the City's related debt service expenditures when due.

**G. Inventories**

All inventories (spare parts, salt, public works supplies) are accounted for using the consumption method and are valued at cost using the first-in/first-out (FIFO) method. Inventories in governmental funds are not available for appropriation and therefore result in a reservation of fund balance in the fund financial statements.

**H. Restricted Assets – Enterprise Funds**

Certain cash and cash equivalents in the parking system fund are restricted in accordance with the ordinance authorizing the issuance of the 2004A Revenue Bonds. The funds are restricted for debt service on the bonds as well as to fund various accounts required to be maintained during the repayment period of the bonds.

**I. Capital Assets**

Capital assets, which include land, buildings, equipment, vehicles and certain infrastructure assets (e.g., roads, bridges, traffic signals, water & sewer lines, etc.), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets other than infrastructure assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Governmental activities currently report only infrastructure assets purchased or constructed beginning with fiscal year 2003/04. In accordance with generally accepted accounting standards, the City is currently inventorying and will report all governmental infrastructure assets, regardless of their acquisition date or cost, purchased or constructed before May 1, 2003 by the fiscal year ending April 30, 2008. Business-type activities report all infrastructure assets.

Capital assets are reported at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized, whereas improvements extending the useful lives of the related capital assets are capitalized.

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### I. Capital Assets (continued)

Capital assets of the City and its component unit are depreciated using the straight-line method over the following useful lives:

|                          | Years |
|--------------------------|-------|
| General Infrastructure   | 20-30 |
| Water & Sewer System     | 15-60 |
| Buildings & Improvements | 20-45 |
| Parking Lots             | 10-15 |
| Vehicles                 | 3-10  |
| Machinery & Equipment    | 5-20  |
| Computers                | 4-5   |
| Library Materials        | 5-25  |

#### J. Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick leave benefits, which will be paid to the employees upon separation from employment. In the government-wide and proprietary fund financial statements, compensated absences are accrued as non-current liabilities in the period in which they are earned. In all other funds, a liability is reported only if the amount has matured. (for example, as a result of employee resignations and retirement) Otherwise, no current liability has been recorded in the governmental fund financial statements, since accrued vacation and sick leave amounts as of the fiscal year end will not be liquidated with expendable available financial resources.

#### K. Claims & Judgments and Environmental Cleanup Liabilities

The liabilities for environmental cleanup activities and other claims and judgments represent the amount estimated by the city to be paid out in future periods. The amount is comprised of expenses and losses expected to arise from claims outstanding as of the end of the fiscal year and amounts expected to arise from claims that have been incurred but not reported to the city as of the end of the fiscal year.

#### L. Deferred Revenues

Deferred revenues include amounts collected before revenue recognition criteria are met, and receivables that, under the modified accrual basis of accounting, are measurable but not yet available. The deferred items consist primarily of intergovernmental grants, property taxes and the Advance to the Waukegan Port District.

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### M. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources or uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### N. Fund Equity & Net Assets

In the governmental 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.

In the government-wide and proprietary fund financial statements, equity is displayed in three categories as follows:

***Invested in Capital, Net of Related Debt*** – This category consist of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, capital leases, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

***Restricted*** - This category consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

***Unrestricted*** – This category consists of net assets that do not meet the definition of *restricted* or *invested in capital assets, net of related debt*.

#### O. Interfund Transactions

There are several types of transactions that are reported in the financial statements as interfund items:

***Loans*** – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either *due to/from other funds* (i.e., the current portion of interfund loans) or *advances to/from other funds* (i.e., the non-current portion of interfund loans). Non-current *advances* between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in the General Fund to indicate that they are not available for appropriation and are not expendable available financial resources.

**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**O. Interfund Transactions – (continued)**

**Services Provided and Used** – These are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as *due to/from other funds* in the governmental fund balance sheet and proprietary fund statement of net assets.

**Reimbursements** - Interfund transactions that constitute reimbursements of a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Unpaid amounts are reported as *due to/from other funds* in the governmental fund balance sheet and proprietary fund statement of net assets.

**Transfers** – These represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses/sources. In proprietary funds, transfers after reported after non-operating revenues and expenses.

In the government-wide financial statements, interfund amounts are eliminated except for residual amounts between governmental and business-type activities, which are labeled *internal balances* or *transfers*.

**P. Use of Estimates**

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

**Q. New Accounting Pronouncements**

No new accounting pronouncements materially affected these financial statements in this fiscal year.

**II - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Deficit Equity Of Individual Non-major Funds**

The following non-major funds had a deficit fund balance or deficit net assets as of April 30, 2006:

|  |           |
|--|-----------|
| Special Revenue Funds                            |           |
| TIF District #4-Lakefront/Downtown Redevelopment | 353,406   |
| Homeland Security Fund                           | 89,306    |
| EPA Grants Brownfields Redevelopment             | 6,893     |
| Environmental Remediation                        | 1,305,388 |
| Genesee Theatre                                  | 93,642    |
| Internal Service Funds                           |           |
| Employee Benefits                                | 3,736,656 |
| Safety & Risk Management                         | 4,223,465 |
| Capital Projects Funds                           |           |
| Streets and Sidewalks                            | 369,276   |

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

### III - CASH AND INVESTMENTS

The City maintains two pooled checking accounts that used by various funds of the City. In addition, many deposits and investments, including those of the pension trust funds are held separately by the individual funds.

#### A. Composition

Cash and investments as shown on the Statements of Net Assets/Balance Sheets are reconciled as follows:

|  | Police<br>Pension | Fire<br>Pension   | All Other<br>City Funds | Totals             |
|--|-------------------|-------------------|-------------------------|--------------------|
| Per Statements of Net Assets/Balance Sheet |                   |                   |                         |                    |
| Cash & Cash Equivalents                    | 1,945,345         | 673,416           | 15,124,244              | 17,743,005         |
| Cash & Cash Equiv.-Restr.                  | -                 | -                 | 937,789                 | 937,789            |
| Investments                                | 46,547,130        | 37,319,723        | 8,642,945               | 92,509,798         |
|  | <u>48,492,475</u> | <u>37,993,139</u> | <u>24,704,978</u>       | <u>111,190,592</u> |
| Per Analysis Below                         |                   |                   |                         |                    |
| Carrying Amt. of Deposits                  | 344,862           | 127,378           | 17,383,353              | 17,855,593         |
| Carrying Amt. of Investments               | 48,147,613        | 37,865,761        | 7,318,370               | 93,331,744         |
| Cash on Hand                               | -                 | -                 | 3,255                   | 3,255              |
|  | <u>48,492,475</u> | <u>37,993,139</u> | <u>24,704,978</u>       | <u>111,190,592</u> |

#### B. Deposits

The following is a summary of the status of City deposits as of April 30, 2006. The bank balances are categorized to give an indication of the level of risk assumed by the City at year-end as follows:

|  | Police<br>Pension | Fire<br>Pension | All Other<br>City Funds | Totals            |
|--|-------------------|-----------------|-------------------------|-------------------|
| Carrying Amount  |                   |                 |                         |                   |
| Certificates of Deposit  | -                 | -               | 12,431,899              | 12,431,899        |
| Savings Accounts   | -                 | -               | 488,554                 | 488,554           |
| Checking Accounts  | 344,862           | 127,378         | 4,462,900               | 4,935,140         |
|  | <u>344,862</u>    | <u>127,378</u>  | <u>17,383,353</u>       | <u>17,855,593</u> |
| Bank Balances By Category  |                   |                 |                         |                   |
| (1) Insured or collateralized<br>with securities held by<br>the City or by it's agent  | 381,331           | 100,000         | 843,691                 | 1,325,022         |
| (2) Collateralized with<br>securities held by the<br>pledging Financial Inst.<br>Trust Dept. or agent<br>in the City's name. | -                 | -               | 16,867,088              | 16,867,088        |
| (3) Uninsured and<br>Uncollateralized  | -                 | 88,641          | 527,789                 | 616,430           |
|  | <u>381,331</u>    | <u>188,641</u>  | <u>18,238,568</u>       | <u>18,808,540</u> |

**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**III - CASH AND INVESTMENTS (continued)**

**C. Investments**

Investments as of April 30, 2006, categorized as to risk assumed, are as follows:

|                                | Risk Category     |          |          | Market Value      |
|--------------------------------|-------------------|----------|----------|-------------------|
|                                | 1                 | 2        | 3        |                   |
| Police Pension                 |                   |          |          |                   |
| U.S. Treasury Notes            | 23,387,762        | -        | -        | 23,387,762        |
| Repurchase Agreements          | -                 | -        | -        | -                 |
| Equity Securities              | 23,159,368        | -        | -        | 23,159,368        |
|                                | <u>46,547,130</u> | <u>-</u> | <u>-</u> | <u>46,547,130</u> |
| Money Market Mutual            |                   |          |          |                   |
| Fund-Government Securities     |                   |          |          | 1,600,483         |
|                                |                   |          |          | <u>48,147,613</u> |
| Fire Pension                   |                   |          |          |                   |
| GNMA/FNMA Mortgage Pools       | 2,796,469         | -        | -        | 2,796,469         |
| Equity Securities & Mutual Fds | 18,302,555        | -        | -        | 18,302,555        |
| U.S. Treasury Securities       | 6,144,854         | -        | -        | 6,144,854         |
| U.S. Agency Securities         | 10,075,845        | -        | -        | 10,075,845        |
|                                | <u>37,319,723</u> | <u>-</u> | <u>-</u> | <u>37,319,723</u> |
| Money Market Mutual            |                   |          |          |                   |
| Fund-Government Securities     |                   |          |          | 546,038           |
|                                |                   |          |          | <u>37,865,761</u> |
| Other City Investments         |                   |          |          |                   |
| Res. Financing Corp. Bonds     | 3,216,058         | -        | -        | 3,216,058         |
| Repurchase Agreements          | -                 | -        | -        | -                 |
|                                | <u>3,216,058</u>  | <u>-</u> | <u>-</u> | <u>3,216,058</u>  |
| IL Public Treas. Inv. Pool     |                   |          |          | 4,102,312         |
|                                |                   |          |          | <u>7,318,370</u>  |
| GRAND TOTALS                   | <u>87,082,911</u> | <u>-</u> | <u>-</u> | 87,082,911        |
|                                |                   |          |          | 6,248,833         |
|                                |                   |          |          | <u>93,331,744</u> |

**Category 1** - This category consists of investments that are insured or registered and securities that are held by the City or its agent in the City's name

**Category 2** - This category consists of uninsured and unregistered investments for which the securities are held by the counter-party's trust department or agent in the City's name.

**Category 3** - Includes uninsured and unregistered investments for which the securities are held by the counter-party or its trust department or agent but not in the City's name.

**D. Component Unit Cash and Investments**

The Waukegan Public Library's deposits consist of cash on hand, savings, certificates of deposit and demand deposit accounts in the amount of \$173,285, classified as "cash and cash equivalents" on the balance sheet. Investments as shown on the balance sheet consist of amounts in the Illinois Public Treasurer's Investment Pool \$84,919. The total bank balance of the deposits is \$162,070 of which \$107,187 is covered by federal depository insurance and the remainder is uncollateralized and uninsured.

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### IV – RECEIVABLES & DEFERRED REVENUES

The following amounts are included in *property taxes receivable*:

|                         |                   |
|-------------------------|-------------------|
| Levied Through County   |                   |
| General                 | 16,490,947        |
| Road & Bridge           | 255,717           |
| Tax Increment Financing | 388,802           |
|                         | <u>17,135,466</u> |

The following receivables are included in *other taxes receivable* on the Statement of Net Assets:

|                          |                  |
|--------------------------|------------------|
| Sales & Local Use Tax    | 3,542,598        |
| Income & Replacement Tax | 1,671,140        |
| Utility Tax              | 1,218,615        |
| Telecommunications Tax   | 894,547          |
| Hotel/Motel Tax          | 91,378           |
| Motor Fuel Tax           | 403,233          |
| 911 Surcharge            | 198,087          |
|                          | <u>8,019,598</u> |

The following receivables are included in *other receivables* on the Statement of Net Assets:

|                                   | Governmental<br>Activities | Business-type<br>Activities |
|-----------------------------------|----------------------------|-----------------------------|
| Unbilled Water/Sewer Charges      | -                          | 2,430,442                   |
| Billed Water/Sewer Charges        | -                          | 418,868                     |
| Special Assessments (Water/Sewer) | -                          | 392,303                     |
| Fees & Fines                      | 721,241                    | -                           |
| Intergovernmental                 | 508,671                    | -                           |
| Loans Receivable                  | 2,577                      | -                           |
| Accrued Interest                  | 30,576                     | 12,596                      |
| Miscellaneous                     | 142,336                    | 3                           |
|                                   | <u>1,405,401</u>           | <u>3,254,212</u>            |

The water & sewer receivables listed above are net of an allowance for uncollectible amounts of \$53,105. All other receivables are expected to be collected in full. The special assessment receivables are being paid back over the next 9 years at approximately \$45,000 per year plus interest. All other receivables are expected to be collected within one year.

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### **IV – RECEIVABLES & DEFERRED REVENUES (continued)**

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

|   | Unavailable       | Unearned       | Total             |
|---|-------------------|----------------|-------------------|
| Income Sources Intended for Future Years                  |                   |                |                   |
| Property Taxes  | 17,135,466        | -              | 17,135,466        |
| Vehicle Licenses  | -                 | 517,102        | 517,102           |
| Advance Theatre Ticket Sales                              | -                 | 192,972        | 192,972           |
| Other Deferred Revenue                                    | -                 | 53,104         | 53,104            |
| Grant Drawdowns Prior to meeting eligibility requirements | -                 | 217,797        | 217,797           |
| <b>Government activities deferred revenue</b>             | <b>17,135,466</b> | <b>980,975</b> | <b>18,116,441</b> |
| Income Received More Than 60 Days After Year End          |                   |                |                   |
| Waukegan Port District Loan                               | 1,834,400         | -              | 1,834,400         |
| Sales Tax   | 1,233,497         | -              | 1,233,497         |
| Telecommunications Tax                                    | 265,621           | -              | 265,621           |
| Replacement Tax   | 292,996           | -              | 292,996           |
| Utility & Other Taxes                                     | 301,364           | -              | 301,364           |
| <b>Governmental Funds deferred revenue</b>                | <b>21,063,344</b> | <b>980,975</b> | <b>22,044,319</b> |

#### **V - CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2006 was as follows:

|                                       | Beginning<br>Balance | Increases        | Decreases      | Ending<br>Balance |
|---------------------------------------|----------------------|------------------|----------------|-------------------|
| <b>Governmental Activities</b>        |                      |                  |                |                   |
| Capital assets, not being depreciated |                      |                  |                |                   |
| Land                                  | 12,526,879           | 105,640          | -              | 12,632,519        |
| Construction in Progress              | 23,447               | -                | -              | 23,447            |
| <b>Total</b>                          | <b>12,550,326</b>    | <b>105,640</b>   | <b>-</b>       | <b>12,655,966</b> |
| Capital assets, being depreciated     |                      |                  |                |                   |
| Buildings & Improvements              | 48,512,659           | 427,869          | 43,956         | 48,896,572        |
| Machinery & Equipment                 | 9,540,797            | 965,771          | 86,173         | 10,420,395        |
| Infrastructure                        | 3,657,713            | 2,065,018        | -              | 5,722,731         |
| Vehicles                              | 9,964,759            | 914,431          | 606,663        | 10,272,527        |
| <b>Total</b>                          | <b>71,675,928</b>    | <b>4,373,089</b> | <b>736,792</b> | <b>75,312,225</b> |
| Less: accumulated depreciation for:   |                      |                  |                |                   |
| Buildings & Improvements              | 5,936,290            | 1,353,221        | 13,675         | 7,275,836         |
| Machinery & Equipment                 | 6,082,091            | 877,389          | 86,173         | 6,873,307         |
| Infrastructure                        | 169,031              | 227,534          | -              | 396,565           |
| Vehicles                              | 8,309,475            | 790,655          | 606,663        | 8,493,467         |
| <b>Total</b>                          | <b>20,496,887</b>    | <b>3,248,799</b> | <b>706,511</b> | <b>23,039,175</b> |

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### V - CAPITAL ASSETS (continued)

|   | Beginning<br>Balance | Increases        | Decreases        | Ending<br>Balance |
|---|----------------------|------------------|------------------|-------------------|
| <b>Governmental Activities (cont.)</b>                  |                      |                  |                  |                   |
| Total capital assets,<br>being depreciated, net         | 51,179,041           | 1,124,290        | 30,281           | 52,273,050        |
| Total capital assets, net -<br>Governmental Activities  | <u>63,729,367</u>    | <u>1,229,930</u> | <u>30,281</u>    | <u>64,929,016</u> |
| Depreciation Expense                                    |                      |                  |                  |                   |
| Internal Service Capital Assets                         |                      | 356              |                  |                   |
| Other Governmental Activities Capital Assets            |                      | 3,248,443        |                  |                   |
|   |                      | <u>3,248,799</u> |                  |                   |
| <b>Business-type Activities</b>                         |                      |                  |                  |                   |
| Capital assets, not being depreciated                   |                      |                  |                  |                   |
| Land  | 2,649,170            | -                | -                | 2,649,170         |
| Construction in Progress                                | -                    | -                | -                | -                 |
| Total   | <u>2,649,170</u>     | <u>-</u>         | <u>-</u>         | <u>2,649,170</u>  |
| Capital assets, being depreciated                       |                      |                  |                  |                   |
| Buildings, Improv & Parking Lots                        | 16,516,164           | 3,372,087        | -                | 19,888,251        |
| Machinery & Equipment                                   | 5,952,426            | 144,268          | 16,193           | 6,080,501         |
| Infrastructure  | 56,271,044           | 868,784          | 1,956,209        | 55,183,619        |
| Vehicles  | 2,908,693            | 1,246,216        | 65,152           | 4,089,757         |
| Total   | <u>81,648,327</u>    | <u>5,631,355</u> | <u>2,037,554</u> | <u>85,242,128</u> |
| Less: accumulated depreciation for:                     |                      |                  |                  |                   |
| Buildings, Improv & Parking Lots                        | 3,649,760            | 486,568          | -                | 4,136,328         |
| Machinery & Equipment                                   | 3,886,393            | 406,568          | 16,187           | 4,276,774         |
| Infrastructure  | 24,219,141           | 901,845          | 1,956,209        | 23,164,777        |
| Vehicles  | 2,021,583            | 444,629          | 63,729           | 2,402,483         |
| Total   | <u>33,776,877</u>    | <u>2,239,610</u> | <u>2,036,125</u> | <u>33,980,362</u> |
| Total capital assets,<br>being depreciated, net         | <u>47,871,450</u>    | <u>3,391,745</u> | <u>1,429</u>     | <u>51,261,766</u> |
| Total capital assets, net -<br>Business-type Activities | <u>50,520,620</u>    | <u>3,391,745</u> | <u>1,429</u>     | <u>53,910,936</u> |

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### V - CAPITAL ASSETS (continued)

Depreciation expense was charged to functions/programs as follows:

|  |                  |
|--|------------------|
| Governmental Activities  |                  |
| General Government   | 511,964          |
| Public Safety  | 1,067,727        |
| Streets, Bridges & Other Public Works  | 857,546          |
| Economic Development   | 9,525            |
| Community Development  | 13,828           |
| Culture & Recreation   | 787,853          |
| Capital assets held by the City's internal service funds are charged to the various functions based on their usage | 356              |
|  | <u>3,248,799</u> |
| Business-type activities   |                  |
| Water & Sewer  | 1,979,236        |
| Parking System   | 260,374          |
|  | <u>2,239,610</u> |

**Construction Commitments** – The City entered into agreement with a developer to redevelop the former Lakehurst Mall area, now known as the Lakehurst Tax Increment Financing District. Bonds were sold and as of April 30, 2006, \$23 million has been spent, with the remaining commitment expected to be \$2.2 million. The costs that the City has/will incur consists of a land purchase, demolition of the old mall, and various other site improvements. The portion of this project that will be capitalized in the City's capital assets is limited to any infrastructure (streets, etc.) improvements. To date, there have been no capitalized costs and all costs have been recorded as economic development expense. Incremental property taxes from this development are expected to be used to repay the bonds.

The construction in progress of \$23,477 consists of initial architectural work on the renovation of the old city hall to enlarge the headquarters for the police department. This project was put on hold pending investigation of funding options.

**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**V - CAPITAL ASSETS (continued)**

Capital assets of the city's component unit, the Waukegan Public Library are as follows:

|                                       | <u>Beginning</u><br><u>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending</u><br><u>Balance</u> |
|---------------------------------------|------------------------------------|------------------|------------------|---------------------------------|
| Capital Assets, Being Depreciated     |                                    |                  |                  |                                 |
| Buildings                             | \$ 4,103,902                       | -                | (1,310)          | 4,105,212                       |
| Furniture and Equipment               | 1,441,813                          | 61,418           | 71,948           | 1,431,283                       |
| Vehicles                              | 310,458                            | -                | 20,270           | 290,188                         |
| Library Materials                     | 2,727,506                          | 279,031          | 85,908           | 2,920,629                       |
|                                       | <u>8,583,679</u>                   | <u>340,449</u>   | <u>176,816</u>   | <u>8,747,312</u>                |
| Less Accumulated Depreciation for:    |                                    |                  |                  |                                 |
| Buildings                             | 2,238,874                          | 59,476           | -                | 2,298,350                       |
| Furniture and Equipment               | 801,388                            | 64,617           | 61,125           | 804,880                         |
| Vehicles                              | 302,021                            | 8,437            | 20,270           | 290,188                         |
| Library Materials                     | 979,711                            | 113,050          | 85,908           | 1,006,853                       |
|                                       | <u>4,321,994</u>                   | <u>245,580</u>   | <u>167,303</u>   | <u>4,400,271</u>                |
| <b>Net Cap. Assets, Being Deprec.</b> | <b>4,261,685</b>                   | <b>94,869</b>    | <b>9,513</b>     | <b>4,347,041</b>                |
| Capital Assets, Not Being Depreciated |                                    |                  |                  |                                 |
| Land                                  | 71,486                             | -                | -                | 71,486                          |
| <b>Total Capital Assets</b>           | <b>4,333,171</b>                   | <b>94,869</b>    | <b>9,513</b>     | <b>4,418,527</b>                |

**VI – SELECTED LIABILITIES**

*Accounts Payable and Accrued Expenses* as presented on the Statement of Net Assets includes accrued salaries of \$1.17 million in governmental activities and \$137,000 in business-type activities paid within 30 days of the year-end, with the remaining balance consisting of routine expenses paid soon after year-end.

*Environmental Cleanup Liabilities* consist of amounts owed on the EPA mandated cleanup of the Yeoman Creek superfund site. The City is a party to agreements with 5 other public and private entities ("potentially responsible parties" or "PRPs", for short) for the purpose of sharing costs of litigation, site investigations and studies, and remedial actions in cooperation with the Illinois and U.S. Environmental Protection Agencies relating to the Yeoman Creek/Edwards Field landfill superfund site located in Waukegan. The City and the other PRP's are parties to a "partial consent decree" with the USEPA to pay for the costs of remedial design and remedial action at the site. The City also is a party to a cost-sharing settlement agreement with the PRPs.

The agreements require the PRPs to share in the costs of the remedial actions noted above. Remedial construction commenced in May 2003 and was substantially complete in 2005. While many significant cost variables remain, the City's ultimate remaining share of costs, including EPA oversight and the present value of 30 years of site operation and maintenance, is expected to approximate \$2.25 million. In addition, liabilities for a smaller environmental cleanup site, Adelphi, have been accrued in the amount of approximately \$275,000. The remaining costs of environmental cleanup are being financed by future sources to be determined. These amounts have been accrued in the accompanying financial statements and are included in Long-Term Liabilities under the caption *Environmental Cleanup Liabilities*.

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**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**VII - RISK MANAGEMENT ACTIVITIES – CLAIMS & JUDGMENTS LIABILITIES**

The City's component unit, the Waukegan Public Library, purchases commercial insurance from third parties for all risks, and thus retains no significant amounts of risk. The City, however, maintains two internal service funds that account for the risk management activities normally associated with municipalities. In the government-wide financial statements, these activities are combined into the governmental activities column.

**A. Safety and Risk Management Fund -**

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; workers compensation claims; and errors and omissions. On most liability claims, the City retains the first \$100,000 of risk. On workers compensation claims, the retention amount is \$250,000 for claims incurred in fiscal years 01/02 and before, \$300,000 for claims in FY 02/03, \$500,000 in FY 03/04 and FY 04/05, \$600,000 in FY 05/06, and \$700,000 in FY 06/07. In cases of property damage, the retention amount is generally \$25,000. The City has purchased commercial insurance from third parties for other risks and to insure against claims in excess of the risk retention amounts outlined above. No settlements have exceeded insurance coverage for the past 3 years. There have been no material changes in insurance coverage limits. All operating funds of the City participate in the Safety and Risk Management Fund. Amounts payable as premiums to the fund are calculated based on historical cost information and are adjusted annually so that over time revenues and expenses (on a cash flow basis) are approximately equal.

A deficit in the fund as of April 30, 2006 in the amount of \$4.2 million includes \$4.67 million in reserves set up for estimated future payments on claims to date and \$299,000 for claims incurred but not yet reported. A portion (\$2.25 million) of the reserves includes amounts for the remediation efforts at the Yeoman Creek landfill site (See Note VI).

**B. Employee Benefit Plan Fund**

The City maintains various arrangements for health insurance coverage with various employee groups AND retirees (See Note VIII) within the City. Employees generally can choose between an HMO plan and the City's own self-insured plan. Effective July 1, 2005, the self-insured plan was eliminated except to pay any run-off claims from claims occurring before that date until May 1, 2007. Under the City's plan, risks were retained to the first \$150,000 of each individual claim. Thereafter, a stop loss policy purchased by the City covered each incident up to \$1,000,000. No settlements have exceeded insurance coverage for the past 3 years. There have been no material changes in insurance coverage limits.

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### **VII - RISK MANAGEMENT ACTIVITIES (continued)**

Premiums are determined on a per employee basis using historical cost information and are adjusted annually so that over time revenues and expenses (on a cash flow basis) are approximately equal. However, a \$4.6 million deficit fund balance level occurring during fiscal years prior to 04/05 will require additional measures. (In FY 05/06, \$300,000 was recovered) This deficit has been financed by a loan of \$4.5 million from the General Fund. As noted above, in fiscal year 05/06, the City changed from the current self-insurance arrangement to a traditional health insurance with a commercial carrier and employee and retiree contributions have been increased. Amounts recovered since FY05 are \$300,000 in FY06 and \$300,000 to date in FY07. The City expects to recover in excess of \$400,000 of the deficit in future years under the new arrangement, through the differential in insurance premiums paid and collected and the current direct payment of insurance claims.

#### **C. Claims and Judgments Liabilities**

For both funds, a liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including the frequency and amount of pay-outs), and other economic and social factors. The City calculates these estimates in conjunction with outside risk management consultants and City attorneys. The estimate of claims liabilities also includes amounts for incremental claim adjustment expenses related to specific claims. Estimated recoveries, for example from salvage, subrogation, or stop loss provisions are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follow. Environmental liabilities are segregated and reported separately in the financial statements. (See Note VI)

|   | <u>Safety &amp; Risk Management</u> |                         | <u>Employee Benefits</u> |                |
|---|-------------------------------------|-------------------------|--------------------------|----------------|
|   | <u>4/30/06</u>                      | <u>4/30/05</u>          | <u>4/30/06</u>           | <u>4/30/05</u> |
| Unpaid Claims-Begin. Of Year  | 4,772,528                           | 4,920,234               | 452,778                  | 803,617        |
| Incurred claims (including IBNRs) &<br>changes in estimates of<br>prior year claims | 3,765,514                           | 944,015                 | 3,765,514                | 3,765,514      |
| Payments of Claims  | (3,866,726)                         | (1,091,721)             | (4,214,030)              | (4,116,353)    |
| Unpaid Claims-End Of Year   | <u>4,671,316</u>                    | <u>4,772,528</u>        | <u>4,262</u>             | <u>452,778</u> |
| Environmental Cleanup Liabilities   | <u>(2,525,000)</u>                  | <u>(2,525,000)</u>      |                          |                |
| Other Claims & Judgments Liability  | 2,146,316                           | 2,247,528               |                          |                |
| Employee Benefits Claims  | <u>4,262</u>                        | <u>452,778</u>          |                          |                |
| Total-Claims & Judgments Payable  | <u><u>2,150,578</u></u>             | <u><u>2,700,306</u></u> |                          |                |

#### **VIII - OTHER POSTEMPLOYMENT BENEFITS**

In addition to pension benefits discussed elsewhere in these notes, the City provides post retirement health care benefits to retirees and widows covered under various City benefit plans in accordance with various state and local statutes and agreements. 198 participants are covered by a City sponsored plan and an additional 9 are covered by an outside HMO plan. The City sets rates annually that are paid by the participants on a monthly basis. The City pays the other portion to its self-insurance plan from its general fund. Expenditures for benefits are recognized in the Internal Service Fund as claims are incurred. Total expenditures for claims/HMO premiums during fiscal year 05/06, net of retiree premiums paid were \$4.7 million. (\$1.3 million in FY04/05)

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### IX - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the city for the year ended April 30, 2006:

|                                       | Balance<br>5/1/05  | Additions         | Retirements       | Balance<br>4/30/06 | Due Within<br>One Year |
|---------------------------------------|--------------------|-------------------|-------------------|--------------------|------------------------|
| <b>Governmental Activities</b>        |                    |                   |                   |                    |                        |
| Bonds Payable                         |                    |                   |                   |                    |                        |
| General Obligation Debt               | 104,678,747        | 24,760,000        | 29,698,222        | 99,740,525         | 6,231,013              |
| Special Assessment Bonds              | -                  | 3,695,000         | -                 | 3,695,000          | -                      |
| Premiums/(Discounts)                  | (18,643,096)       | 427,574           | (1,259,924)       | (16,955,598)       | (1,247,293)            |
| Refunding Gains/(Losses)              | (6,174)            | (835,254)         | (48,505)          | (792,923)          | (73,468)               |
| Total Bonds Payable                   | <u>86,029,477</u>  | <u>28,047,320</u> | <u>28,389,793</u> | <u>85,687,004</u>  | <u>4,910,252</u>       |
| Capital Leases Payable                | 662,249            | 1,010,614         | 182,634           | 1,490,229          | 376,823                |
| Net Pension Obligation (See Note XB2) | 7,304,407          | 4,792,425         | 5,027,926         | 7,068,906          | 4,792,425              |
| Environmental Cleanup Liabilities     | 2,525,000          | 1,696,962         | 2,039,202         | 2,182,760          | 1,050,000              |
| Compensated Absences (1)              | 5,710,756          | 460,711           | -                 | 6,171,467          | -                      |
| Total Governmental Activities         | <u>102,231,889</u> | <u>36,008,032</u> | <u>35,639,555</u> | <u>102,600,366</u> | <u>11,129,500</u>      |
| <b>Business-type Activities</b>       |                    |                   |                   |                    |                        |
| Water & Sewer                         |                    |                   |                   |                    |                        |
| Bonds Payable                         |                    |                   |                   |                    |                        |
| General Obligation Bonds              | 1,597,371          | 4,000,000         | 570,926           | 5,026,445          | 629,100                |
| Premiums/(Discounts)                  | (5,852)            | -                 | (907)             | (4,945)            | (1,678)                |
| Refunding Gains/(Losses)              | (41,062)           | -                 | (13,715)          | (27,347)           | (14,558)               |
| Total Bonds Payable                   | <u>1,550,457</u>   | <u>4,000,000</u>  | <u>556,304</u>    | <u>4,994,153</u>   | <u>612,864</u>         |
| Capital Leases Payable                | 1,213,178          | 1,000,000         | 251,360           | 1,961,818          | 446,657                |
| Compensated Absences (1)              | 345,176            | 44,305            | -                 | 389,481            | -                      |
| Total-Water & Sewer                   | <u>3,108,811</u>   | <u>5,044,305</u>  | <u>807,664</u>    | <u>7,345,452</u>   | <u>1,059,521</u>       |
| Parking System                        |                    |                   |                   |                    |                        |
| Bonds Payable                         |                    |                   |                   |                    |                        |
| General Obligation Bonds              | 828,882            | -                 | 300,852           | 528,030            | 218,269                |
| Revenue Bonds                         | 8,245,000          | -                 | 300,000           | 7,945,000          | 305,000                |
| Premiums/(Discounts)                  | (4,694)            | -                 | (987)             | (3,707)            | (1,411)                |
| Refunding Gains/(Losses)              | (51,276)           | -                 | (21,098)          | (30,178)           | (17,548)               |
| Total Bonds Payable                   | <u>9,017,912</u>   | <u>-</u>          | <u>578,767</u>    | <u>8,439,145</u>   | <u>504,310</u>         |
| Compensated Absences (1)              | 4,740              | 3,052             | -                 | 7,792              | -                      |
| Total-Parking System                  | <u>9,022,652</u>   | <u>3,052</u>      | <u>578,767</u>    | <u>8,446,937</u>   | <u>504,310</u>         |
| Total Business-type Activities        | <u>12,131,463</u>  | <u>5,047,357</u>  | <u>1,386,431</u>  | <u>15,792,389</u>  | <u>1,563,831</u>       |

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### IX - LONG-TERM OBLIGATIONS (continued)

**Sources of Repayment** – Payments for Long-Term Obligations in Governmental Activities are typically funded by various sources, principally property taxes, investment income, and transfers from other funds. Business-Type Activity obligations are financed by the operating income of the related activity. Compensated absence payments are paid as they arise out of the operating budget of the fund/department that they relate to.

#### A. General Obligation Bonds/Notes

General obligation bonds/notes are direct obligations and pledge the full faith and credit of the government. The City issues general obligation bonds/notes to provide funds for the acquisition and construction of major capital improvements. General obligation bonds/notes have been issued for both general government and proprietary activities. These bonds are reported in the proprietary funds if they will be repaid from proprietary fund revenues. In addition, general obligation bonds have been issued to refund both general obligation and revenue bonds.

| Bond Issue                           | Final Maturity | Interest Rates | Original Par Amount | Outstanding Balances |                  |
|--------------------------------------|----------------|----------------|---------------------|----------------------|------------------|
|                                      |                |                |                     | Governmental Funds   | Enterprise Funds |
| 1998 G.O. Bonds                      | 2014           | 4.20-4.30%     | 9,760,000           | 2,874,458            | 1,165,542        |
| 2000 G.O. Refunding Bonds            | 2009           | 4.25-4.45%     | 6,550,000           | 1,461,067            | 388,933          |
| 2001 G.O. Bonds                      | 2022           | 4.50-5.25%     | 20,000,000          | 3,355,000            | -                |
| 2001A G.O. Bonds                     | 2017           | 4.00-4.75%     | 11,000,000          | 9,550,000            | -                |
| 2003 G.O. Refunding Bonds            | 2007           | 1.65-3.65%     | 9,430,000           | 4,315,000            | -                |
| 2003A G.O. Bonds                     | 2022           | 1.45-5.86%     | 46,405,000          | 46,045,000           | -                |
| 2003C G.O. Refunding Bonds           | 2006           | 2.00-2.25%     | 625,000             | 230,000              | -                |
| 2004B G.O. Bonds                     | 2008           | 3.00%          | 9,450,000           | 250,000              | -                |
| 2005 G.O. Note                       | 2007           | 5.15%          | 6,900,000           | 6,900,000            | -                |
| 2005 Spec. Assess. Improvement Bonds | 2030           | 6.125%         | 3,695,000           | 3,695,000            | -                |
| 2005A G.O. Refunding                 | 2024           | 3.25-5.0%      | 24,760,000          | 24,760,000           | -                |
| 2006 G. O. Note                      | 2014           | 4.09%          | 4,000,000           | -                    | 4,000,000        |
|                                      |                |                |                     | 103,435,525          | 5,554,475        |

Annual debt service requirements to maturity for general obligation bonds is as follows:

| Year Ending April 30 | Governmental Funds |            |             | Enterprise Funds |          |           |
|----------------------|--------------------|------------|-------------|------------------|----------|-----------|
|                      | Principal          | Interest   | Total       | Principal        | Interest | Total     |
| 2007                 | 6,231,013          | 2,532,099  | 8,763,112   | 847,369          | 161,037  | 1,008,406 |
| 2008                 | 12,968,054         | 2,142,080  | 15,110,134  | 734,224          | 189,520  | 923,744   |
| 2009                 | 5,045,220          | 1,761,939  | 6,807,159   | 757,390          | 158,728  | 916,118   |
| 2010                 | 4,956,237          | 1,632,334  | 6,588,571   | 653,586          | 126,913  | 780,499   |
| 2011                 | 5,289,352          | 1,515,639  | 6,804,991   | 679,602          | 99,750   | 779,352   |
| 2012-2016            | 29,100,649         | 5,809,015  | 34,909,664  | 1,882,304        | 125,030  | 2,007,334 |
| 2017-2021            | 27,208,000         | 2,956,321  | 30,164,321  | -                | -        | -         |
| 2022-2026            | 11,574,000         | 836,144    | 12,410,144  | -                | -        | -         |
| 2027-2030            | 1,063,000          | 135,210    | 1,198,210   | -                | -        | -         |
|                      | 103,435,525        | 19,320,781 | 122,756,306 | 5,554,475        | 860,978  | 6,415,453 |

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### A. General Obligation Bonds (continued)

1. **\$9,760,000 General Obligation Bonds, Series 1998** - On July 15, 1998, the City issued \$9,760,000 of Series 1998 General Obligation Bonds. The net proceeds from the bond sale after market discount were \$9,735,677. The bonds have interest rates ranging from 4% to 4.3%, with a portion maturing each year and a final maturity on December 30, 2013. Bonds maturing after December 30, 2006 are callable at par.

A portion (\$4,368,726) of the bond proceeds were issued to advance refund portions of two outstanding bond issues: (1) \$2,420,000 of G.O. Bonds, Series 1994A and (2) \$1,460,000 of G.O. Bonds, Series 1991. The bond proceeds remaining were used for bond issuance expenses and various capital improvement projects including a new fire station and various street improvements. As portions of the refunded bonds were initially used for purposes of enterprise funds, the transaction has been allocated accordingly.

Proceeds applicable to the refunding portion were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the bonds were called and fully matured on November 15, 2004. The advance refunding met the requirements of an in-substance defeasance and the bonds were removed from the City's statement of net assets as of the 1998 issuance.

2. **\$6,550,000 General Obligation Refunding Bonds, Series 2000** - On December 28, 2000, the City issued \$6,550,000 of Series 2000 General Obligation Refunding Bonds. The net proceeds from the bond sale after market discount were \$6,541,810. The bonds have interest rates ranging from 4.25% to 4.45%, with a portion maturing each year and a final maturity on January 1, 2009.

The bond proceeds were issued to advance refund \$6,215,000 of Series 1992 G.O. Refunding Bonds. The remainder of the bond proceeds was used for bond issuance expenses. As part of the bonds refunded was initially used for purposes of Enterprise Funds, the transaction has been allocated accordingly. Bond proceeds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments when the bonds were called and fully retired March 1, 2001.

As part of the original debt issues to which this refunding relates, a portion of the bonds outstanding will be repaid through an intergovernmental agreement with the Waukegan Port District:

On July 15, 1983, the City of Waukegan entered into an intergovernmental agreement with the Waukegan Port District under which the City borrowed \$7,500,000.00. The City issued general obligation debts (Harbor Bond Issue) that the Port District secured with revenues from its harbor operations. Real estate taxes have been abated since the Port District is making the payments; however, the City is contingently liable in the case of default. The City of Waukegan acts as trustee and administrator for the receipt and disbursement of all these funds under guidelines set forth in the Bond Ordinance and the Intergovernmental Agreement. The Harbor Bond Issue was included in the 1985 Refunding Bond Issue and the Port District continued to make payments according to a revised Intergovernmental Agreement.

Upon the 1992 refunding, the City entered into a revised Intergovernmental Agreement with the Waukegan Port District that altered its Debt Service schedule on bonds that were refunded by the 1985 Issue. With the 2000 refunding, the Port District will continue to pay according to the 1992 intergovernmental agreement to offset a portion of the City's debt service on the 2000 Bonds. A receivable for the principal amount still owed by the Port District is shown as an advance on the City's statement of net assets, as it was prior to the refundings.

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**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**A. General Obligation Bonds (continued)**

**3. \$20,000,000 General Obligation Bonds, Series 2001** – On May 2, 2001, the City issued \$20,000,000 in General Obligation Bonds, Series 2001. The bonds have interest rates ranging from 4.50% to 5.25% and fully mature in 2022. The proceeds were used to renovate the Genesee Theatre, to improve various City facilities, to acquire property for future development in the Lakehurst and Downtown/Waterfront TIF districts, and to perform certain redevelopment projects within the downtown and waterfront TIF District.

**4. \$11,000,000 General Obligation Bonds, Series 2001A** - On December 3, 2001, the City issued \$11,000,000 in General Obligation Bonds, Series 2001A. The bonds have interest rates ranging from 4.00% to 4.75% and fully mature in 2017. The proceeds were used to construct a new City Hall (\$8.0 million), and to pay the costs of environmental remediation matters, including work at the Yeoman Creek Landfill (\$3.0 million).

**5. \$9,430,000 Taxable General Obligation Refunding Bonds, Series 2003** - On February 18, 2003, the City issued \$9,430,000 of Series 2003 Taxable General Obligation Refunding Bonds. The net proceeds from the bond sale after market discount were \$9,398,975. The bonds have interest rates ranging from 1.65% to 3.65%, with a portion maturing each year and a final maturity on December 30, 2007.

The bond proceeds were issued for issuance expenses and to advance refund \$9,065,000 of Series 1992 G.O. Bonds. Bond proceeds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments when the bonds were called and fully retired June 30, 2003.

**6. \$25,738,655 General Obligation Bonds, Series 2003A** - On August 14, 2003, the City issued \$25.7 million in General Obligation Capital Appreciation Bonds, Series 2003A. The bonds have face values totaling \$46.405 million, which includes the accreted interest payable only at various maturity dates ranging from December 2004 to December 2022. Accreted interest is at effective interest rates ranging from 1.45% to 5.86%. The proceeds have been/will be used to pay for the cost of improvements (land acquisition, demolition, & site improvements) within the Lakehurst TIF District Redevelopment Project Area and to pay certain bond issuance costs. The total project cost is expected to exceed \$47.5 million with the remaining financing obtained from special assessment bonds (\$3.695 million) and private capital. The bonds are expected to be repaid through incremental property taxes created by redevelopment of the area.

**7. \$2,535,000 General Obligation Bonds, Series 2003B** - On October 14, 2003, the City issued \$2,535,000 in General Obligation Bonds, Series 2003B. Interest is at 2.0% and the bonds mature November 15, 2004 (\$1.265 mil) and November 15, 2005 (\$1.27 mil). The bond proceeds were issued for issuance expenses and to currently refund \$2,405,000 of Series 1994A G.O. Bonds. Bond proceeds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments when the bonds were called and fully retired November 15, 2003. The reacquisition price exceeded the net carrying amount of the old debt by \$35,317. This amount is being netted against the new debt an amortized over the new debt's life, which is shorter than the refunded debt. The transaction resulted in an economic loss of \$34,581 and a reduction of \$77,012 in future debt service payments.

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**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**A. General Obligation Bonds (continued)**

**8. \$625,000 General Obligation Bonds, Series 2003C** - On October 14, 2003, the City issued \$625,000 in General Obligation Bonds, Series 2003C. Interest is at 2.0% & 2.25% and the bonds mature November 15, 2006. The bond proceeds were issued for issuance expenses and to currently refund \$625,000 of Series 1994B G.O. Bonds. Bond proceeds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments when the bonds were called and fully retired November 15, 2003. The reacquisition price exceeded the net carrying amount of the old debt by \$8,991. This amount is being netted against the new debt and amortized over the new debt's life, which is shorter than the refunded debt. The transaction resulted in an economic gain of \$36,693 and a reduction of \$65,558 in future debt service payments.

**9. \$9,450,000 Taxable General Obligation Bonds, Series 2004B**- On April 5, 2004, the City issued \$9,450,000 in Taxable General Obligation Bonds, Series 2004B. Interest only is payable semi-annually at 3.0% and 100% of the bonds mature December 30, 2008. \$775,688 of the proceeds was deposited into the debt service fund as capitalized interest to pay interest on the bonds for the first 2-3 years. The remainder of the bond proceeds was used for issuance costs and to pay for construction costs at the Genesee Theatre. The bonds are callable after 2007 and prices between 100% and 101%.

**10. \$6,900,000 Taxable General Obligation Note, Series 2005**- On April 29, 2005, the City received a \$6.9 million loan from First Midwest Bank, to fund the purchase of 32 acres in the Lakehurst area that was previously paid for out of other bond proceeds. The loan is secured by the subject land, bears semiannual interest at 5.15%, and matures in full on May 1, 2007, when the principal is fully due. The City has the option to redeem all or a portion of the principal anytime before maturity. The first interest payment is due November 1, 2005. The proceeds of the bond were deposited into the capital projects funds for the city hall (\$5,081,233) and Genesee Theatre (\$1,818,767).

**11. \$3,695,000 Special Assessment Improvement Bonds, Series 2005** – On June 24, 2005, the City issued \$3,695,000 in Special Assessment Improvement Bonds, to fund certain public improvements to the site formerly known as Lakehurst Mall. The site is being redeveloped as Fountain Square of Waukegan, a mixed-use retail and commercial project. The bonds will bear interest at the rate of 6.125% per annum and will mature on March 1, 2030, subject to optional or mandatory redemption. Repayment of the bonds will be from an annual assessment to be imposed on lots benefited by the improvements.

**12. \$24,760,000 General Obligation Refunding Bonds, Series 2005A** – On September 14, 2005, the City issued \$24,760,000 in General Obligation Refunding Bonds, to defease and advance refund a portion of the City's General Obligation Bonds, Series 2001, due December 30, 2005 and 2010-2021, both inclusive, and to pay the tender purchase price of a portion of the City's outstanding Taxable General Obligation Bonds, Series 2004B, due December 30, 2008, that are tendered for purchase.

**13. \$4,000,000 General Obligation Note, Series 2006** – On April 4, 2006, the City received a \$4.0 million loan from First Midwest Bank, to fund improvements to the water and sewer system of the City. The Notes bear an interest rate of 4.09% and are payable in 14 equal installments of \$332,451.57 payable on November 1, 2006 and semiannually thereafter on May 1 and November 1 of each year.

**14. Defeased Debt** – \$4.48 million in defeased debt refunded by the above bond issues and not reflected in the City's financial statements consists of the 1979 Water & Sewer Revenue Bonds refunded in 1985.

**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**B. Parking Fees and Sales Tax Revenue Bonds, Series 2004A**

In addition to general obligation bonds, the City has issued revenue bonds to fund the construction of a parking garage. The bonds constitute special obligations of the City payable solely from the revenues of the Motor Vehicle Parking System of the City and the City's portion of the Sales Tax. The bonds were issued April 5, 2004 in the amount of \$8.245 million. \$5.06 million of the bonds mature in varying amounts each December 30 in the years 2005 through 2018 and carry interest rates between 2.25% and 3.85%. Bonds maturing in 2020, 2022, and 2024 are subject to partial mandatory redemption one year prior to maturity and carry interest rates between 4.00% and 4.25%. Upon completion of the construction project in December 2004, the revenue bond covenants required the City to maintain a bond reserve account equal to the highest annual debt service amount. In addition, the bonds require the City to maintain bond service, depreciation, and operating accounts in varying amounts. As of April 30, 2006, the City has the following amounts available to satisfy the various bond covenants:

|                      | Escrow Acct.<br>With Bond<br>Svc. Agent | Other<br>Cash Held<br>For Bonds | Total          |
|----------------------|---|---------------------------------|----------------|
| Bond Reserve         | 627,789                                 | -                               | 627,789        |
| Bond Service         | -                                       | 203,248                         | 203,248        |
| Depreciation Reserve | -                                       | 13,062                          | 13,062         |
| Operating Reserve    | -                                       | 93,690                          | 93,690         |
|                      | <u>627,789</u>                          | <u>310,000</u>                  | <u>937,789</u> |

The annual debt service requirements are as follows for the revenue bonds:

| Year Ending April 30, | Principal        | Interest         | Total             |
|-----------------------|------------------|------------------|-------------------|
| 2007                  | 305,000          | 282,973          | 587,973           |
| 2008                  | 310,000          | 276,110          | 586,110           |
| 2009                  | 315,000          | 269,135          | 584,135           |
| 2010                  | 325,000          | 262,048          | 587,048           |
| 2011                  | 335,000          | 253,516          | 588,516           |
| 2012-2016             | 1,860,000        | 1,101,825        | 2,961,825         |
| 2017-2021             | 2,280,000        | 739,601          | 3,019,601         |
| 2022-2025             | 2,215,000        | 238,981          | 2,453,981         |
|                       | <u>7,945,000</u> | <u>3,424,189</u> | <u>11,369,189</u> |

**C. Capital Leases** – The City has entered into various lease agreements as lessee for financing the acquisition of equipment and improvements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. A description of the various leases follows:

| Assets<br>Acquired       | Origination<br>Date | Final<br>Payment | Cost of<br>Asset | Balances Outstanding  |                     |
|--------------------------|---------------------|------------------|------------------|-----------------------|---------------------|
|                          |                     |                  |                  | Governmental<br>Funds | Enterprise<br>Funds |
| Water Plant Improvements | 7/02                | 2010             | 1,800,000        | -                     | 961,817             |
| 911 System Equipment     | 2/04                | 2008             | 250,000          | 102,523               | -                   |
| Copier Lease - Theatre   | 6/05                | 2010             | 10,614           | 9,287                 | -                   |
| 6 Defibrillators         | 5/02                | 2008             | 102,177          | 25,159                | -                   |
| City Hall Phone System   | 1/04                | 2008             | 242,281          | 125,715               | -                   |
| Fleet Equipment          | 7/05                | 2011             | 2,000,000        | 1,000,000             | 1,000,000           |
| Fire Truck               | 11/03               | 2010             | 329,492          | 227,312               | -                   |
|                          |                     |                  |                  | <u>1,489,996</u>      | <u>1,961,817</u>    |

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### C. Capital Leases – (continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of April 30, 2006 were as follows:

| Payments Due:<br>Year Ending Apr. 30    | Governmental<br>Funds | Enterprise<br>Funds |
|---|-----------------------|---------------------|
| 2007                                    | 433,573               | 520,671             |
| 2008                                    | 411,392               | 520,671             |
| 2009                                    | 288,552               | 520,671             |
| 2010                                    | 287,094               | 372,145             |
| 2011                                    | 223,618               | 223,619             |
| Total Minimum Lease Payments            | 1,644,229             | 2,157,777           |
| Less: Interest Portion                  | 154,233               | 195,960             |
| Present Value of Minimum Lease Payments | 1,489,996             | 1,961,817           |

#### D. Component Unit Long-Term Debt

Included in the long-term obligations of the Waukegan Public Library are \$133,699 for compensated absences and \$1,835,000 for library notes payable, including \$125,000 of notes due within one year. During the fiscal year, the only activity in these liabilities was an decrease in compensated absences of \$15,516 and a principal payment on the notes of \$115,000. A description of the library notes follows.

On October 16, 1997, the Library issued \$2.6 million in Library Building Notes, Series 1997. (Dated September 1, 1997) The notes were issued to finance an extensive remodeling of the Library's existing building. The notes are payable solely from any funds of the Library that are legally available and annually appropriated by the City of Waukegan for such purposes and are secured by a mortgage on the building. The notes are not issued under the general taxing authority of the City of Waukegan.

The annual debt service on the notes will be met through a portion of the Library's share of the City of Waukegan's annual property tax levy. Any time after January 1, 2007, the Library may elect an optional early redemption of the notes. (On any notes maturing after January 1, 2008) Call redemption prices are 101% (in 2007), 101.5% (2008), and 100% (After 2008).

**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**D. Component Unit Long-Term Debt – (continued)**

|               | <u>Final<br/>Maturity</u> | <u>Interest<br/>Rates</u> | <u>Original<br/>Amount</u> |
|---------------|---------------------------|---------------------------|----------------------------|
| Serial Notes  | 2010                      | 5.6% - 9.0%               | 685,000                    |
| Term Note (1) | 2009                      | 5.60%                     | 620,000                    |
| Term Note (2) | 2017                      | 5.90%                     | 1,295,000                  |
|               |                           |                           | <u>2,600,000</u>           |

(1) - Annual mandatory sinking fund redemptions begin January 1, 2005

(2) - Annual mandatory sinking fund redemptions begin January 1, 2017

Annual Debt Service Requirements:

| <u>Year Ending April 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u>     |
|------------------------------|------------------|-----------------|------------------|
| 2007                         | 125,000          | 106,645         | 231,645          |
| 2008                         | 130,000          | 99,645          | 229,645          |
| 2009                         | 140,000          | 92,365          | 232,365          |
| 2010                         | 145,000          | 84,525          | 229,525          |
| 2011                         | 155,000          | 76,405          | 231,405          |
| 2012-2016                    | 925,000          | 233,050         | 1,158,050        |
| 2017                         | 215,000          | 12,685          | 227,685          |
|                              | <u>1,835,000</u> | <u>705,320</u>  | <u>2,540,320</u> |

**E. Legal Debt Limits**

As the City of Waukegan is a home rule municipality, there is no legal debt limit. Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin and allows the state General Assembly to set certain debt limits home rule units. To date, the General Assembly has set no limits for home rule municipalities.

**F. Conduit Debt Obligations**

From time to time, the City has issued various conduit debt obligations including Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest; Single Family Mortgage Revenue Bonds; and College Facilities Revenue Bonds. All conduit debt is secured by the property financed and are payable solely from payments received on the underlying mortgage loans. The City is not obligated in any manner for repayment of such bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The dollar amount of the original issuance and outstanding balance of these bonds is undeterminable as of April 30, 2006.

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### **X - RETIREMENT FUND COMMITMENTS**

##### **A. Defined Benefit Pension Plan - Illinois Municipal Retirement Fund**

The City's Component Unit, Waukegan Public Library, is included in the amounts noted in the following discussion, as the IMRF considers the Library to be part of the City for pension plan purposes.

**Plan Description** - The City of Waukegan's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois, 60523.

**Funding Policy** - Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The City of Waukegan is required to contribute at an actuarially determined rate. The employer rate for calendar year 2005 was 8.39 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on an open basis). The remaining amortization period at December 31, 2005 was 27 years.

**Annual Pension Cost** - For December 31, 2005, the City of Waukegan's annual pension cost of \$1,274,053 was equal to the City of Waukegan's required and actual contributions. The required contribution was determined as part of the December 31, 2003 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post retirement increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2005 actuarial valuation were based on the 2002-2004 experience study.

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### **A. Defined Benefit Pension Plan - Illinois Municipal Retirement Fund (continued)**

**Three Year Trend Information** – Actuarial values and liabilities and pension costs and contributions for the last three years are reported in the table below.

|                                     | Actuarial Valuation Date |                |                  |
|-------------------------------------|--------------------------|----------------|------------------|
|                                     | 12/31/2005               | 12/31/2004     | 12/31/2003       |
| <b>Pension Cost Information</b>     |                          |                |                  |
| Annual Pension Cost (APC)      \$   | 1,274,053                | 964,061        | 863,845          |
| % of APC Contributed                | 100.00%                  | 100.00%        | 100.00%          |
| Net Pension Obligation              | -                        | -              | -                |
| <b>Schedule of Funding Progress</b> |                          |                |                  |
| Actuarial Accrued Liability (AAL)   | 36,269,616               | 34,459,291     | 31,808,697       |
| Actuarial Value of Assets           | 36,155,370               | 33,795,676     | 32,668,911       |
| Unfunded AAL (UAAL)                 | <u>114,246</u>           | <u>663,615</u> | <u>(860,214)</u> |
| Funded Ratio                        | 99.69%                   | 98.07%         | 102.70%          |
| Covered Payroll                     | 15,185,372               | 14,606,985     | 14,302,074       |
| UAAL as % of Covered Payroll        | 0.75%                    | 4.54%          | 0.00%            |

On a market value basis, the actuarial value of assets as of December 31, 2005 is \$36,664,475. On a market basis, the funded ration would be 101.09%

Digest of Changes for 2006 Due to 2002-2004 Experience Study.

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

#### **B. Police And Fire Pension Funds**

##### **1. Plan Description and Funding Policy**

(a) **Police Pension Fund** - Police sworn personnel of the City of Waukegan are covered by the Waukegan Police Pension Fund (WPPF), which is a defined benefit single-employer pension plan administered by the Waukegan Police Pension Board. The WPPF issues a separate financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Waukegan Police Pension Fund, 410 Robert V. Sabonjian Place, Waukegan, Illinois, 60085.

**Benefit Provisions** – Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois State Statues (Chapter 108 ½ Article 3) and may be amended only by the Illinois legislature. The WPPF provides retirement benefits as well as survivor and disability benefits. Retirement benefits are summarized below:

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**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**B. Police And Fire Pension Funds (continued)**

**1. Plan Description and Funding Policy**

**(a) Police Pension Fund - Benefit Provisions (continued)**

**Initial Retirement Benefits** – Employee 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 initial pension is 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.

**Partially Vested Retirees** – Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

**Pension Increases** – Pensions are increased following the first anniversary of the date of retirement, or upon reaching the age of at least 55 years, whichever comes later, by 1/12 of 3% of the original pension for each full month elapsed since the pension began. On each January 1 thereafter, pension recipients receive an additional increase of 3% of the current benefit amount.

**Funding Policy** – Per the Illinois State Statutes, active members are required to contribute 9.91% of their base salary to the fund. The City of Waukegan is required to contribute the remaining amounts necessary, after net investment income, to finance the plan (including administration costs) at an actuarially determined rate. By the year 2033, plan net assets must accumulate to the point where past service costs are fully funded. As those service costs have not yet been fully funded, the entire amount of net assets is a legally required reserve.

**(b) Fire Pension Fund** - Fire sworn personnel of the City of Waukegan are covered by the Waukegan Firemen's Pension Fund (WFPF) which is a defined benefit single-employer pension plan administered by the Waukegan Firemen's Pension Board. The WFPF issues a separate financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Waukegan Firemen's Pension Fund, 410 Robert V. Sabonjian Place, Waukegan, Illinois 60085.

**Benefit Provisions** – Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois State Statutes (Chapter 108 ½ Article 4) and may be amended only by the Illinois legislature. The WFPF provides retirement benefits as well as survivor and disability benefits. Retirement benefits are summarized below:

**Initial Retirement 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 is 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.

**Partially Vested Retirees** – Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### B. Police And Fire Pension Funds (continued)

##### 1. Plan Description and Funding Policy

###### (b) Fire Pension Fund (cont.)

**Pension Increases** – Pensions are increased following the first anniversary of the date of retirement, or upon reaching the age of at least 55 years, whichever comes later, by 3% of the original pension for each year elapsed since the pension began. On each January 1 thereafter, pension recipients receive an additional increase of 3% of the current benefit amount.

**Funding Policy** – Per the Illinois State Statutes, active members are required to contribute 8.455% of their base salary to the fund. The City of Waukegan is required to contribute the remaining amounts necessary, after net investment income, to finance the plan (including administration costs) at an actuarially determined rate. By the year 2033, plan net assets must accumulate to the point where past service costs are fully funded. As those service costs have not yet been fully funded, the entire amount of net assets is a legally required reserve.

##### 2. Annual Pension Cost and Net Pension Obligation (Asset)

The City's annual pension cost and net pension obligation (asset) for the year ended April 30, 2006 were as follows:

|   | <u>Police<br/>Pension</u> | <u>Fire<br/>Pension</u> |
|---|---------------------------|-------------------------|
| Annual Required Contribution            | 2,874,302                 | 2,253,260               |
| Interest on Net Pension Obligation      | 96,730                    | 85,880                  |
| Adj. To Annual Required Contribution    | <u>(341,767)</u>          | <u>(175,980)</u>        |
| Annual Pension Cost                     | 2,629,265                 | 2,163,160               |
| Contributions Made                      | <u>2,629,529</u>          | <u>2,398,397</u>        |
| <br>                                    |                           |                         |
| Incr. (Decr.) in Net Pension Obligation | (264)                     | (235,237)               |
| Net Pension Obligation (Asset):         |                           |                         |
| Beginning of Year                       | <u>3,869,213</u>          | <u>3,435,194</u>        |
| End of Year                             | <u><u>3,868,949</u></u>   | <u><u>3,199,957</u></u> |

##### 3. Actuarial Assumptions

The annual required contribution for the current year was determined as part of the April 30, 2004, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return; (b) 4.0% projected salary increases; (c) 3.0% inflation rate; and (d) 3.0% post-retirement benefit increases. The method used to determine the actuarial value of assets was their net present value. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The amortization period ends June 30, 2033.

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**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**B. Police And Fire Pension Funds (continued)**

4. **Three-Year Trend Data** - Pension costs and contributions for the last three years are reported in the table below.

|                | <u>Annual<br/>Pension<br/>Cost</u> | <u>Percentage<br/>Contributed</u> | <u>Net Pension<br/>(Asset)<br/>Obligation</u> |
|----------------|------------------------------------|-----------------------------------|---|
| Police Pension |                                    |                                   |   |
| 4/30/04        | 2,649,362                          | 78.9%                             | 3,233,695                                     |
| 4/30/05        | 2,805,936                          | 77.4%                             | 3,869,213                                     |
| 4/30/06        | 2,629,265                          | 100.0%                            | 3,868,949                                     |
| Fire Pension   |                                    |                                   |   |
| 4/30/04        | 2,188,804                          | 79.7%                             | 2,906,436                                     |
| 4/30/05        | 2,399,982                          | 78.1%                             | 3,435,194                                     |
| 4/30/06        | 2,163,160                          | 110.9%                            | 3,199,957                                     |

**(Notes continue on next page.)**

## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### XI - INTERFUND BALANCES AND ACTIVITY

Interfund transfers for the year ended April 30, 2006 were as follows:

| <u>Fund Transferred From</u>                         | <u>Fund Transferred To</u> | <u>Description/Purpose</u>          | <u>Amount</u>    |
|--|----------------------------|-------------------------------------|------------------|
| <b>General Fund Support (Ongoing)</b>                |                            |                                     |                  |
| Water & Sewer  | General                    | Admin. services & general support   | 1,963,800        |
| Motor Fuel Tax                                       | General                    | MFT funded equipment usage          | 300,000          |
| Motor Vehicle Parking                                | General                    | Admin. services & general support   | 40,000           |
| <b>General Fund Support (One-Time/Infrequent)</b>    |                            |                                     |                  |
| General  | Homeland Security          | General fund support                | 23,026           |
| <b>Funding of Programs</b>                           |                            |                                     |                  |
| Water & Sewer  | Streets & Sidewalks        | Annual street/sidewalk programs     | 600,000          |
| Home Rule Sales Tax                                  | Genesee Theatre (Ops.)     | Theatre Support (Operations)        | 120,000          |
| Home Rule Sales Tax                                  | TIF #4 Redevelopment       | Additional Funding                  | 201,258          |
| <b>Close Fund/Fund Remaining Deficit</b>             |                            |                                     |                  |
| General  | 2001 Cap. Improv. Fund     | Support to Close Cap Equip Fund     | 157,015          |
| 2003 Refunding                                       | 1994B Debt Service         | Support to Close Debt Service Fund  | 340              |
| <b>Re-allocate Prior Year Expense to Proper Fund</b> |                            |                                     |                  |
| Home Rule Sales Tax                                  | EPA Grant - Brownfield     | Reimb Prior Year Enviro. Proj. Exps | 52,750           |
| Homeland Security                                    | General                    | Reimburse for grant expenditures    | 11,374           |
| Debt Service 2003B                                   | General                    | Reimb Prior Year Expenses           | 14,816           |
| 2004B Cap. Improv Fund                               | Home Rule Sales Tax        | Reimb Prior Year Expenses           | 150,000          |
| General  | Narcotics Forfeiture       | Reimburse for grant expenditures    | 55,697           |
| <b>Re-allocate Capital Projects Resources</b>        |                            |                                     |                  |
| HRST Debt Service Fund                               | 2001 Cap. Improv. Fund     | Retn Prior Yr                       | 440,000          |
| 2004B Cap. Improv Fund                               | 2001 Cap. improv. Fund     | Reimburse Prior Year Expenses       | 189,634          |
| <b>Debt Service Transfers/Abatements</b>             |                            |                                     |                  |
| 1992 Capital Improvements                            | 2003 Debt Service Fund     | Debt Service Abatements             | 1,754,000        |
| TIF #5 Lakehurst Redev                               | 2006 Sp Assess Bonds       | Bond Issuance Proceeds              | 571,783          |
| TIF #5 Lakehurst Redev                               | HRST Debt Service          |                                     | 88,798           |
| Water & Sewer  | 2003B Debt Service Fund    | Debt Service Abatements             | 4,590            |
| Motor Fuel Tax                                       | 1998 Debt Service Fund     | Debt service on MFT funded projects | 200,270          |
| Motor Fuel Tax                                       | 2003 Debt Service Fund     | Debt service on MFT funded projects | 180,459          |
| TIF Lewis Ave  | 2003 Debt Service Fund     | Debt Service Abatements             | 176,132          |
| <b>Intrafund debt service transfers</b>              |                            |                                     |                  |
| HRST Debt Service Fund                               | 2005A Debt Service         | Debt Service Reimb                  | 560,000          |
| 2004B Cap. Improv Fund                               | 2005A Debt Service         | Debt Service Reimb                  | 254,413          |
|  |                            |                                     | <u>8,110,155</u> |

**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**XI - INTERFUND BALANCES AND ACTIVITY (continued)**

The general fund has loaned a total of \$4,428,577 to 2 other funds to cover cash shortfalls, loans that are not expected to be paid back in the short term. These loans are identified as *Advances* in the fund financial statements. Details on the 2 general fund advances are as follows:

- (1) **Safety & Risk Management Fund** – deficits over the last three years in this internal service fund have been financed by \$471,597 in loans from the general fund. City management began to address this deficit in FY05 with increased premiums, reducing the loan by \$306,753 in FY05 and an additional pay-down of \$397,755 in the fiscal year ended April 30, 2006. The balance owed as of April 30, 2006 is \$73,842.
- (2) **Health Insurance Fund** – deficits in this internal service fund over the last several years have been covered by \$4,354,735 in loans from the general fund. Effective with the 2005/06 fiscal year, changes in the insurance plans offered (to fully outside-insured plans) and increased premiums charged to the City's retirees and employees, combined with the City's intention to budget in excess of \$400,000 per year from general city income sources will eliminate this loan over approximately 10 years. The balance was reduced by \$139,446 in the fiscal year ended April 30, 2006.

All other interfund receivable/payable balances, identified in the financial statements as *Due from* and *Due to*, are expected to be paid back in the fiscal year 2006/07 and are described below:

| <u>Fund Owed</u>   | <u>Fund Owing</u>            | <u>Amount</u>    |
|--|------------------------------|------------------|
| Loan for cash flow purposes  |                              |                  |
| General  | Streets & Sidewalks          | 246,964          |
| General  | Environmental Remediation    | 1,646,494        |
| Home Rule Sales Tax  | Motor Vehicle Parking System | 395,992          |
| Loan for expenditure when funding is expected from another fund (Including Grant Matching) |                              |                  |
| Home Rule Sales Tax  | Lakefront/Downtown TIF       | 501,533          |
| Home Rule Sales Tax  | EPA Grant Brownfields        | 41,968           |
| Homeland Security  | General                      | 25,602           |
| General  | Enhancing Sec/Crime Prev     | 29,324           |
| Re-allocate expenditure to different fund  |                              |                  |
| Home Rule Sales Tax  | General                      | 249,767          |
| General  | 911 Emerg. System            | 82,647           |
| General  | Motor Fuel Tax               | 46,433           |
| General  | Narcotics Forfeiture         | -                |
| Re-allocate debt service payments to proper fund   |                              |                  |
| Debt Service Fund (2003B)  | Water & Sewer                | 367,527          |
| Debt Service Fund (1998)   | Motor Vehicle Parking System | 100,000          |
| Water & Sewer  | Debt Service Fund (2000)     | 139,128          |
| 5 Other Small Loans  |                              | 14,334           |
| Re-allocate revenue/receipt to proper fund   |                              |                  |
| Home Rule Sales Tax  | Genesee Theatre              | 239,048          |
| General  | Water & Sewer                | 45,030           |
| General  | Narcotics Forfeiture         | 90,709           |
| All Other amounts (11 Loans)   |                              | 97,620           |
|  |                              | <u>4,360,120</u> |

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**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2006**

**XII – CONTINGENT LIABILITIES**

**A. EPA Actions**

**1. Yeoman Creek Superfund Site – (See Note VI)** The City is a party to agreements with 5 other public and private entities ("potentially responsible parties" or "PRPs", for short) for the purpose of sharing costs of litigation, site investigations and studies, and remedial actions in cooperation with the Illinois and U.S. Environmental Protection Agencies relating to the Yeoman Creek/Edwards Field landfill superfund site located in Waukegan.

**2. Lakefront Shooting Range -** The City is a party to claims of the USEPA and others for property owned partly by the City and formerly used as a shooting range. The City along with other parties to the USEPA action has remedial responsibility and based on work already performed by the USEPA, ultimate total costs will exceed \$2.7 million. As the allocation of costs to the various responsible entities has not been finalized and since City is pursuing claims against insurers and other responsible parties, the City's potential share of the liability is not estimable at this time.

**B. Other Actions**

The City is a party to various legal actions normally associated with municipalities. A liability for these claims has been estimated and recorded in the financial statements (See Note VII). It is the best estimate of the City that any additional maximum liability to the City during the next fiscal year should not materially affect the financial statements of the City.

**C. Federal & State Grants**

The City has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits lead to questioned costs and potential request for reimbursements to grantor agencies for expenditures disallowed under the terms of the trust. Questioned costs are reserved in the General Fund if there is any substance to the items in question. Based upon prior experience, City Management believes such disallowances, if any, will be immaterial.

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## NOTES TO FINANCIAL STATEMENTS

### APRIL 30, 2006

#### XIII – GENESEE THEATRE

In December 2004, the City formally re-opened the newly remodeled/reconstructed Genesee Theatre. In these financial statements, the operations of the Theatre are accounted for as a separate special revenue fund. During the year, the City entered into a three-year agreement with an outside management company to manage all operations of the theatre. The City initially paid a fixed management fee of \$10,000 per month for the first year of the agreement, and will pay \$9,000 per month for the last two years of the agreement. The City also pays an incentive fee that can be equal to but not exceed the fixed fee for each year of the agreement. No incentive fee was accrued in FY2006. The City will supply operating funds if operating revenues are unable to cover operating expenses. The City will continue to be responsible for all capital equipment and improvement and debt service expenditures. The City expects to fund any initial deficits in the theatre fund through revenues from the Home Rule Sales Tax.

The special revenue fund reports only the operations of the Theatre as managed by the contracted management company. The cost of the Theatre renovation and other Theatre equipment and the related depreciation expense is included only as part of the Government-Wide financial statements and the related debt service is reported in other funds of the City in the fund financial statements. A \$2 per ticket restoration fee is collected and reported as income in the City's Home Rule Sales Tax special revenue fund. The Theatre's management enters into various ticketing, promotional, and concession agreements in the normal course of its operations.

A related organization, *Friends of the Historic Genesee Theatre* ("Friends"), raises funds for the Theatre as a separate non-profit entity. The City does not appoint the board of Friends, but does receive a portion of the donations raised for the Theatre by Friends. The amounts donated to the Theatre are included in its revenues presented in these financial statements. The financial statements of Friends are not included as a component unit in the City's financial statements as amounts are not significant to the city as a whole.

# **Required Supplementary Information**

## REQUIRED SUPPLEMENTARY INFORMATION

*Illinois Municipal Retirement Fund*  
Schedule of Funding Progress

| Fiscal<br>Year<br>Ended | Actuarial<br>Valuation Date | Actuarial Value<br>of Net Assets<br>(a) | Actuarial<br>Accrued<br>Liability (AAL)<br>(b) | Unfunded<br>(Over Funded) | Funded Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a % of                  |
|-------------------------|-----------------------------|---|--|---------------------------|-----------------------|---------------------------|---------------------------------|
|                         |                             |   |  | AAL<br>(UAAL)<br>(b-a)    |                       |                           | Covered<br>Payroll<br>[(b-a)/c] |
| 2006                    | 12/31/05                    | 36,155,370                              | 36,269,616                                     | 114,246                   | 99.69%                | 15,185,372                | 0.75%                           |
| 2005                    | 12/31/04                    | 33,795,676                              | 34,459,291                                     | 663,615                   | 98.07%                | 14,606,985                | 4.54%                           |
| 2004                    | 12/31/03                    | 32,668,911                              | 31,808,697                                     | (860,214)                 | 102.70%               | 14,302,074                | 0.00%                           |
| 2003                    | 12/31/02                    | 32,457,460                              | 29,878,434                                     | (2,579,026)               | 108.63%               | 13,359,008                | 0.00%                           |
| 2002                    | 12/31/01                    | 31,258,695                              | 28,247,525                                     | (3,011,170)               | 110.66%               | 12,738,013                | 0.00%                           |
| 2001                    | 12/31/00                    | 29,438,192                              | 27,056,576                                     | (2,381,616)               | 108.80%               | 12,149,077                | 0.00%                           |
| 2000                    | 12/31/99                    | 25,611,445                              | 25,147,611                                     | (463,834)                 | 101.84%               | 11,320,132                | 0.00%                           |

The required contribution was determined as part of the December 31, 2003 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post retirement increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The assumptions used for the 2005 actuarial valuation were based on the 2002-2004

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

## REQUIRED SUPPLEMENTARY INFORMATION

*Police Pension Fund*  
**Schedule of Funding Progress**

| Fiscal<br>Year<br>Ended | Actuarial<br>Valuation Date | Actuarial Value<br>of Net Assets<br>(a) | Actuarial<br>Accrued<br>Liability (AAL)<br>(b) | Unfunded<br>(Over Funded) | Funded Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a % of                  |
|-------------------------|-----------------------------|---|--|---------------------------|-----------------------|---------------------------|---------------------------------|
|                         |                             |   |  | AAL<br>(UAAL)<br>(b-a)    |                       |                           | Covered<br>Payroll<br>[(b-a)/c] |
| 2006                    | 04/30/05                    | 45,338,959                              | 83,753,129                                     | 38,414,170                | 54.13%                | 10,434,243                | 368.15%                         |
| 2005                    | 04/30/04                    | 41,870,712                              | 77,012,305                                     | 35,141,593                | 54.37%                | 10,176,062                | 345.34%                         |
| 2004                    | 04/30/03                    | 39,989,382                              | 72,205,227                                     | 32,215,845                | 55.38%                | 9,689,729                 | 332.47%                         |
| 2003                    | 04/30/02                    | 38,802,211                              | 65,551,332                                     | 26,749,121                | 59.19%                | 9,438,740                 | 283.40%                         |
| 2002                    | 04/30/01                    | 37,056,987                              | 61,204,906                                     | 24,147,919                | 60.55%                | 9,104,820                 | 265.22%                         |
| 2001                    | 04/30/00                    | 33,647,364                              | 53,468,659                                     | 19,821,295                | 62.93%                | 8,828,940                 | 224.50%                         |
| 2000                    | 04/30/99                    | 31,857,178                              | 49,670,410                                     | 17,813,232                | 64.14%                | 7,452,312                 | 239.03%                         |

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

|                                   |                                  |
|-----------------------------------|----------------------------------|
| Valuation date                    | April 30, 2005                   |
| Actuarial cost method             | Entry Age                        |
| Amortization method               | Level Percentage of Pay (Closed) |
| Amortization period               | Period ending June 30, 2033      |
| Asset valuation method            | Net Present Value                |
| Actuarial assumptions:            |                                  |
| Investment rate of return         | 7.50%                            |
| Projected salary increases        | 4.00%                            |
| Post-Retirement Benefit Increases | 3.00%                            |

## REQUIRED SUPPLEMENTARY INFORMATION

*Fire Pension Fund*  
Schedule of Funding Progress

| Fiscal<br>Year<br>Ended | Actuarial<br>Valuation Date | Actuarial Value<br>of Net Assets<br>(a) | Actuarial<br>Accrued<br>Liability (AAL)<br>(b) | Unfunded<br>(Over Funded) | Funded Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a % of                  |
|-------------------------|-----------------------------|---|--|---------------------------|-----------------------|---------------------------|---------------------------------|
|                         |                             |   |  | AAL<br>(UAAL)<br>(b-a)    |                       |                           | Covered<br>Payroll<br>[(b-a)/c] |
| 2006                    | 04/30/05                    | 36,578,328                              | 63,036,025                                     | 26,457,697                | 58.03%                | 7,351,267                 | 359.91%                         |
| 2005                    | 04/30/04                    | 35,079,255                              | 58,718,658                                     | 23,639,403                | 59.74%                | 7,019,734                 | 336.76%                         |
| 2004                    | 04/30/03                    | 33,316,257                              | 55,847,732                                     | 22,531,475                | 59.66%                | 6,420,746                 | 350.92%                         |
| 2003                    | 04/30/02                    | 32,985,977                              | 51,509,802                                     | 18,523,825                | 64.04%                | 6,296,028                 | 294.21%                         |
| 2002                    | 04/30/01                    | 32,881,708                              | 48,927,700                                     | 16,045,992                | 67.20%                | 5,903,724                 | 271.79%                         |
| 2001                    | 04/30/00                    | 31,463,820                              | 46,812,231                                     | 15,348,411                | 67.21%                | 5,215,903                 | 294.26%                         |
| 2000                    | 04/30/99                    | 31,328,025                              | 44,451,436                                     | 13,123,411                | 70.48%                | 4,942,684                 | 265.51%                         |

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

|                                   |                                  |
|-----------------------------------|----------------------------------|
| Valuation date                    | April 30, 2005                   |
| Actuarial cost method             | Entry Age                        |
| Amortization method               | Level Percentage of Pay (Closed) |
| Amortization period               | Period ending June 30, 2033      |
| Asset valuation method            | Net Present Value                |
| Actuarial assumptions:            |                                  |
| Investment rate of return         | 7.50%                            |
| Projected salary increases        | 4.00%                            |
| Post-Retirement Benefit Increases | 3.00%                            |

## REQUIRED SUPPLEMENTARY INFORMATION

## Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget &amp; Actual

## General Fund

Year Ended April 30, 2006

|   | ACTUAL             | Original and<br>Final<br>BUDGET | VARIANCE           |
|---|--------------------|---------------------------------|--------------------|
| <b>REVENUES</b>   |                    |                                 |                    |
| Property-Based Taxes  | 11,463,744         | 6,658,323                       | 4,805,421          |
| Sales-Based Taxes   | 10,707,300         | 9,605,725                       | 1,101,575          |
| Income-Based Taxes  | 10,184,355         | 9,365,406                       | 818,949            |
| Utility-Based Taxes   | 8,130,341          | 7,845,625                       | 284,716            |
| Fines And Forfeitures   | 4,202,458          | 4,319,600                       | (117,142)          |
| Charges For Services  | 1,754,381          | 1,785,200                       | (30,819)           |
| Permits   | 1,822,378          | 1,863,500                       | (41,122)           |
| Licenses  | 1,760,925          | 1,755,781                       | 5,144              |
| Franchise and Other Similar Fees  | 931,712            | 930,000                         | 1,712              |
| Intergovernmental Revenues  | 527,920            | 496,184                         | 31,736             |
| Investment Income   | 364,172            | 350,000                         | 14,172             |
| Miscellaneous Revenue   | 985,393            | 481,625                         | 503,768            |
| <b>TOTAL REVENUES</b>   | <b>52,835,079</b>  | <b>45,456,969</b>               | <b>7,378,110</b>   |
| <b>EXPENDITURES</b>   |                    |                                 |                    |
| <b>Current Operating</b>  |                    |                                 |                    |
| Public Safety - Police/Communications   | 23,131,792         | 20,086,501                      | (3,045,291)        |
| Public Safety - Fire/Emergency Medical  | 13,129,266         | 11,250,559                      | (1,878,707)        |
| Streets, Bridges & Other Public Works   | 5,827,105          | 6,201,487                       | 374,382            |
| Sanitation & Environment-Refuse Collection  | 3,286,432          | 3,235,001                       | (51,431)           |
| General Government  | 5,345,246          | 3,920,087                       | (1,425,159)        |
| Building and Zoning   | 1,715,164          | 1,920,653                       | 205,489            |
| Economic Development  | 945,263            | 922,954                         | (22,309)           |
| Culture & Recreation  | 490,268            | 507,081                         | 16,813             |
| <b>Capital Outlay</b>   | 1,373,840          | 533,863                         | (839,977)          |
| <b>Debt Service (Capital Leases)</b>  |                    |                                 |                    |
| Principal   | 75,945             | 75,945                          | -                  |
| Interest  | 10,182             | 16,273                          | 6,091              |
| <b>TOTAL EXPENDITURES</b>   | <b>55,330,503</b>  | <b>48,670,404</b>               | <b>(6,660,099)</b> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <b>(2,495,424)</b> | <b>(3,213,435)</b>              | <b>718,011</b>     |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                    |                                 |                    |
| Proceeds of Capital Lease   | 1,000,000          | -                               | 1,000,000          |
| Sale/Trades of General Fixed Assets   | 34,372             | 20,000                          | 14,372             |
| Operating Transfers In  | 2,274,293          | 2,305,304                       | (31,011)           |
| Operating Transfers Out   | (180,041)          | -                               | (180,041)          |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>3,128,624</b>   | <b>2,325,304</b>                | <b>803,320</b>     |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b>633,200</b>     | <b>(888,131)</b>                | <b>1,521,331</b>   |
| <b>FUND BALANCE</b>   |                    |                                 |                    |
| Beginning of Year, as restated for Inventory  | 12,423,562         |                                 |                    |
| <b>End of Year</b>  | <b>13,056,762</b>  |                                 |                    |

**REQUIRED SUPPLEMENTARY INFORMATION****Notes to Required Supplementary Information***Year Ended April 30, 2006***Budgetary Data**

Budgetary data is presented in the Financial Statements utilizing various budgetary and accounting policies to demonstrate the City's adherence to proper fiscal control and planning.

**General Budgetary Policies** - The City Council annually adopts an appropriation ordinance for all funds of the city except for agency funds, although two special revenue funds, two capital projects funds, and four debt service funds were budgeted to have no activity. Budgetary control is legally maintained at the fund level. The City's Appropriation Ordinance provides transfer authority to the Mayor and Director of Finance within and between departments of the same fund. Transfers among funds must be approved by majority vote of the City Council. City Council action is also required for the approval of any supplemental appropriation ordinances.

The City Council also adopts an annual budget setting forth estimated revenues and expenditures, which can only be amended by Council action. However, the Appropriation Ordinance controls legal restrictions on expenditures. All appropriations lapse at year-end.

**Encumbrances** - Encumbrance accounting is utilized under which purchase orders, contracts, and other financial commitments for expenditure are recorded in order to reserve that portion of the applicable appropriation. This method is employed as an extension of formal budgetary integration in the General, Special Revenue and Capital Project Funds. However, all encumbrances lapse at year-end.

**Budgetary Basis Of Accounting** - Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

**Supplemental Appropriation Ordinances** Supplemental appropriation ordinances provide for the reorganization of various responsibility centers, add various interfund transfers omitted from the original appropriation ordinance, and add new expenditures based on new revenues that become available during the fiscal year. One such ordinance were passed during the fiscal year. However it only affected one special revenue fund.

**Expenditures in Excess of Appropriations** Expenditures in the General Fund exceeded appropriations by \$6,659,899.

# **Nonmajor Funds**

## Nonmajor Governmental Funds

## Combining Balance Sheet

April 30, 2006

|  | Nonmajor Capital Projects Funds |                                   |  |  |  |                                      |                        |
|--|---------------------------------|-----------------------------------|--|--|--|--------------------------------------|------------------------|
|  | Series 1992<br>Cap. Improv.     | 2001 Bonds<br>Cap Improve<br>Fund | 2001A Bonds<br>Cap Improv<br>Fund City<br>Hall | Bonds Cap<br>Impr Fd<br>Genesee<br>Theatre | Bonds Cap<br>Impr Fd<br>Lakehurst<br>TIF | Series 2005<br>Special<br>Assessment | Streets &<br>Sidewalks |
| <b>ASSETS</b>                                |                                 |                                   |  |  |  |                                      |                        |
| Cash and Cash Equivalents                    | 282,476                         | -                                 | 66,973   | 757,001                                    | -  | 639,133                              | 84,550                 |
| Investments                                  | 3,216,058                       | -                                 | -  | -  | -  | -                                    | -                      |
| Receivables, Net                             |                                 |                                   |  |  |  |                                      |                        |
| Property Taxes                               | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Sales, Income, & Other Taxes                 | -                               | -                                 | -  | -  | -  | -                                    | 244,536                |
| Accrued Interest Income                      | 427                             | -                                 | 99   | 1,011                                      | -  | 581                                  | -                      |
| Loans  | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Intergovernmental                            | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Due From Other Funds (Short-Term)            | -                               | 772                               | -  | -  | -  | -                                    | -                      |
| Other  | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Inventories                                  | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| <b>TOTAL ASSETS</b>                          | <b>3,498,961</b>                | <b>772</b>                        | <b>67,072</b>                                  | <b>758,012</b>                             | <b>-</b>                                 | <b>639,714</b>                       | <b>329,086</b>         |
| <b>LIABILITIES</b>                           |                                 |                                   |  |  |  |                                      |                        |
| Accounts Payable & Accrued Expenses          |                                 |                                   |  |  |  |                                      |                        |
| Accounts Payable                             | -                               | -                                 | 44,157   | 85,000                                     | 10,614                                   | 1,092                                | 300,231                |
| Accrued Salaries                             | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Advance Ticket Sales                         | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Due to Other Funds (Short-Term)              | -                               | -                                 | -  | -  | 339                                      | -                                    | 306,700                |
| Deferred Revenue                             |                                 |                                   |  |  |  |                                      |                        |
| Property Taxes                               | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Other Taxes, Licenses & Fees                 | -                               | -                                 | -  | -  | -  | -                                    | 91,432                 |
| Intergovernmental                            | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| <b>Total Liabilities</b>                     | <b>-</b>                        | <b>-</b>                          | <b>44,157</b>                                  | <b>85,000</b>                              | <b>10,953</b>                            | <b>1,092</b>                         | <b>698,363</b>         |
| <b>FUND BALANCES</b>                         |                                 |                                   |  |  |  |                                      |                        |
| Reserved for:                                |                                 |                                   |  |  |  |                                      |                        |
| Inventories                                  | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Permanent Funds                              | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| Capital Projects                             | -                               | 772                               | 22,915   | 673,012                                    | (10,953)                                 | -                                    | -                      |
| Unreserved, Undesignated, Reported in:       |                                 |                                   |  |  |  |                                      |                        |
| Capital Projects Funds                       | 3,498,961                       | -                                 | -  | -  | -  | 638,622                              | (369,277)              |
| Special Revenue Funds                        | -                               | -                                 | -  | -  | -  | -                                    | -                      |
| <b>Total Fund Balances</b>                   | <b>3,498,961</b>                | <b>772</b>                        | <b>22,915</b>                                  | <b>673,012</b>                             | <b>(10,953)</b>                          | <b>638,622</b>                       | <b>(369,277)</b>       |
| <b>TOTAL LIABILITIES &amp; FUND BALANCES</b> | <b>3,498,961</b>                | <b>772</b>                        | <b>67,072</b>                                  | <b>758,012</b>                             | <b>-</b>                                 | <b>639,714</b>                       | <b>329,086</b>         |

| Total<br>Nonmajor<br>Cap. Proj.<br>Fds. | Nonmajor Permanent Funds |                   |                                 | Nonmaj. Spc.<br>Rev Fds. | Total Nonmajor<br>Governmental<br>Funds |
|---|--------------------------|-------------------|---------------------------------|--------------------------|---|
|   | Working Cash             | Cemetery<br>Trust | Total<br>Nonmajor<br>Perm. Fds. | Total<br>(See I-1 Pg 2)  |   |
| 1,830,133                               | 18                       | -                 | 18                              | 3,188,511                | 5,018,662                               |
| 3,216,058                               | 880,399                  | 43,000            | 923,399                         | 2,081,389                | 6,220,846                               |
| -                                       | -                        | -                 | -                               | 388,802                  | 388,802                                 |
| 244,536                                 | -                        | -                 | -                               | 1,032,169                | 1,276,705                               |
| 2,118                                   | 228                      | 54                | 282                             | 2,630                    | 5,030                                   |
| -                                       | -                        | -                 | -                               | 2,577                    | 2,577                                   |
| -                                       | -                        | -                 | -                               | 13,835                   | 13,835                                  |
| 772                                     | -                        | -                 | -                               | 1,415,469                | 1,416,241                               |
| -                                       | -                        | -                 | -                               | 142,336                  | 142,336                                 |
| -                                       | -                        | -                 | -                               | 256,620                  | 256,620                                 |
| <b>5,293,617</b>                        | <b>880,645</b>           | <b>43,054</b>     | <b>923,699</b>                  | <b>8,524,338</b>         | <b>14,741,654</b>                       |
| 441,094                                 | -                        | -                 | -                               | 554,665                  | 995,759                                 |
| -                                       | -                        | -                 | -                               | 65,820                   | 65,820                                  |
| -                                       | -                        | -                 | -                               | 271,332                  | 271,332                                 |
| 307,039                                 | -                        | -                 | -                               | 2,696,401                | 3,003,440                               |
| -                                       | -                        | -                 | -                               | 388,802                  | 388,802                                 |
| 91,432                                  | -                        | -                 | -                               | 427,822                  | 519,254                                 |
| -                                       | -                        | -                 | -                               | 123,412                  | 123,412                                 |
| <b>839,565</b>                          | <b>-</b>                 | <b>-</b>          | <b>-</b>                        | <b>4,528,255</b>         | <b>5,367,820</b>                        |
| -                                       | -                        | -                 | -                               | 256,620                  | 256,620                                 |
| -                                       | 880,645                  | 43,054            | 923,699                         | -                        | 923,699                                 |
| 685,746                                 | -                        | -                 | -                               | -                        | 685,746                                 |
| -                                       | -                        | -                 | -                               | -                        | -                                       |
| 3,768,306                               | -                        | -                 | -                               | -                        | 3,768,306                               |
| -                                       | -                        | -                 | -                               | 3,739,463                | 3,739,463                               |
| <b>4,454,052</b>                        | <b>880,645</b>           | <b>43,054</b>     | <b>923,699</b>                  | <b>3,996,083</b>         | <b>9,373,834</b>                        |
| <b>5,293,617</b>                        | <b>880,645</b>           | <b>43,054</b>     | <b>923,699</b>                  | <b>8,524,338</b>         | <b>14,741,654</b>                       |

**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended April 30, 2006**

|  | Nonmajor Capital Projects Funds |                                   |  |  |  |                                      | Total<br>Nonmajor<br>Cap. Proj.<br>Fds. |                        |
|--|---------------------------------|-----------------------------------|--|--|--|--------------------------------------|---|------------------------|
|  | Series 1992<br>Cap. Improv.     | 2001 Bonds<br>Cap Improve<br>Fund | 2001A<br>Bonds Cap<br>Improv Fund<br>City Hall | 2004B<br>Bonds Cap<br>Impr Fd<br>Genesee | 2003A<br>Bonds Cap<br>Impr Fd<br>Lakehurst | Series 2005<br>Special<br>Assessment |   | Streets &<br>Sidewalks |
| <b>REVENUES</b>  |                                 |                                   |  |  |  |                                      |   |                        |
| Taxes  |                                 |                                   |  |  |  |                                      |   |                        |
| Sales-Based  | -                               | -                                 | -  | -  | 120  | -                                    | 979,360                                 | 979,500                |
| Property-Based   | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Utility-Based  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Intergovernmental  | -                               | -                                 | -  | -  | -  | -                                    | 15,834                                  | 15,834                 |
| Fines & Forfeitures  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Charges for Services (Theatre Income)  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Investment Income  | 101,559                         | -                                 | 4,125  | 36,604                                   | 30,498                                     | 12,704                               | 299                                     | 185,589                |
| Miscellaneous Revenue  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| <b>TOTAL REVENUES</b>  | <b>101,559</b>                  | <b>-</b>                          | <b>4,125</b>                                   | <b>36,604</b>                            | <b>30,618</b>                              | <b>12,704</b>                        | <b>995,513</b>                          | <b>1,181,323</b>       |
| <b>EXPENDITURES</b>  |                                 |                                   |  |  |  |                                      |   |                        |
| Current:   |                                 |                                   |  |  |  |                                      |   |                        |
| Public Safety - Protective Inspection  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Public Safety - Police/Communications  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Public Safety - Fire/Homeland Security   | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Streets, Bridges & Other Public Works  | -                               | -                                 | -  | -  | -  | -                                    | 74,278                                  | 74,278                 |
| Sanitation and Environment   | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| General Government   | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Economic Development   | -                               | -                                 | -  | -  | 2,128,414                                  | 2,314,915                            | -                                       | 4,443,329              |
| Community Development  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Culture and Recreation   | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Community Dev. Grants to Other Entities:   |                                 |                                   |  |  |  |                                      |   |                        |
| Private Non Profit Agencies  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Intergovernmental  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Capital Outlay   | -                               | -                                 | 33,990   | 349,168                                  | -  | -                                    | 1,382,131                               | 2,266,267              |
| Debt Service   |                                 |                                   |  |  |  |                                      |   |                        |
| Bond Issuance Costs  | -                               | -                                 | 9,000  | -  | -  | 182,384                              | -                                       | 191,384                |
| Principal Retirement   | -                               | -                                 | 59,384   | -  | -  | -                                    | -                                       | 59,384                 |
| Interest and Fiscal Charges  | -                               | -                                 | 7,128  | -  | 898  | -                                    | 13,493                                  | 21,515                 |
| <b>TOTAL EXPENDITURES</b>  | <b>-</b>                        | <b>-</b>                          | <b>109,500</b>                                 | <b>349,168</b>                           | <b>2,129,310</b>                           | <b>2,497,299</b>                     | <b>1,970,903</b>                        | <b>7,056,178</b>       |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES</b>   | <b>101,559</b>                  | <b>-</b>                          | <b>(105,375)</b>                               | <b>(312,362)</b>                         | <b>(2,098,692)</b>                         | <b>(2,484,595)</b>                   | <b>(975,390)</b>                        | <b>(5,874,855)</b>     |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                                 |                                   |  |  |  |                                      |   |                        |
| Bond Proceeds  | -                               | -                                 | -  | -  | -  | 3,695,000                            | -                                       | 3,695,000              |
| Bond Issuance Premium/(Discount)   | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Operating Transfers  |                                 |                                   |  |  |  |                                      |   |                        |
| Operating Transfers In   | -                               | 157,015                           | -  | -  | -  | -                                    | 600,000                                 | 757,015                |
| Operating Transfers (Out)  | (1,754,000)                     | -                                 | -  | (150,000)                                | (88,798)                                   | (571,783)                            | -                                       | (2,564,581)            |
| <b>TOTAL OTHER FIN. SOURCES (USES)</b>   | <b>(1,754,000)</b>              | <b>157,015</b>                    | <b>-</b>                                       | <b>(150,000)</b>                         | <b>(88,798)</b>                            | <b>3,123,217</b>                     | <b>600,000</b>                          | <b>1,887,434</b>       |
| <b>EXCESS (DEFICIENCY) OF REV. &amp; OTHER FIN. SOURCES<br/>OVER (UNDER) EXPENDITURES &amp; OTHER FIN. I</b> | <b>(1,652,441)</b>              | <b>157,015</b>                    | <b>(105,375)</b>                               | <b>(462,362)</b>                         | <b>(2,187,490)</b>                         | <b>638,622</b>                       | <b>(375,390)</b>                        | <b>(3,987,421)</b>     |
| <b>FUND BALANCE</b>  |                                 |                                   |  |  |  |                                      |   |                        |
| Incr (Decr)-Fund Bal, Reserve for Inventory  | -                               | -                                 | -  | -  | -  | -                                    | -                                       | -                      |
| Beginning of Year, as restated   | 5,151,402                       | (156,243)                         | 128,290  | 1,135,374                                | 2,176,537                                  | -                                    | 6,113                                   | 8,441,473              |
| End of Year  | <b>3,498,961</b>                | <b>772</b>                        | <b>22,915</b>                                  | <b>673,012</b>                           | <b>(10,953)</b>                            | <b>638,622</b>                       | <b>(369,277)</b>                        | <b>4,454,052</b>       |

| Nonmajor Permanent Funds |                   |                                 | Nonmaj.<br>Sp. Rev.    | Total<br>Nonmajor<br>Governmental<br>Funds |
|--------------------------|-------------------|---------------------------------|------------------------|--|
| Working Cash             | Cemetery<br>Trust | Total<br>Nonmajor<br>Perm. Fds. | Total<br>(See I-2 Pg2) |  |
| -                        | -                 | -                               | 4,017,887              | 4,997,367                                  |
| -                        | -                 | -                               | 241,984                | 241,984                                    |
| -                        | -                 | -                               | 729,575                | 729,575                                    |
| -                        | -                 | -                               | 1,645,430              | 1,661,264                                  |
| -                        | -                 | -                               | 164,244                | 164,244                                    |
| -                        | -                 | -                               | 732,165                | 732,165                                    |
| 29,116                   | 21                | 29,137                          | 207,679                | 422,805                                    |
| -                        | -                 | -                               | 224,325                | 224,325                                    |
| <u>29,116</u>            | <u>21</u>         | <u>29,137</u>                   | <u>7,963,269</u>       | <u>9,173,729</u>                           |
| -                        | -                 | -                               | 72,840                 | 72,840                                     |
| -                        | -                 | -                               | 1,336,745              | 1,336,745                                  |
| -                        | -                 | -                               | 171,512                | 171,512                                    |
| -                        | -                 | -                               | 2,158,870              | 2,233,149                                  |
| -                        | -                 | -                               | 167,799                | 167,799                                    |
| -                        | -                 | -                               | 226,875                | 226,875                                    |
| -                        | -                 | -                               | 2,797,988              | 7,241,317                                  |
| -                        | -                 | -                               | 1,054,283              | 1,054,283                                  |
| -                        | -                 | -                               | 935,683                | 935,683                                    |
| -                        | -                 | -                               | 126,237                | 126,237                                    |
| -                        | -                 | -                               | 47,157                 | 47,157                                     |
| -                        | -                 | -                               | 838,601                | 3,104,888                                  |
| -                        | -                 | -                               | -                      | 191,384                                    |
| -                        | -                 | -                               | 49,026                 | 106,410                                    |
| -                        | -                 | -                               | 210,207                | 231,722                                    |
| -                        | -                 | -                               | <u>10,193,923</u>      | <u>17,250,101</u>                          |
| <u>29,116</u>            | <u>21</u>         | <u>29,137</u>                   | <u>(2,230,654)</u>     | <u>(8,076,372)</u>                         |
| -                        | -                 | -                               | -                      | 3,695,000                                  |
| -                        | -                 | -                               | -                      | -  |
| -                        | -                 | -                               | 602,731                | 1,359,746                                  |
| -                        | -                 | -                               | <u>(1,066,111)</u>     | <u>(3,630,692)</u>                         |
| -                        | -                 | -                               | <u>(463,380)</u>       | <u>1,424,054</u>                           |
| <u>29,116</u>            | <u>21</u>         | <u>29,137</u>                   | <u>(2,694,034)</u>     | <u>(6,652,318)</u>                         |
| -                        | -                 | -                               | 256,620                | 256,620                                    |
| 851,529                  | 43,033            | 884,562                         | 6,433,497              | 15,769,532                                 |
| <u>880,645</u>           | <u>43,054</u>     | <u>923,699</u>                  | <u>3,996,083</u>       | <u>9,373,834</u>                           |

# General Fund

## GENERAL FUND

## Balance Sheet

April 30, 2006

**ASSETS**

|  |            |
|--|------------|
| Cash & Cash Equivalents                  | 3,785,238  |
| Taxes Receivable, Net of Uncollectibles: |            |
| Property-Based Taxes                     | 12,411,039 |
| Income-Based Taxes                       | 1,671,140  |
| Sales-Based Taxes                        | 2,714,054  |
| Utility & Telecommunications             | 2,113,162  |
| Other Receivables:                       |            |
| Fees, Fines, & Charges for Services      | 721,241    |
| Intergovernmental Grants                 | 116,806    |
| Interfund Loans                          |            |
| Advances to Other Funds (Long-Term)      | 4,428,577  |
| Due From Other Funds (Short-Term)        | 2,189,784  |
| Inventory                                | 556,678    |

**TOTAL ASSETS****30,707,719****LIABILITIES AND FUND BALANCE****Liabilities**

|                          |            |
|--------------------------|------------|
| Accrued Salaries         | 1,142,977  |
| Accounts Payable         | 1,169,390  |
| Due to Other Funds       | 209,391    |
| Deferred Revenue:        |            |
| Property Taxes           | 12,411,040 |
| Other Taxes              | 1,728,867  |
| Vehicle Licenses         | 517,102    |
| Intergovernmental Grants | 94,387     |
| Deposits                 | 377,608    |

**Total Liabilities****17,650,762****Fund Balance**

|                                   |           |
|-----------------------------------|-----------|
| Reserved for Long-Term Receivable | 4,428,577 |
| Reserved for Telecom              | 156,402   |
| Reserved for Inventory            | 556,678   |
| Unreserved & Undesignated         | 7,915,300 |

**13,056,957****TOTAL LIABILITIES AND FUND BALANCE****30,707,719**

## GENERAL FUND

## Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget &amp; Actual

April 30, 2006

|   | ACTUAL             | BUDGET             | VARIANCE           |
|---|--------------------|--------------------|--------------------|
| <b>REVENUES</b>   |                    |                    |                    |
| Property-Based Taxes  | 11,463,744         | 6,658,323          | 4,805,421          |
| Sales-Based Taxes   | 10,707,300         | 9,605,725          | 1,101,575          |
| Income-Based Taxes  | 10,184,355         | 9,365,406          | 818,949            |
| Utility-Based Taxes   | 8,130,341          | 7,845,625          | 284,716            |
| Fines And Forfeitures   | 4,202,458          | 4,319,600          | (117,142)          |
| Charges For Services  | 1,754,381          | 1,785,200          | (30,819)           |
| Permits   | 1,822,378          | 1,863,500          | (41,122)           |
| Licenses  | 1,760,925          | 1,755,781          | 5,144              |
| Franchise and Other Similar Fees  | 931,712            | 930,000            | 1,712              |
| Intergovernmental Revenues  | 527,920            | 496,184            | 31,736             |
| Investment Income   | 364,172            | 350,000            | 14,172             |
| Miscellaneous Revenue   | 985,393            | 481,625            | 503,768            |
| <b>TOTAL REVENUES</b>   | <b>52,835,079</b>  | <b>45,456,969</b>  | <b>7,378,110</b>   |
| <b>EXPENDITURES</b>   |                    |                    |                    |
| <b>Current Operating</b>  |                    |                    |                    |
| Public Safety - Police/Communications   | 23,131,794         | 20,086,501         | (3,045,293)        |
| Public Safety - Fire/Emergency Medical  | 13,129,266         | 11,250,559         | (1,878,707)        |
| Streets, Bridges & Other Public Works   | 5,827,109          | 6,201,487          | 374,378            |
| Sanitation & Environment-Refuse Collection  | 3,286,432          | 3,235,001          | (51,431)           |
| General Government  | 5,345,048          | 3,920,087          | (1,424,961)        |
| Building and Zoning   | 1,715,164          | 1,920,653          | 205,489            |
| Economic Development  | 945,264            | 922,954            | (22,310)           |
| Culture & Recreation  | 490,264            | 507,081            | 16,817             |
| <b>Capital Outlay</b>   | 1,373,840          | 533,863            | (839,977)          |
| <b>Debt Service (Capital Leases)</b>  |                    |                    |                    |
| Principal   | 75,945             | 75,945             | (0)                |
| Interest  | 10,182             | 16,273             | 6,091              |
| <b>TOTAL EXPENDITURES</b>   | <b>55,330,308</b>  | <b>48,670,404</b>  | <b>(6,659,904)</b> |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <b>(2,495,229)</b> | <b>(3,213,435)</b> | <b>718,206</b>     |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                    |                    |                    |
| Proceeds of Capital Lease   | 1,000,000          | -                  | 1,000,000          |
| Sale/Trades of General Fixed Assets   | 34,372             | 20,000             | 14,372             |
| Operating Transfers In  | 2,274,293          | 2,305,304          | (31,011)           |
| Operating Transfers Out   | (180,041)          | -                  | (180,041)          |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>3,128,624</b>   | <b>2,325,304</b>   | <b>803,320</b>     |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <b>633,395</b>     | <b>(888,131)</b>   | <b>1,521,526</b>   |
| <b>FUND BALANCE</b>   |                    |                    |                    |
| Beginning of Year   | 12,423,562         |                    |                    |
| End of Year   | <b>13,056,957</b>  |                    |                    |

**GENERAL FUND**  
**Schedule Of Revenues And Other Financing Sources, Compared To Budget**  
*April 30, 2006*

|   | <u>ACTUAL</u>            | <u>BUDGET</u>            | <u>VARIANCE</u>         |
|---|--------------------------|--------------------------|-------------------------|
| <b>TAXES</b>                                  |                          |                          |                         |
| <b>Sales-Based</b>                            |                          |                          |                         |
| State Sales                                   | 7,592,673                | 7,761,595                | (168,922)               |
| Home Rule Sales Tax                           | 1,215,104                | -                        | 1,215,104               |
| State Local Use                               | 1,084,401                | 1,029,729                | 54,672                  |
| Local Hotel & Motel                           | 742,625                  | 740,000                  | 2,625                   |
| State 2% Foreign Fire Insurance               | 52,151                   | 52,151                   | -                       |
| State Auto Rental/Leasing                     | 18,739                   | 20,000                   | (1,261)                 |
| State Pull Tabs & Jar Games                   | 1,290                    | 2,000                    | (710)                   |
| State Charitable Games                        | 317                      | 250                      | 67                      |
| <b>Income-Based</b>                           |                          |                          |                         |
| State Income                                  | 6,952,125                | 6,596,406                | 355,719                 |
| State Replacement                             | 3,232,230                | 2,769,000                | 463,230                 |
| <b>Utility-Based</b>                          |                          |                          |                         |
| Local Utility                                 | 4,701,708                | 4,528,045                | 173,663                 |
| Local Telecommunications                      | 3,428,633                | 3,317,580                | 111,053                 |
| <b>Property-Based</b>                         |                          |                          |                         |
| Local Property                                | 6,350,951                | 6,356,323                | (5,372)                 |
| Local Property (Police & Fire Pension Levies) | 4,792,425                | -                        | 4,792,425               |
| Local Road and Bridge                         | 320,368                  | 302,000                  | 18,368                  |
| <b>TOTAL TAXES</b>                            | <b><u>40,485,740</u></b> | <b><u>33,475,079</u></b> | <b><u>7,010,661</u></b> |
| <b>PERMITS</b>                                |                          |                          |                         |
| Building                                      | 1,294,900                | 1,325,000                | (30,100)                |
| Electrical                                    | 139,409                  | 150,000                  | (10,591)                |
| Heating                                       | 94,028                   | 110,000                  | (15,972)                |
| Plumbing                                      | 108,121                  | 115,000                  | (6,879)                 |
| Hazardous Materials                           | 54,579                   | 30,000                   | 24,579                  |
| Elevator                                      | 28,251                   | 30,000                   | (1,749)                 |
| Fire Protection Construction Work             | 30,143                   | 20,000                   | 10,143                  |
| Occupancy                                     | 20,295                   | 25,000                   | (4,705)                 |
| Sign  | 29,074                   | 25,000                   | 4,074                   |
| Alarm   | 14,600                   | 15,000                   | (400)                   |
| Demolition                                    | 3,838                    | 15,000                   | (11,162)                |
| Taxi Inspection                               | 4,545                    | 3,000                    | 1,545                   |
| Food Handler Card                             | 595                      | 500                      | 95                      |
| Water Shed Development                        | -                        | -                        | -                       |
| <b>TOTAL PERMITS</b>                          | <b><u>1,822,378</u></b>  | <b><u>1,863,500</u></b>  | <b><u>(41,122)</u></b>  |
| <b>LICENSES</b>                               |                          |                          |                         |
| Vehicle                                       | 1,175,049                | 1,260,000                | (84,951)                |
| Liquor  | 178,951                  | 130,150                  | 48,801                  |
| Business - Miscellaneous                      | 58,945                   | 60,000                   | (1,055)                 |
| Garbage Stickers                              | 40,894                   | 40,000                   | 894                     |
| Rental Property                               | 65,130                   | 55,000                   | 10,130                  |
| Contractor's Registration                     | 53,300                   | 50,000                   | 3,300                   |
| Vending Machine                               | 43,585                   | 31,850                   | 11,735                  |
| Amusement Device                              | 18,325                   | 15,000                   | 3,325                   |
| Tobacco Dealer                                | 19,075                   | 16,000                   | 3,075                   |
| Restaurant                                    | 16,163                   | 13,500                   | 2,663                   |

## GENERAL FUND

## Schedule Of Revenues And Other Financing Sources, Compared To Budget

April 30, 2006

|                                    | <u>ACTUAL</u>           | <u>BUDGET</u>           | <u>VARIANCE</u>     |
|------------------------------------|-------------------------|-------------------------|---------------------|
| <b>LICENSES (cont.)</b>            |                         |                         |                     |
| Animal                             | 14,829                  | 11,000                  | 3,829               |
| Hotel - Motel - Rooming House Lic. | 9,784                   | 8,000                   | 1,784               |
| Meatmarket-Grocery Store           | 8,700                   | 7,500                   | 1,200               |
| Vehicle Repair                     | 7,538                   | 6,000                   | 1,538               |
| Warehouse/Storage                  | 7,125                   | 4,525                   | 2,600               |
| Department Store                   | 4,425                   | 4,200                   | 225                 |
| Juke Box                           | 3,825                   | 3,500                   | 325                 |
| Car Dealer                         | 3,725                   | 3,850                   | (125)               |
| Billiards, Bowling & Pool          | 3,270                   | 4,100                   | (830)               |
| Pawn Shop                          | 3,500                   | 3,000                   | 500                 |
| Amusement Operator                 | -                       | 2,400                   | (2,400)             |
| Taxi Cab Company                   | 1,825                   | 1,280                   | 545                 |
| Furniture                          | 1,313                   | 2,000                   | (687)               |
| Hardware Store                     | 1,838                   | 1,825                   | 13                  |
| Laundry/Laundromat                 | 2,825                   | 1,800                   | 1,025               |
| Sales Door to Door                 | 700                     | 1,200                   | (500)               |
| Garbage Truck                      | 1,663                   | 1,425                   | 238                 |
| Car Wash                           | 2,475                   | 1,200                   | 1,275               |
| Dry Cleaners                       | 1,050                   | 1,100                   | (50)                |
| Currency Exchange                  | 1,225                   | 1,050                   | 175                 |
| Resale Dealer                      | 1,250                   | 875                     | 375                 |
| Bakery                             | 700                     | 630                     | 70                  |
| Livery                             | -                       | 475                     | (475)               |
| Weapons                            | 175                     | 475                     | (300)               |
| Auctioneer                         | 350                     | 438                     | (88)                |
| Roller Rink                        | 438                     | 300                     | 138                 |
| Car Rental                         | 1,025                   | 300                     | 725                 |
| Distributor                        | 30                      | 500                     | (470)               |
| Medical Transport                  | -                       | 350                     | (350)               |
| Mobile Food Vendor                 | 350                     | 225                     | 125                 |
| Rental Service                     | -                       | 1,000                   | (1,000)             |
| Driving School                     | 175                     | 150                     | 25                  |
| Automatic Music Device             | -                       | 500                     | (500)               |
| Rooming House/Units                | -                       | 500                     | (500)               |
| Dancing School                     | -                       | 175                     | (175)               |
| Flea Market                        | 38                      | 100                     | (63)                |
| Christmas Tree Lot                 | -                       | 100                     | (100)               |
| Bicycle                            | 28                      | 20                      | 8                   |
| Theater                            | 5,290                   | 2,500                   | 2,790               |
| Amusement Arcade                   | -                       | 1,750                   | (1,750)             |
| Public Transportation              | 25                      | 350                     | (325)               |
| Rap Concerts                       | -                       | 500                     | (500)               |
| Ice Cream Parlor                   | -                       | 525                     | (525)               |
| Jewelry Dealer                     | -                       | 300                     | (300)               |
| Tire Sales                         | -                       | 200                     | (200)               |
| Travel Agency                      | -                       | 88                      | (88)                |
| Sporting Goods                     | -                       | -                       | -                   |
| <b>TOTAL LICENSES</b>              | <b><u>1,760,925</u></b> | <b><u>1,755,781</u></b> | <b><u>5,144</u></b> |

## GENERAL FUND

## Schedule Of Revenues And Other Financing Sources, Compared To Budget

April 30, 2006

|                                     | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|-------------------------------------|------------------|------------------|-----------------|
| <b>CHARGES FOR SERVICES</b>         |                  |                  |                 |
| <b>Public Fees &amp; Charges</b>    |                  |                  |                 |
| Ambulance Service                   | 686,039          | 700,000          | (13,961)        |
| Plans & Specifications Review       | 364,030          | 350,000          | 14,030          |
| Annual Sign Fees                    | 117,405          | 110,000          | 7,405           |
| Alarm Hook-Up                       | 107,925          | 115,000          | (7,075)         |
| False Alarm                         | 65,920           | 80,000           | (14,080)        |
| Zoning Letters & Certificates       | 74,192           | 75,000           | (808)           |
| Vacations of Land                   | 16,908           | 17,000           | (92)            |
| Engineering Subdivision Inspections | 49,043           | 65,000           | (15,957)        |
| Parking Lot Maintenance Fees        | 45,000           | 45,000           | -               |
| Vital Statistics                    | 23,116           | 38,000           | (14,884)        |
| Photo Copies                        | 35,064           | 35,000           | 64              |
| Rental Unit Inspection              | 38,702           | 30,000           | 8,702           |
| False Alarms - Fire Department      | 25,875           | 30,000           | (4,125)         |
| Volume Cap                          | 7,605            | 8,000            | (395)           |
| Plumbers Street Openings            | 20,936           | 15,000           | 5,936           |
| Dog Pound                           | 13,997           | 15,000           | (1,003)         |
| License for Fire Dept. Inspections  | 8,375            | 10,000           | (1,625)         |
| Application For Sign Variance       | 500              | 7,500            | (7,000)         |
| Wage Lien Processing                | 5,491            | 5,000            | 491             |
| Business Registration               | 5,650            | 5,000            | 650             |
| Police/Fire Job Applicant Testing   | 5,734            | 3,000            | 2,734           |
| Registrar's Fees                    | 3,371            | 3,000            | 371             |
| Follow Up Inspection                | 2,405            | 2,500            | (95)            |
| Board-Up Service                    | 6,422            | 2,500            | 3,922           |
| Subpoenas                           | 2,640            | 2,500            | 140             |
| Taxi Inspections                    | 3,307            | 2,500            | 807             |
| Weed Cutting                        | 1,724            | 2,500            | (776)           |
| Liquor License Filing               | 4,810            | 2,000            | 2,810           |
| Zoning-Annexation                   | -                | 1,500            | (1,500)         |
| Electrical Inspection               | 1,550            | 1,200            | 350             |
| Bid Packages                        | 475              | 100              | 375             |
| Landlord Training Fees              | 1,660            | -                | 1,660           |
| Prisoner's Boarding Fees            | 466              | 1,000            | (534)           |
| Fire Prevention/BOCA                | 1,250            | 1,000            | 250             |
| Police Registration                 | 1,275            | 500              | 775             |
| NSF Check Processing                | 660              | 200              | 460             |
| Debris Removal                      | 475              | 500              | (25)            |
| Grave Openings                      | -                | 600              | (600)           |
| Fingerprint Checks (Liquor License) | 3,627            | 1,000            | 2,627           |
| Fingerprint Checks (Walk In)        | -                | 1,000            | (1,000)         |
| Zoning Ordinances & Maps            | 331              | 200              | 131             |
| Fire Reports                        | 375              | 200              | 175             |
| Sidewalk Construction               | -                | 200              | (200)           |
| Conservation                        | 51               | -                | 51              |
| <b>TOTAL CHARGES FOR SERVICES</b>   | <b>1,754,381</b> | <b>1,785,200</b> | <b>(30,819)</b> |

## GENERAL FUND

## Schedule Of Revenues And Other Financing Sources, Compared To Budget

April 30, 2006

|  | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u>  |
|--|------------------|------------------|------------------|
| <b>FRANCHISE &amp; OTHER SIMILAR FEES</b>      |                  |                  |                  |
| Cable Television                               | 533,607          | 525,000          | 8,607            |
| Off-Track Betting                              | 373,429          | 380,000          | (6,571)          |
| Cellular Communications/Tower                  | 24,676           | 25,000           | (324)            |
| <b>TOTAL FRANCHISE FEES</b>                    | <b>931,712</b>   | <b>930,000</b>   | <b>1,712</b>     |
| <b>FINES AND FORFEITURES</b>                   |                  |                  |                  |
| Vehicle Seizures Fines                         | 1,931,675        | 2,000,000        | (68,325)         |
| Parking  | 1,038,101        | 1,100,000        | (61,899)         |
| Lake County Circuit Clerk (Traffic)            | 1,051,913        | 1,100,000        | (48,087)         |
| Code Enforcement                               | 96,411           | 70,100           | 26,311           |
| City Forfeitures                               | -                | -                | -                |
| County Forfeitures                             | 54,324           | 40,000           | 14,324           |
| Judgement Bond                                 | 22,034           | -                | 22,034           |
| Animal Control Violation                       | 6,347            | 7,500            | (1,153)          |
| Court Ordered                                  | 1,653            | 2,000            | (347)            |
| <b>TOTAL FINES AND FORFEITURES</b>             | <b>4,202,458</b> | <b>4,319,600</b> | <b>(117,142)</b> |
| <b>INTERGOVERNMENTAL REVENUES</b>              |                  |                  |                  |
| <b>Federal Grants &amp; Reimbursements</b>     |                  |                  |                  |
| Highway Traffic Safety - Local Alcohol Program | 92,490           | 70,000           | 22,490           |
| Cops In School                                 | 19,558           | -                | 19,558           |
| DEA-Overtime Reimbursement                     | 33,585           | 22,000           | 11,585           |
| Grant-Bulletproof Vest                         | 8,868            | -                | 8,868            |
| Grant-Automated Finger                         | 40,934           | -                | 40,934           |
| Federal Emergency Management                   | -                | 24,684           | (24,684)         |
| <b>State Grants &amp; Reimbursements</b>       |                  |                  |                  |
| State Route Highway Maintenance                | 14,249           | 45,000           | (30,751)         |
| State Training Reimb-Law Enforcement           | 22,512           | 20,000           | 2,512            |
| Illinois Liquor Control                        | 11,660           | 11,500           | 160              |
| State Traffic Signal Maintenance Contract      | 7,430            | 15,000           | (7,570)          |
| Illinois Terrorist Task Force                  | -                | -                | -                |
| Tuition Reimb.-Fire Training                   | 4,943            | 8,000            | (3,057)          |
| State Fire Marshall Training Reimb.            | 4,468            | 10,000           | (5,532)          |
| Nuclear Safety-INSPA                           | -                | -                | -                |
| <b>Local Grants &amp; Reimbursements</b>       |                  |                  |                  |
| Unit School Dist 60 Police/Sec                 | 200,000          | 200,000          | -                |
| Metropolitan Enforcement Group                 | 53,223           | 32,000           | 21,223           |
| Waukegan Housing Authority-Security            | 14,000           | 38,000           | (24,000)         |
| North Chicago Reimbursement                    | -                | -                | -                |
| <b>TOTAL INTERGOVERNMENTAL REVENUES</b>        | <b>527,920</b>   | <b>496,184</b>   | <b>31,736</b>    |
| <b>INVESTMENT INCOME</b>                       |                  |                  |                  |
| Interest Income                                | 364,172          | 350,000          | 14,172           |
| <b>TOTAL INVESTMENT INCOME</b>                 | <b>364,172</b>   | <b>350,000</b>   | <b>14,172</b>    |

## GENERAL FUND

## Schedule Of Revenues And Other Financing Sources, Compared To Budget

April 30, 2006

|   | <u>ACTUAL</u>     | <u>BUDGET</u>     | <u>VARIANCE</u>  |
|---|-------------------|-------------------|------------------|
| <b>MISCELLANEOUS REVENUE</b>                              |                   |                   |                  |
| <b>Sales of Commodities</b>                               |                   |                   |                  |
| Gas & Oil   | 195,988           | 180,000           | 15,988           |
| Labor/Materials-Outside City                              | 27,295            | 20,000            | 7,295            |
| Recyclables   | 7,267             | 12,000            | 12,000           |
| Code Books  | 538               | 800               | (262)            |
| Cemetery Lot  | -                 | -                 | -                |
| Ordinance Books   | -                 | 500               | (500)            |
| <b>Donations</b>  |                   |                   |                  |
| Public Safety   | 12,273            | 1,000             | 11,273           |
| D.A.R.E. Program  | 2,062             | 100               | 1,962            |
| Vital Link Ambulance Program                              | 1,225             | 1,000             | 225              |
| Miscellaneous   | 5,727             | -                 | 5,727            |
| <b>Late Payment Penalties</b>                             | 76,183            | 40,000            | 36,183           |
| <b>Reimbursements</b>                                     |                   |                   |                  |
| Other   | -                 | -                 | -                |
| Release Lien  | 81,194            | 80,000            | 1,194            |
| Restitution   | 2,052             | 2,000             | 52               |
| PW Services   | 250               | -                 | 250              |
| Damaged Equipment   | 11,852            | 2,500             | 9,352            |
| Jury Duty   | 88                | 100               | (12)             |
| <b>Rental Income</b>                                      | 71,921            | 62,000            | 9,921            |
| <b>Special Events Income</b>                              | 3,708             | 5,000             | (1,292)          |
| <b>Other Revenue</b>                                      |                   |                   |                  |
| Miscellaneous Revenue                                     | 5,992             | 30,000            | (24,008)         |
| Special Police Duty Events                                | 434,174           | -                 | 434,174          |
| WHA In Lieu Of Taxes                                      | 42,076            | 42,000            | 76               |
| Beach Concession  | 3,500             | 2,500             | 1,000            |
| Phone/Vending Commissions                                 | 28                | 125               | (97)             |
| <b>TOTAL MISCELLANEOUS REVENUE</b>                        | <b>985,393</b>    | <b>481,625</b>    | <b>520,501</b>   |
| <br>  |                   |                   |                  |
| <b>TOTAL REVENUES</b>                                     | <b>52,835,079</b> | <b>45,456,969</b> | <b>7,394,843</b> |
| <br>  |                   |                   |                  |
| <b>OTHER FINANCING SOURCES</b>                            |                   |                   |                  |
| General Operating Transfers In-Enterprise Fund Support    | 2,003,800         | 2,003,799         | 1                |
| General Operating Transfers In-Other                      | 270,493           | 301,505           | (31,012)         |
| Proceeds-Sale of General Fixed Assets/ Cap Lease Proceeds | 1,034,372         | 20,000            | 1,014,372        |
| <b>TOTAL OTHER FINANCING SOURCES</b>                      | <b>3,308,665</b>  | <b>2,325,304</b>  | <b>983,361</b>   |
| <br>  |                   |                   |                  |
| <b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>         | <b>56,143,744</b> | <b>47,782,273</b> | <b>8,378,204</b> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget - Summary By Department

April 30, 2006

|   | ACTUAL            | BUDGET            | VARIANCE           |
|---|-------------------|-------------------|--------------------|
| <b>POLICE DEPARTMENT</b>                |                   |                   |                    |
| Personnel - Compensation                | 14,922,372        | 14,630,550        | (291,822)          |
| Personnel - Benefits, Taxes & Insurance | 6,400,300         | 3,764,154         | (2,636,146)        |
| Less: Personnel Reimbursement           | (20,000)          | (20,000)          | -                  |
| Contractual                             | 1,004,485         | 966,854           | (37,631)           |
| Commodities                             | 824,638           | 744,943           | (79,695)           |
| Capital Outlay                          | 411,611           | 196,263           | (215,348)          |
|   | <u>23,543,405</u> | <u>20,282,764</u> | <u>(3,260,641)</u> |
| <b>FIRE DEPARTMENT</b>                  |                   |                   |                    |
| Personnel - Compensation                | 8,190,966         | 8,317,976         | 127,010            |
| Personnel - Benefits, Taxes & Insurance | 4,104,897         | 2,041,330         | (2,063,567)        |
| Contractual                             | 405,474           | 435,576           | 30,102             |
| Commodities                             | 427,929           | 455,677           | 27,748             |
| Capital Outlay                          | 66,626            | 249,600           | 182,974            |
| Debt Service - Principal                | 75,945            | 75,945            | (0)                |
| Debt Service - Interest                 | 10,182            | 16,273            | 6,091              |
|   | <u>13,282,019</u> | <u>11,592,377</u> | <u>(1,689,642)</u> |
| <b>PUBLIC WORKS</b>                     |                   |                   |                    |
| Personnel - Compensation                | 3,077,552         | 3,315,115         | 237,563            |
| Personnel - Benefits, Taxes & Insurance | 1,332,124         | 1,290,195         | (41,929)           |
| Contractual                             | 467,467           | 554,377           | 86,910             |
| Commodities                             | 949,965           | 1,041,800         | 91,835             |
| Capital Outlay                          | 847,423           | 30,000            | (817,423)          |
|   | <u>6,674,532</u>  | <u>6,231,487</u>  | <u>(443,045)</u>   |
| <b>REFUSE COLLECTION</b>                |                   |                   |                    |
| Personnel - Compensation                | -                 | -                 | -                  |
| Personnel - Benefits, Taxes & Insurance | -                 | -                 | -                  |
| Contractual                             | 3,286,432         | 3,235,001         | (51,431)           |
| Commodities                             | -                 | -                 | -                  |
| Capital Outlay                          | -                 | -                 | -                  |
|   | <u>3,286,432</u>  | <u>3,235,001</u>  | <u>(51,431)</u>    |
| <b>CENTRAL SERVICES</b>                 |                   |                   |                    |
| Personnel - Compensation                | 1,808,864         | 1,784,263         | (24,601)           |
| Personnel - Benefits, Taxes & Insurance | 2,113,526         | 854,199           | (1,259,327)        |
| Contractual                             | 1,317,880         | 1,140,475         | (177,405)          |
| Commodities                             | 104,779           | 141,150           | 36,371             |
| Capital Outlay                          | 37,905            | 44,000            | 6,095              |
|   | <u>5,382,953</u>  | <u>3,964,087</u>  | <u>(1,418,866)</u> |
| <b>BUILDING AND ZONING</b>              |                   |                   |                    |
| Personnel - Compensation                | 69,451            | 1,139,337         | 1,069,886          |
| Personnel - Benefits, Taxes & Insurance | -                 | 495,816           | 495,816            |
| Less: Personnel Reimbursements          | (72,940)          | (70,000)          | 2,940              |
| Contractual                             | 3,504             | 293,300           | 289,796            |
| Commodities                             | -                 | 62,200            | 62,200             |
| Capital Outlay                          | -                 | 9,000             | 9,000              |
|   | <u>15</u>         | <u>1,929,653</u>  | <u>1,929,638</u>   |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget - Summary By Department

April 30, 2006

|  | ACTUAL            | BUDGET            | VARIANCE           |
|--|-------------------|-------------------|--------------------|
| <b>BUILDING</b>                            |                   |                   |                    |
| Personnel - Compensation                   | 1,005,426         | -                 | (1,005,426)        |
| Personnel - Benefits, Taxes & Insurance    | 466,174           | -                 | (466,174)          |
| Less: Personnel Reimbursements             | -                 | -                 | -                  |
| Contractual                                | 204,926           | -                 | (204,926)          |
| Commodities                                | 38,624            | -                 | (38,624)           |
| Capital Outlay                             | 8,280             | -                 | (8,280)            |
|  | <u>1,723,430</u>  | <u>-</u>          | <u>(1,723,430)</u> |
| <b>PLANNING &amp; DEVELOPMENT</b>          |                   |                   |                    |
| Personnel - Compensation                   | -                 | 381,598           | 381,598            |
| Personnel - Benefits, Taxes & Insurance    | -                 | 144,856           | 144,856            |
| Contractual                                | (1,460)           | 382,000           | 383,460            |
| Commodities                                | -                 | 14,500            | 14,500             |
| Capital Outlay                             | -                 | -                 | -                  |
|  | <u>(1,460)</u>    | <u>922,954</u>    | <u>924,414</u>     |
| <b>TOTALS - PLANNING &amp; DEVELOPMENT</b> |                   |                   |                    |
| Personnel - Compensation                   | 366,866           | -                 | (366,866)          |
| Personnel - Benefits, Taxes & Insurance    | 143,725           | -                 | (143,725)          |
| Contractual                                | 431,212           | -                 | (431,212)          |
| Commodities                                | 4,922             | -                 | (4,922)            |
| Capital Outlay                             | -                 | -                 | -                  |
|  | <u>946,724</u>    | <u>-</u>          | <u>(946,726)</u>   |
| <b>CULTURE AND RECREATION</b>              |                   |                   |                    |
| Personnel - Compensation                   | 206,271           | 213,317           | 7,046              |
| Personnel - Benefits, Taxes & Insurance    | 59,078            | 59,092            | 14                 |
| Contractual                                | 198,884           | 209,172           | 10,288             |
| Commodities                                | 26,031            | 25,500            | (531)              |
| Capital Outlay                             | 1,995             | 5,000             | 3,005              |
|  | <u>492,259</u>    | <u>512,081</u>    | <u>19,822</u>      |
| <b>GENERAL FUND SUMMARY</b>                |                   |                   |                    |
| Personnel - Compensation                   | 29,647,768        | 29,782,156        | 134,388            |
| Personnel - Benefits, Taxes & Insurance    | 14,619,823        | 8,649,642         | (5,970,181)        |
| Less: Personnel Reimbursements             | (92,940)          | (90,000)          | 2,940              |
| Contractual Services                       | 7,318,803         | 7,216,755         | (102,048)          |
| Commodities                                | 2,376,888         | 2,485,770         | 108,882            |
| Capital Outlay                             | 1,373,840         | 533,863           | (839,977)          |
| Debt Service - Principal                   | 75,945            | 75,945            | (0)                |
| Debt Service - Interest                    | 10,182            | 16,273            | 6,091              |
|  | <u>55,330,308</u> | <u>48,670,404</u> | <u>(6,659,904)</u> |
| Operating Transfers Out                    | 180,041           | -                 | (180,041)          |
| <b>GENERAL FUND TOTALS</b>                 | <u>55,510,349</u> | <u>48,670,404</u> | <u>(6,839,945)</u> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget - Summary By Department

April 30, 2006

|  | <u>ACTUAL</u>            | <u>BUDGET</u>            | <u>VARIANCE</u>           |
|--|--------------------------|--------------------------|---------------------------|
| <b>GENERAL FUND TOTALS BY FUNCTION</b>     |                          |                          |                           |
| <b>Capital Outlay</b>                      |                          |                          |                           |
| Public Safety - Police/Communications      | 411,611                  | 196,263                  | (215,348)                 |
| Public Safety - Fire/Emergency Medical     | 66,626                   | 249,600                  | 182,974                   |
| Streets, Bridges & Other Public Works      | 847,423                  | 30,000                   | (817,423)                 |
| Sanitation & Environment-Refuse Collection | -                        | -                        | -                         |
| General Government                         | 37,905                   | 44,000                   | 6,095                     |
| Building and Zoning                        | 8,280                    | 9,000                    | 9,000                     |
| Economic Development                       | -                        | -                        | -                         |
| Culture & Recreation                       | 1,995                    | 5,000                    | 3,005                     |
|  | <u>1,373,840</u>         | <u>533,863</u>           | <u>(831,697)</u>          |
| <b>Current Operating Expenditures</b>      |                          |                          |                           |
| Public Safety - Police/Communications      | 23,131,794               | 20,086,501               | (3,045,293)               |
| Public Safety - Fire/Emergency Medical     | 13,129,266               | 11,250,559               | (1,878,707)               |
| Streets, Bridges & Other Public Works      | 5,827,109                | 6,201,487                | 374,378                   |
| Sanitation & Environment-Refuse Collection | 3,286,432                | 3,235,001                | (51,431)                  |
| General Government                         | 5,345,048                | 3,920,087                | (1,424,961)               |
| Building and Zoning                        | 1,715,164                | 1,920,653                | 1,920,638                 |
| Economic Development                       | 945,264                  | 922,954                  | 16,817                    |
| Culture & Recreation                       | 490,264                  | 507,081                  | 924,414                   |
|  | <u>53,870,342</u>        | <u>48,044,323</u>        | <u>(3,164,145)</u>        |
| <b>Debt Service Expenditures</b>           |                          |                          |                           |
| Public Safety - Fire/Emergency Medical     | 86,127                   | 92,218                   | 6,091                     |
|  | <u>86,127</u>            | <u>92,218</u>            | <u>6,091</u>              |
| <b>Totals</b>                              |                          |                          |                           |
| Public Safety - Police/Communications      | 23,543,405               | 20,282,764               | (3,260,641)               |
| Public Safety - Fire/Emergency Medical     | 13,282,019               | 11,592,377               | (1,689,642)               |
| Streets, Bridges & Other Public Works      | 6,674,532                | 6,231,487                | (443,045)                 |
| Sanitation & Environment-Refuse Collection | 3,286,432                | 3,235,001                | (51,431)                  |
| General Government                         | 5,382,953                | 3,964,087                | (1,418,866)               |
| Building and Zoning                        | 1,723,444                | 1,929,653                | 1,929,638                 |
| Economic Development                       | 945,264                  | 922,954                  | 924,414                   |
| Culture & Recreation                       | 492,259                  | 512,081                  | 19,822                    |
|  | <u>55,330,308</u>        | <u>48,670,404</u>        | <u>(3,989,750)</u>        |
| Operating Transfers Out                    | 180,041                  | -                        | (180,041)                 |
| <b>GENERAL FUND TOTALS</b>                 | <u><b>55,510,349</b></u> | <u><b>48,670,404</b></u> | <u><b>(4,169,791)</b></u> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|   | ACTUAL           | BUDGET           | VARIANCE         |
|---|------------------|------------------|------------------|
| <b>POLICE DEPARTMENT</b>                |                  |                  |                  |
| <b>Communications</b>                   |                  |                  |                  |
| Personnel - Compensation                | 918,509          | 977,796          | 59,287           |
| Personnel - Benefits, Taxes & Insurance | 426,414          | 446,815          | 20,401           |
| Contractual                             | 290,927          | 320,895          | 29,968           |
| Commodities                             | 76,428           | 45,500           | (30,928)         |
| Capital Outlay                          | 183,465          | 5,000            | (178,465)        |
|   | <u>1,895,743</u> | <u>1,796,006</u> | <u>(99,737)</u>  |
| <b>Emergency Services</b>               |                  |                  |                  |
| Personnel - Compensation                | 77,049           | 79,643           | 2,594            |
| Personnel - Benefits, Taxes & Insurance | 20,595           | 19,851           | (744)            |
| Contractual                             | 11,640           | 12,000           | 360              |
| Commodities                             | 600              | -                | (600)            |
| Capital Outlay                          | -                | -                | -                |
|   | <u>109,884</u>   | <u>111,494</u>   | <u>1,610</u>     |
| <b>Gang Suppression Unit</b>            |                  |                  |                  |
| Personnel - Compensation                | 259,624          | 250,681          | (8,943)          |
| Personnel - Benefits, Taxes & Insurance | 123,798          | 120,410          | (3,388)          |
| Contractual                             | -                | -                | -                |
| Commodities                             | -                | -                | -                |
| Capital Outlay                          | -                | -                | -                |
|   | <u>383,423</u>   | <u>371,091</u>   | <u>(12,332)</u>  |
| <b>Neighborhood Enforcement Team</b>    |                  |                  |                  |
| Personnel - Compensation                | 802,007          | 784,132          | (17,875)         |
| Personnel - Benefits, Taxes & Insurance | 141,605          | 143,375          | 1,771            |
| Contractual                             | 116              | 34,249           | 34,133           |
| Commodities                             | 72,582           | 24,720           | (47,862)         |
| Capital Outlay                          | -                | -                | -                |
|   | <u>1,016,309</u> | <u>986,476</u>   | <u>(29,833)</u>  |
| <b>Patrol Division</b>                  |                  |                  |                  |
| Personnel - Compensation                | 6,968,866        | 6,714,318        | (254,548)        |
| Personnel - Benefits, Taxes & Insurance | 1,444,523        | 1,468,849        | 24,326           |
| Contractual                             | 2,755            | 2,000            | (755)            |
| Commodities                             | 263,165          | 148,251          | (114,914)        |
| Capital Outlay                          | 217,215          | 150,000          | (67,215)         |
|   | <u>8,896,524</u> | <u>8,483,418</u> | <u>(413,106)</u> |
| <b>Administration &amp; Training</b>    |                  |                  |                  |
| Personnel - Compensation                | 430,062          | 499,206          | 69,144           |
| Personnel - Benefits, Taxes & Insurance | 156,052          | 156,990          | 938              |
| Contractual                             | 358,636          | 265,708          | (92,928)         |
| Commodities                             | 56,929           | 171,605          | 114,676          |
| Capital Outlay                          | 10,931           | 6,243            | (4,688)          |
|   | <u>1,012,609</u> | <u>1,099,752</u> | <u>87,143</u>    |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|   | ACTUAL           | BUDGET           | VARIANCE         |
|---|------------------|------------------|------------------|
| <b>POLICE DEPARTMENT (cont.)</b>        |                  |                  |                  |
| <b>Civil Service</b>                    |                  |                  |                  |
| Personnel - Compensation                | 6,012            | 9,000            | 2,988            |
| Personnel - Benefits, Taxes & Insurance | 978              | 689              | (289)            |
| Contractual                             | 11,722           | 50,282           | 38,560           |
| Commodities                             | 161              | 1,236            | 1,075            |
| Capital Outlay                          | -                | -                | -                |
|   | <b>18,872</b>    | <b>61,207</b>    | <b>42,335</b>    |
| <b>Community Service Division</b>       |                  |                  |                  |
| Personnel - Compensation                | 1,733,626        | 1,610,214        | (123,412)        |
| Personnel - Benefits, Taxes & Insurance | 367,845          | 341,641          | (26,204)         |
| Less: CDBG Reimb-Personnel Costs        | (20,000)         | (20,000)         | -                |
| Contractual                             | 62,660           | 2,884            | (59,776)         |
| Commodities                             | 45,458           | 28,596           | (16,862)         |
| Capital Outlay                          | -                | -                | -                |
|   | <b>2,189,589</b> | <b>1,963,335</b> | <b>(226,254)</b> |
| <b>Traffic Bureau</b>                   |                  |                  |                  |
| Personnel - Compensation                | 499,175          | 528,766          | 29,591           |
| Personnel - Benefits, Taxes & Insurance | 161,114          | 155,544          | (5,570)          |
| Contractual                             | 90,256           | 63,456           | (26,800)         |
| Commodities                             | 21,199           | 26,197           | 4,998            |
| Capital Outlay                          | -                | 17,510           | 17,510           |
|   | <b>771,743</b>   | <b>791,473</b>   | <b>19,730</b>    |
| <b>Vehicle Maintenance</b>              |                  |                  |                  |
| Personnel - Compensation                | 147,857          | 147,873          | 16               |
| Personnel - Benefits, Taxes & Insurance | 64,770           | 59,004           | (5,766)          |
| Contractual                             | 88,504           | 71,500           | (17,004)         |
| Commodities                             | 196,065          | 206,377          | 10,312           |
| Capital Outlay                          | -                | 5,150            | 5,150            |
|   | <b>497,197</b>   | <b>489,904</b>   | <b>(7,293)</b>   |
| <b>Central Records</b>                  |                  |                  |                  |
| Personnel - Compensation                | 654,933          | 663,193          | 8,260            |
| Personnel - Benefits, Taxes & Insurance | 280,673          | 302,079          | 21,406           |
| Contractual                             | 52,581           | 108,095          | 55,514           |
| Commodities                             | 38,275           | 36,832           | (1,443)          |
| Capital Outlay                          | -                | -                | -                |
|   | <b>1,026,462</b> | <b>1,110,199</b> | <b>83,737</b>    |
| <b>Animal Shelter</b>                   |                  |                  |                  |
| Personnel - Compensation                | 206,328          | 211,231          | 4,903            |
| Personnel - Benefits, Taxes & Insurance | 96,560           | 89,057           | (7,503)          |
| Contractual                             | 23,451           | 24,970           | 1,519            |
| Commodities                             | 18,124           | 19,664           | 1,540            |
| Capital Outlay                          | -                | 3,090            | 3,090            |
|   | <b>344,463</b>   | <b>348,012</b>   | <b>3,549</b>     |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|  | ACTUAL            | BUDGET            | VARIANCE           |
|--|-------------------|-------------------|--------------------|
| <b>POLICE DEPARTMENT (cont.)</b>         |                   |                   |                    |
| <b>Investigations Unit</b>               |                   |                   |                    |
| Personnel - Compensation                 | 2,218,324         | 2,154,497         | (63,827)           |
| Personnel - Benefits, Taxes & Insurance  | 486,108           | 459,850           | (26,258)           |
| Contractual                              | 11,238            | 10,815            | (423)              |
| Commodities                              | 35,651            | 35,965            | 314                |
| Capital Outlay                           | -                 | 9,270             | 9,270              |
|  | <u>2,751,321</u>  | <u>2,670,397</u>  | <u>(80,924)</u>    |
| <b>All Functions</b>                     |                   |                   |                    |
| Pension Expense - Police-Sworn Personnel | <u>2,629,265</u>  | -                 | <u>(2,629,265)</u> |
| <b>TOTALS - POLICE DEPARTMENT</b>        |                   |                   |                    |
| Personnel - Compensation                 | 14,922,372        | 14,630,550        | (291,822)          |
| Personnel - Benefits, Taxes & Insurance  | 6,400,300         | 3,764,154         | (2,636,146)        |
| Less: Personnel Reimbursement            | (20,000)          | (20,000)          | -                  |
| Contractual                              | 1,004,485         | 966,854           | (37,631)           |
| Commodities                              | 824,638           | 744,943           | (79,695)           |
| Capital Outlay                           | 411,611           | 196,263           | (215,348)          |
|  | <u>23,543,405</u> | <u>20,282,764</u> | <u>(3,260,641)</u> |
| <b>FIRE DEPARTMENT</b>                   |                   |                   |                    |
| <b>Fire Suppression</b>                  |                   |                   |                    |
| Personnel - Compensation                 | 3,464,123         | 3,472,259         | 8,136              |
| Personnel - Benefits, Taxes & Insurance  | 758,922           | 805,456           | 46,534             |
| Contractual                              | 95,356            | 115,900           | 20,544             |
| Commodities                              | 178,768           | 193,600           | 14,832             |
| Capital Outlay                           | 34,420            | 74,127            | 39,707             |
|  | <u>4,531,590</u>  | <u>4,661,342</u>  | <u>129,752</u>     |
| <b>Administration</b>                    |                   |                   |                    |
| Personnel - Compensation                 | 410,318           | 415,861           | 5,543              |
| Personnel - Benefits, Taxes & Insurance  | 162,671           | 125,206           | (37,465)           |
| Contractual                              | 216,430           | 138,976           | (77,454)           |
| Commodities                              | 84,345            | 72,500            | (11,845)           |
| Capital Outlay                           | 23,912            | 116,673           | 92,761             |
| Debt Service - Principal                 | 75,945            | 75,945            | (0)                |
| Debt Service - Interest                  | 10,182            | 16,273            | 6,091              |
|  | <u>983,803</u>    | <u>961,434</u>    | <u>(22,369)</u>    |
| <b>Emergency Medical Services</b>        |                   |                   |                    |
| Personnel - Compensation                 | 2,284,178         | 2,291,930         | 7,752              |
| Personnel - Benefits, Taxes & Insurance  | 486,401           | 539,736           | 53,335             |
| Contractual                              | 15,481            | 50,000            | 34,519             |
| Commodities                              | 41,476            | 24,000            | (17,476)           |
| Capital Outlay                           | -                 | 35,000            | 35,000             |
|  | <u>2,827,536</u>  | <u>2,940,666</u>  | <u>113,130</u>     |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|   | ACTUAL         | BUDGET         | VARIANCE      |
|---|----------------|----------------|---------------|
| <b>FIRE DEPARTMENT (cont.)</b>          |                |                |               |
| <b>Apparatus Maintenance</b>            |                |                |               |
| Personnel - Compensation                | 289,741        | 305,045        | 15,304        |
| Personnel - Benefits, Taxes & Insurance | 86,484         | 92,287         | 3,803         |
| Contractual                             | 46,426         | 74,500         | 28,074        |
| Commodities                             | 90,163         | 86,000         | (4,163)       |
| Capital Outlay                          | 1,506          | 15,000         | 13,494        |
|   | <b>516,320</b> | <b>572,832</b> | <b>56,512</b> |
| <b>Training</b>                         |                |                |               |
| Personnel - Compensation                | 478,308        | 536,132        | 57,824        |
| Personnel - Benefits, Taxes & Insurance | 114,189        | 122,681        | 8,492         |
| Contractual                             | 3,472          | 28,000         | 24,528        |
| Commodities                             | 6,520          | 3,000          | (3,520)       |
| Capital Outlay                          | -              | -              | -             |
|   | <b>602,489</b> | <b>689,813</b> | <b>87,324</b> |
| <b>Physical Fitness</b>                 |                |                |               |
| Personnel - Compensation                | 390,111        | 402,273        | 12,162        |
| Personnel - Benefits, Taxes & Insurance | 82,650         | 87,044         | 4,394         |
| Contractual                             | 8,926          | 5,700          | (3,226)       |
| Commodities                             | 4,492          | 1,000          | (3,492)       |
| Capital Outlay                          | 2,874          | 6,300          | 3,426         |
|   | <b>489,054</b> | <b>502,317</b> | <b>13,263</b> |
| <b>Fire Prevention</b>                  |                |                |               |
| Personnel - Compensation                | 547,848        | 562,046        | 14,199        |
| Personnel - Benefits, Taxes & Insurance | 185,488        | 193,294        | 7,806         |
| Contractual                             | 2,442          | 7,000          | 4,558         |
| Commodities                             | 4,293          | 5,300          | 1,007         |
| Capital Outlay                          | 3,914          | 2,500          | (1,414)       |
|   | <b>743,985</b> | <b>770,140</b> | <b>26,155</b> |
| <b>Civil Service</b>                    |                |                |               |
| Personnel - Compensation                | 10,520         | 9,000          | (1,520)       |
| Personnel - Benefits, Taxes & Insurance | 1,322          | 689            | (633)         |
| Contractual                             | 16,740         | 15,000         | (1,740)       |
| Commodities                             | -              | 4,900          | 4,900         |
| Capital Outlay                          | -              | -              | -             |
|   | <b>28,583</b>  | <b>29,589</b>  | <b>1,006</b>  |
| <b>Public Education</b>                 |                |                |               |
| Personnel - Compensation                | 315,819        | 323,430        | 7,611         |
| Personnel - Benefits, Taxes & Insurance | 61,609         | 74,937         | 13,328        |
| Contractual                             | 200            | 500            | 300           |
| Commodities                             | 17,872         | 65,377         | 47,505        |
| Capital Outlay                          | -              | -              | -             |
|   | <b>395,500</b> | <b>464,244</b> | <b>68,744</b> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|  | ACTUAL            | BUDGET            | VARIANCE           |
|--|-------------------|-------------------|--------------------|
| <b>FIRE DEPARTMENT (cont.)</b>                   |                   |                   |                    |
| <b>All Functions</b>                             |                   |                   |                    |
| Pension Expense - Fire-Sworn Personnel           | 2,163,160         | -                 | (2,163,160)        |
| <b>TOTALS - FIRE DEPARTMENT</b>                  |                   |                   |                    |
| Personnel - Compensation                         | 8,190,966         | 8,317,976         | 127,010            |
| Personnel - Benefits, Taxes & Insurance          | 4,104,897         | 2,041,330         | (2,063,567)        |
| Contractual                                      | 405,474           | 435,576           | 30,102             |
| Commodities                                      | 427,929           | 455,677           | 27,748             |
| Capital Outlay                                   | 66,626            | 249,600           | 182,974            |
| Debt Service - Principal                         | 75,945            | 75,945            | (0)                |
| Debt Service - Interest                          | 10,182            | 16,273            | 6,091              |
|  | <u>13,282,019</u> | <u>11,592,377</u> | <u>(1,689,642)</u> |
| <b>PUBLIC WORKS</b>                              |                   |                   |                    |
| <b>Engineering Services</b>                      |                   |                   |                    |
| Personnel - Compensation                         | 468,373           | 474,048           | 5,675              |
| Personnel - Benefits, Taxes & Insurance          | 218,083           | 202,807           | (15,276)           |
| Contractual                                      | 31,321            | 61,800            | 30,479             |
| Commodities                                      | 9,488             | 12,300            | 2,812              |
| Capital Outlay                                   | 8,687             | 5,000             | (3,687)            |
|  | <u>735,952</u>    | <u>755,955</u>    | <u>20,003</u>      |
| <b>Mosquito Abatement</b>                        |                   |                   |                    |
| Personnel - Compensation                         | -                 | -                 | -                  |
| Personnel - Benefits, Taxes & Insurance          | -                 | -                 | -                  |
| Contractual                                      | 76,197            | 95,000            | 18,803             |
| Commodities                                      | -                 | -                 | -                  |
| Capital Outlay                                   | -                 | -                 | -                  |
|  | <u>76,197</u>     | <u>95,000</u>     | <u>18,803</u>      |
| <b>Snow/Ice Control</b>                          |                   |                   |                    |
| Personnel - Compensation                         | -                 | -                 | -                  |
| Personnel - Benefits, Taxes & Insurance          | -                 | -                 | -                  |
| Contractual                                      | 1,572             | -                 | (1,572)            |
| Commodities                                      | 15,007            | -                 | (15,007)           |
| Capital Outlay                                   | 822,264           | -                 | (822,264)          |
|  | <u>838,844</u>    | <u>-</u>          | <u>(838,844)</u>   |
| <b>Vehicle &amp; Heavy Equipment Maintenance</b> |                   |                   |                    |
| Personnel - Compensation                         | 383,927           | 390,818           | 6,891              |
| Personnel - Benefits, Taxes & Insurance          | 175,534           | 168,648           | (6,886)            |
| Contractual                                      | 52,240            | 72,000            | 19,760             |
| Commodities                                      | 712,215           | 773,850           | 61,635             |
| Capital Outlay                                   | -                 | -                 | -                  |
|  | <u>1,323,916</u>  | <u>1,405,316</u>  | <u>81,400</u>      |
| <b>Administration</b>                            |                   |                   |                    |
| Personnel - Compensation                         | 670,312           | 640,281           | (30,031)           |
| Personnel - Benefits, Taxes & Insurance          | 195,683           | 141,756           | (53,927)           |
| Contractual                                      | 51,380            | 32,600            | (18,780)           |
| Commodities                                      | 20,756            | 18,000            | (2,756)            |
| Capital Outlay                                   | -                 | -                 | -                  |
|  | <u>938,131</u>    | <u>832,637</u>    | <u>(105,494)</u>   |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|  | ACTUAL         | BUDGET         | VARIANCE      |
|--|----------------|----------------|---------------|
| <b>PUBLIC WORKS (cont.)</b>                |                |                |               |
| <b>Safety &amp; Training</b>               |                |                |               |
| Personnel - Compensation                   | 63,734         | 63,217         | (517)         |
| Personnel - Benefits, Taxes & Insurance    | 32,052         | 34,022         | 1,970         |
| Contractual                                | 853            | 11,325         | 10,472        |
| Commodities                                | 14,463         | 20,000         | 5,537         |
| Capital Outlay                             | -              | -              | -             |
|  | <b>111,103</b> | <b>128,564</b> | <b>17,461</b> |
| <b>Forestry</b>                            |                |                |               |
| Personnel - Compensation                   | 48,765         | 97,308         | 48,543        |
| Personnel - Benefits, Taxes & Insurance    | 17,028         | 48,286         | 31,258        |
| Contractual                                | 2,367          | 5,200          | 2,833         |
| Commodities                                | 14,761         | 3,500          | (11,261)      |
| Capital Outlay                             | -              | -              | -             |
|  | <b>82,920</b>  | <b>154,294</b> | <b>71,374</b> |
| <b>Leaf &amp; Brush Pick-Up</b>            |                |                |               |
| Personnel - Compensation                   | 54,355         | 57,597         | 3,242         |
| Personnel - Benefits, Taxes & Insurance    | 22,579         | 23,114         | 535           |
| Contractual                                | 9,863          | 17,800         | 7,937         |
| Commodities                                | -              | 3,000          | 3,000         |
| Capital Outlay                             | -              | -              | -             |
|  | <b>86,797</b>  | <b>101,511</b> | <b>14,714</b> |
| <b>Pavement &amp; Alley Maintenance</b>    |                |                |               |
| Personnel - Compensation                   | 247,162        | 289,715        | 42,553        |
| Personnel - Benefits, Taxes & Insurance    | 126,068        | 128,203        | 2,135         |
| Contractual                                | 1,523          | 14,500         | 12,977        |
| Commodities                                | 21,266         | 46,500         | 25,234        |
| Capital Outlay                             | 10,640         | 25,000         | 14,360        |
|  | <b>406,658</b> | <b>503,918</b> | <b>97,260</b> |
| <b>Carpentry &amp; Related Maintenance</b> |                |                |               |
| Personnel - Compensation                   | 170,509        | 182,266        | 11,757        |
| Personnel - Benefits, Taxes & Insurance    | 64,829         | 55,516         | (9,313)       |
| Contractual                                | -              | 650            | 650           |
| Commodities                                | 13,504         | 15,800         | 2,296         |
| Capital Outlay                             | -              | -              | -             |
|  | <b>248,841</b> | <b>254,232</b> | <b>5,391</b>  |
| <b>Landscaping &amp; Groundskeeping</b>    |                |                |               |
| Personnel - Compensation                   | 148,510        | 150,293        | 1,783         |
| Personnel - Benefits, Taxes & Insurance    | 66,951         | 66,475         | (476)         |
| Contractual                                | 31,614         | 91,027         | 59,413        |
| Commodities                                | 11,557         | 34,100         | 22,543        |
| Capital Outlay                             | -              | -              | -             |
|  | <b>258,632</b> | <b>341,895</b> | <b>83,263</b> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|  | ACTUAL         | BUDGET         | VARIANCE        |
|--|----------------|----------------|-----------------|
| <b>PUBLIC WORKS (cont.)</b>                                |                |                |                 |
| <b>Traffic Hazardous Area &amp; Equipment Maintenance</b>  |                |                |                 |
| Personnel - Compensation                                   | 117,956        | 127,564        | 9,608           |
| Personnel - Benefits, Taxes & Insurance                    | 47,655         | 46,180         | (1,475)         |
| Contractual  | 58             | 4,400          | 4,342           |
| Commodities  | 255            | 11,500         | 11,245          |
| Capital Outlay   | -              | -              | -               |
|  | <b>165,924</b> | <b>189,644</b> | <b>23,720</b>   |
| <b>Pavement &amp; Sign Painting</b>                        |                |                |                 |
| Personnel - Compensation                                   | 62,827         | 144,239        | 81,412          |
| Personnel - Benefits, Taxes & Insurance                    | 35,519         | 56,122         | 20,603          |
| Contractual  | 202            | 1,750          | 1,548           |
| Commodities  | 57,599         | 45,000         | (12,599)        |
| Capital Outlay   | -              | -              | -               |
|  | <b>156,148</b> | <b>247,111</b> | <b>90,963</b>   |
| <b>Traffic Signal Maintenance &amp; Electrical Repairs</b> |                |                |                 |
| Personnel - Compensation                                   | 119,019        | 128,477        | 9,458           |
| Personnel - Benefits, Taxes & Insurance                    | 56,081         | 56,667         | 586             |
| Contractual  | 19,286         | 20,000         | 714             |
| Commodities  | (7,837)        | 13,250         | 21,087          |
| Capital Outlay   | -              | -              | -               |
|  | <b>186,549</b> | <b>218,394</b> | <b>31,845</b>   |
| <b>Street Light Maintenance</b>                            |                |                |                 |
| Personnel - Compensation                                   | 57,291         | 61,519         | 4,229           |
| Personnel - Benefits, Taxes & Insurance                    | 29,941         | 28,008         | (1,933)         |
| Contractual  | 1,975          | 5,900          | 3,925           |
| Commodities  | 12,825         | 11,000         | (1,825)         |
| Capital Outlay   | -              | -              | -               |
|  | <b>102,031</b> | <b>106,427</b> | <b>4,396</b>    |
| <b>Facility Janitorial Services</b>                        |                |                |                 |
| Personnel - Compensation                                   | 343,405        | 349,128        | 5,723           |
| Personnel - Benefits, Taxes & Insurance                    | 191,624        | 177,466        | (14,158)        |
| Contractual  | 4,300          | 12,650         | 8,350           |
| Commodities  | 37,546         | 13,000         | (24,546)        |
| Capital Outlay   | -              | -              | -               |
|  | <b>576,875</b> | <b>552,244</b> | <b>(24,631)</b> |
| <b>Facility Maintenance</b>                                |                |                |                 |
| Personnel - Compensation                                   | 121,408        | 158,645        | 37,237          |
| Personnel - Benefits, Taxes & Insurance                    | 52,496         | 56,925         | 4,429           |
| Contractual  | 182,717        | 107,775        | (74,942)        |
| Commodities  | 16,559         | 21,000         | 4,441           |
| Capital Outlay   | 5,832          | -              | (5,832)         |
|  | <b>379,012</b> | <b>344,345</b> | <b>(34,667)</b> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|   | ACTUAL           | BUDGET           | VARIANCE           |
|---|------------------|------------------|--------------------|
| <b>TOTALS - PUBLIC WORKS</b>              |                  |                  |                    |
| Personnel - Compensation                  | 3,077,552        | 3,315,115        | 237,563            |
| Personnel - Benefits, Taxes & Insurance   | 1,332,124        | 1,290,195        | (41,929)           |
| Contractual                               | 467,467          | 554,377          | 86,910             |
| Commodities                               | 949,965          | 1,041,800        | 91,835             |
| Capital Outlay                            | 847,423          | 30,000           | (817,423)          |
|   | <u>6,674,532</u> | <u>6,231,487</u> | <u>(443,045)</u>   |
| <b>TOTALS - REFUSE COLLECTION</b>         |                  |                  |                    |
| Personnel - Compensation                  | -                | -                | -                  |
| Personnel - Benefits, Taxes & Insurance   | -                | -                | -                  |
| Contractual                               | 3,286,432        | 3,235,001        | (51,431)           |
| Commodities                               | -                | -                | -                  |
| Capital Outlay                            | -                | -                | -                  |
|   | <u>3,286,432</u> | <u>3,235,001</u> | <u>(51,431)</u>    |
| <b>CENTRAL SERVICES</b>                   |                  |                  |                    |
| <b>Legal Services</b>                     |                  |                  |                    |
| Personnel - Compensation                  | -                | -                | -                  |
| Personnel - Benefits, Taxes & Insurance   | -                | -                | -                  |
| Contractual                               | 443,149          | 492,000          | 48,851             |
| Commodities                               | -                | -                | -                  |
| Capital Outlay                            | -                | -                | -                  |
|   | <u>443,149</u>   | <u>492,000</u>   | <u>48,851</u>      |
| <b>Administration/Office of the Mayor</b> |                  |                  |                    |
| Personnel - Compensation                  | 152,851          | 148,807          | (4,054)            |
| Personnel - Benefits, Taxes & Insurance   | 51,268           | 48,541           | (2,727)            |
| Contractual                               | 81,158           | 51,700           | (29,458)           |
| Commodities                               | 3,460            | 7,700            | 4,240              |
| Capital Outlay                            | -                | -                | -                  |
|   | <u>288,746</u>   | <u>256,748</u>   | <u>(31,998)</u>    |
| <b>City Council/Legislation</b>           |                  |                  |                    |
| Personnel - Compensation                  | 162,295          | 162,000          | (295)              |
| Personnel - Benefits, Taxes & Insurance   | 1,398,964        | 129,167          | (1,269,797)        |
| Contractual                               | 132,614          | 130,600          | (2,014)            |
| Commodities                               | 2,743            | 2,150            | (593)              |
| Capital Outlay                            | -                | -                | -                  |
|   | <u>1,696,616</u> | <u>423,917</u>   | <u>(1,272,699)</u> |
| <b>Administration</b>                     |                  |                  |                    |
| Personnel - Compensation                  | 157,617          | 154,960          | (2,657)            |
| Personnel - Benefits, Taxes & Insurance   | 69,149           | 75,186           | 6,037              |
| Contractual                               | 2,586            | 13,000           | 10,414             |
| Commodities                               | 274              | 4,400            | 4,126              |
| Capital Outlay                            | -                | -                | -                  |
|   | <u>229,627</u>   | <u>247,546</u>   | <u>17,919</u>      |
| <b>Accounting &amp; Finance</b>           |                  |                  |                    |
| Personnel - Compensation                  | 419,053          | 439,683          | 20,630             |
| Personnel - Benefits, Taxes & Insurance   | 181,117          | 187,116          | 5,999              |
| Contractual                               | 38,542           | 30,250           | (8,292)            |
| Commodities                               | 18,781           | 23,750           | 4,969              |
| Capital Outlay                            | -                | -                | -                  |
|   | <u>657,493</u>   | <u>680,799</u>   | <u>23,306</u>      |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|   | ACTUAL         | BUDGET         | VARIANCE         |
|---|----------------|----------------|------------------|
| <b>CENTRAL SERVICES (cont.)</b>         |                |                |                  |
| <b>MIS/Data Processing</b>              |                |                |                  |
| Personnel - Compensation                | 134,973        | 137,891        | 2,918            |
| Personnel - Benefits, Taxes & Insurance | 59,052         | 59,065         | 13               |
| Contractual                             | 120,711        | 140,800        | 20,089           |
| Commodities                             | 37,066         | 34,000         | (3,066)          |
| Capital Outlay                          | 25,960         | 27,500         | 1,540            |
|   | <u>377,762</u> | <u>399,256</u> | <u>21,494</u>    |
| <b>City Collections</b>                 |                |                |                  |
| Personnel - Compensation                | 294,992        | 276,813        | (18,179)         |
| Personnel - Benefits, Taxes & Insurance | 128,981        | 128,374        | (607)            |
| Contractual                             | 79,105         | 41,775         | (37,330)         |
| Commodities                             | 9,145          | 7,050          | (2,095)          |
| Capital Outlay                          | 11,945         | 16,500         | 4,555            |
|   | <u>524,168</u> | <u>470,512</u> | <u>(53,656)</u>  |
| <b>Purchasing</b>                       |                |                |                  |
| Personnel - Compensation                | 40,541         | 41,693         | 1,152            |
| Personnel - Benefits, Taxes & Insurance | 19,318         | 18,653         | (665)            |
| Contractual                             | 4,881          | 28,500         | 23,619           |
| Commodities                             | 7,246          | 7,000          | (246)            |
| Capital Outlay                          | -              | -              | -                |
|   | <u>71,986</u>  | <u>95,846</u>  | <u>23,860</u>    |
| <b>City Clerk's Office</b>              |                |                |                  |
| Personnel - Compensation                | 194,242        | 198,833        | 4,591            |
| Personnel - Benefits, Taxes & Insurance | 98,610         | 106,817        | 8,207            |
| Contractual                             | 21,926         | 31,550         | 9,624            |
| Commodities                             | 10,509         | 43,600         | 33,091           |
| Capital Outlay                          | -              | -              | -                |
|   | <u>325,287</u> | <u>380,800</u> | <u>55,513</u>    |
| <b>City Treasurer's Office</b>          |                |                |                  |
| Personnel - Compensation                | 88,672         | 88,117         | (555)            |
| Personnel - Benefits, Taxes & Insurance | 53,448         | 52,650         | (798)            |
| Contractual                             | 4,028          | 11,300         | 7,272            |
| Commodities                             | 1,038          | 3,000          | 1,962            |
| Capital Outlay                          | -              | -              | -                |
|   | <u>147,186</u> | <u>155,067</u> | <u>7,881</u>     |
| <b>Labor Relations</b>                  |                |                |                  |
| Personnel - Compensation                | 163,617        | 135,466        | (28,151)         |
| Personnel - Benefits, Taxes & Insurance | 53,619         | 48,630         | (4,989)          |
| Contractual                             | 339,074        | 102,000        | (237,074)        |
| Commodities                             | 14,517         | 8,500          | (6,017)          |
| Capital Outlay                          | -              | -              | -                |
|   | <u>570,827</u> | <u>294,596</u> | <u>(276,231)</u> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|   | ACTUAL           | BUDGET           | VARIANCE           |
|---|------------------|------------------|--------------------|
| <b>CENTRAL SERVICES (cont.)</b>               |                  |                  |                    |
| <b>Municipal Audit</b>                        |                  |                  |                    |
| Personnel - Compensation                      | -                | -                | -                  |
| Personnel - Benefits, Taxes & Insurance       | -                | -                | -                  |
| Contractual                                   | 50,107           | 67,000           | 16,893             |
| Commodities                                   | -                | -                | -                  |
| Capital Outlay                                | -                | -                | -                  |
|   | <u>50,107</u>    | <u>67,000</u>    | <u>16,893</u>      |
| <b>TOTALS - CENTRAL SERVICES</b>              |                  |                  |                    |
| Personnel - Compensation                      | 1,808,864        | 1,784,263        | (24,601)           |
| Personnel - Benefits, Taxes & Insurance       | 2,113,526        | 854,199          | (1,259,327)        |
| Contractual                                   | 1,317,880        | 1,140,475        | (177,405)          |
| Commodities                                   | 104,779          | 141,150          | 36,371             |
| Capital Outlay                                | 37,905           | 44,000           | 6,095              |
|   | <u>5,382,953</u> | <u>3,964,087</u> | <u>(1,418,866)</u> |
| <b>BUILDING AND ZONING</b>                    |                  |                  |                    |
| <b>Administration</b>                         |                  |                  |                    |
| Personnel - Compensation                      | -                | 132,543          | 132,543            |
| Personnel - Benefits, Taxes & Insurance       | -                | 56,155           | 56,155             |
| Contractual                                   | 3,504            | 108,050          | 104,546            |
| Commodities                                   | -                | 21,200           | 21,200             |
| Capital Outlay                                | -                | 4,000            | 4,000              |
|   | <u>3,504</u>     | <u>321,948</u>   | <u>318,444</u>     |
| <b>Permit Administration &amp; Inspection</b> |                  |                  |                    |
| Personnel - Compensation                      | -                | 474,874          | 474,874            |
| Personnel - Benefits, Taxes & Insurance       | -                | 218,847          | 218,847            |
| Contractual                                   | -                | 37,000           | 37,000             |
| Commodities                                   | -                | 13,500           | 13,500             |
| Capital Outlay                                | -                | 4,000            | 4,000              |
|   | <u>-</u>         | <u>748,221</u>   | <u>748,221</u>     |
| <b>Code Enforcement</b>                       |                  |                  |                    |
| Personnel - Compensation                      | 69,451           | 531,920          | 462,469            |
| Personnel - Benefits, Taxes & Insurance       | -                | 220,814          | 220,814            |
| Less: CDBG Reimb-Personnel Costs              | (72,940)         | (70,000)         | 2,940              |
| Contractual                                   | -                | 148,250          | 148,250            |
| Commodities                                   | -                | 27,500           | 27,500             |
| Capital Outlay                                | -                | 1,000            | 1,000              |
|   | <u>(3,489)</u>   | <u>859,484</u>   | <u>862,973</u>     |
| <b>TOTALS - BUILDING AND ZONING</b>           |                  |                  |                    |
| Personnel - Compensation                      | 69,451           | 1,139,337        | 1,069,886          |
| Personnel - Benefits, Taxes & Insurance       | -                | 495,816          | 495,816            |
| Less: Personnel Reimbursements                | (72,940)         | (70,000)         | 2,940              |
| Contractual                                   | 3,504            | 293,300          | 289,796            |
| Commodities                                   | -                | 62,200           | 62,200             |
| Capital Outlay                                | -                | 9,000            | 9,000              |
|   | <u>15</u>        | <u>1,929,653</u> | <u>1,929,638</u>   |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|   | ACTUAL           | BUDGET   | VARIANCE           |
|---|------------------|----------|--------------------|
| <b>BUILDING</b>                               |                  |          |                    |
| <b>Administration</b>                         |                  |          |                    |
| Personnel - Compensation                      | 131,427          | -        | (131,427)          |
| Personnel - Benefits, Taxes & Insurance       | 55,451           | -        | (55,451)           |
| Contractual                                   | 83,759           | -        | (83,759)           |
| Commodities                                   | 9,398            | -        | (9,398)            |
| Capital Outlay                                | 8,280            | -        | (8,280)            |
|   | <u>288,315</u>   | <u>-</u> | <u>(288,315)</u>   |
| <b>Permit Administration &amp; Inspection</b> |                  |          |                    |
| Personnel - Compensation                      | 454,667          | -        | (454,667)          |
| Personnel - Benefits, Taxes & Insurance       | 208,236          | -        | (208,236)          |
| Contractual                                   | 38,203           | -        | (38,203)           |
| Commodities                                   | 10,907           | -        | (10,907)           |
| Capital Outlay                                | -                | -        | -                  |
|   | <u>712,013</u>   | <u>-</u> | <u>(712,013)</u>   |
| <b>Code Enforcement</b>                       |                  |          |                    |
| Personnel - Compensation                      | 419,333          | -        | (419,333)          |
| Personnel - Benefits, Taxes & Insurance       | 202,486          | -        | (202,486)          |
| Less: CDBG Reimb-Personnel Costs              | -                | -        | -                  |
| Contractual                                   | 82,964           | -        | (82,964)           |
| Commodities                                   | 18,319           | -        | (18,319)           |
| Capital Outlay                                | -                | -        | -                  |
|   | <u>723,101</u>   | <u>-</u> | <u>(723,101)</u>   |
| <b>TOTALS - BUILDING AND ZONING</b>           |                  |          |                    |
| Personnel - Compensation                      | 1,005,426        | -        | (1,005,426)        |
| Personnel - Benefits, Taxes & Insurance       | 466,174          | -        | (466,174)          |
| Less: Personnel Reimbursements                | -                | -        | -                  |
| Contractual                                   | 204,926          | -        | (204,926)          |
| Commodities                                   | 38,624           | -        | (38,624)           |
| Capital Outlay                                | 8,280            | -        | (8,280)            |
|   | <u>1,723,430</u> | <u>-</u> | <u>(1,723,430)</u> |

ahead

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|  | ACTUAL         | BUDGET         | VARIANCE         |
|--|----------------|----------------|------------------|
| <b>PLANNING &amp; DEVELOPMENT</b>                  |                |                |                  |
| <b>Economic Development</b>                        |                |                |                  |
| Personnel - Compensation                           | -              | -              | -                |
| Personnel - Benefits, Taxes & Insurance            | -              | -              | -                |
| Contractual  | (1,460)        | 339,000        | 340,460          |
| Commodities  | -              | 2,000          | 2,000            |
| Capital Outlay                                     | -              | -              | -                |
|  | <u>(1,460)</u> | <u>341,000</u> | <u>342,460</u>   |
| <b>Development Commission</b>                      |                |                |                  |
| Personnel - Compensation                           | -              | 21,000         | 21,000           |
| Personnel - Benefits, Taxes & Insurance            | -              | 1,607          | 1,607            |
| Contractual  | -              | -              | -                |
| Commodities  | -              | -              | -                |
| Capital Outlay                                     | -              | -              | -                |
|  | <u>-</u>       | <u>22,607</u>  | <u>22,607</u>    |
| <b>PLANNING &amp; DEVELOPMENT (cont.)</b>          |                |                |                  |
| <b>Planning</b>                                    |                |                |                  |
| Personnel - Compensation                           | -              | 360,598        | 360,598          |
| Personnel - Benefits, Taxes & Insurance            | -              | 143,249        | 143,249          |
| Contractual  | -              | 43,000         | 43,000           |
| Commodities  | -              | 12,500         | 12,500           |
| Capital Outlay                                     | -              | -              | -                |
|  | <u>-</u>       | <u>559,347</u> | <u>559,347</u>   |
| <b>TOTALS - PLANNING &amp; DEVELOPMENT</b>         |                |                |                  |
| <b>Personnel - Compensation</b>                    | -              | 381,598        | 381,598          |
| <b>Personnel - Benefits, Taxes &amp; Insurance</b> | -              | 144,856        | 144,856          |
| <b>Contractual</b>                                 | (1,460)        | 382,000        | 383,460          |
| <b>Commodities</b>                                 | -              | 14,500         | 14,500           |
| <b>Capital Outlay</b>                              | -              | -              | -                |
|  | <u>(1,460)</u> | <u>922,954</u> | <u>924,414</u>   |
| <b>PLANNING &amp; DEVELOPMENT</b>                  |                |                |                  |
| <b>Development Commission</b>                      |                |                |                  |
| Personnel - Compensation                           | 1,202          | -              | (1,202)          |
| Personnel - Benefits, Taxes & Insurance            | 216            | -              | (216)            |
| Contractual  | -              | -              | -                |
| Commodities  | -              | -              | -                |
| Capital Outlay                                     | -              | -              | -                |
|  | <u>1,418</u>   | <u>-</u>       | <u>(1,418)</u>   |
| <b>Economic Development</b>                        |                |                |                  |
| Personnel - Compensation                           | -              | -              | -                |
| Personnel - Benefits, Taxes & Insurance            | (434)          | -              | 434              |
| Contractual  | 378,410        | -              | (378,410)        |
| Commodities  | -              | -              | -                |
| Capital Outlay                                     | -              | -              | -                |
|  | <u>377,976</u> | <u>-</u>       | <u>(377,976)</u> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|  | ACTUAL         | BUDGET         | VARIANCE         |
|--|----------------|----------------|------------------|
| <b>PLANNING &amp; DEVELOPMENT (cont.)</b>  |                |                |                  |
| <b>Planning &amp; Zoning</b>               |                |                |                  |
| Personnel - Compensation                   | 365,663        | -              | (365,663)        |
| Personnel - Benefits, Taxes & Insurance    | 143,943        | -              | (143,943)        |
| Contractual                                | 52,801         | -              | (52,801)         |
| Commodities                                | 4,922          | -              | (4,922)          |
| Capital Outlay                             | -              | -              | -                |
|  | <u>567,330</u> | <u>-</u>       | <u>(567,330)</u> |
| <b>TOTALS - PLANNING &amp; DEVELOPMENT</b> |                |                |                  |
| Personnel - Compensation                   | 366,866        | -              | (366,866)        |
| Personnel - Benefits, Taxes & Insurance    | 143,725        | -              | (143,725)        |
| Contractual                                | 431,212        | -              | (431,212)        |
| Commodities                                | 4,922          | -              | (4,922)          |
| Capital Outlay                             | -              | -              | -                |
|  | <u>946,724</u> | <u>-</u>       | <u>(946,724)</u> |
| <b>CULTURE AND RECREATION</b>              |                |                |                  |
| <b>Public Relations &amp; Marketing</b>    |                |                |                  |
| Personnel - Compensation                   | 115,462        | 111,713        | (3,749)          |
| Personnel - Benefits, Taxes & Insurance    | 52,131         | 53,363         | 1,232            |
| Contractual                                | 180,730        | 161,522        | (19,208)         |
| Commodities                                | 15,252         | 11,500         | (3,752)          |
| Capital Outlay                             | -              | -              | -                |
|  | <u>363,575</u> | <u>338,098</u> | <u>(25,477)</u>  |
| <b>Municipal Beach</b>                     |                |                |                  |
| Personnel - Compensation                   | 52,204         | 63,500         | 11,296           |
| Personnel - Benefits, Taxes & Insurance    | 3,994          | 3,330          | (664)            |
| Contractual                                | 15,377         | 35,750         | 20,373           |
| Commodities                                | 6,412          | 10,000         | 3,588            |
| Capital Outlay                             | -              | 5,000          | 5,000            |
|  | <u>77,986</u>  | <u>117,580</u> | <u>39,594</u>    |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|   | ACTUAL            | BUDGET            | VARIANCE           |
|---|-------------------|-------------------|--------------------|
| <b>CULTURE AND RECREATION (cont.)</b>   |                   |                   |                    |
| <b>Municipal Band</b>                   |                   |                   |                    |
| Personnel - Compensation                | 38,605            | 38,104            | (501)              |
| Personnel - Benefits, Taxes & Insurance | 2,954             | 2,399             | (555)              |
| Contractual                             | 2,777             | 11,900            | 9,123              |
| Commodities                             | 4,367             | 4,000             | (367)              |
| Capital Outlay                          | 1,995             | -                 | (1,995)            |
|   | <u>50,698</u>     | <u>56,403</u>     | <u>5,705</u>       |
| <b>TOTALS - CULTURE AND RECREATION</b>  |                   |                   |                    |
| Personnel - Compensation                | 206,271           | 213,317           | 7,046              |
| Personnel - Benefits, Taxes & Insurance | 59,078            | 59,092            | 14                 |
| Contractual                             | 198,884           | 209,172           | 10,288             |
| Commodities                             | 26,031            | 25,500            | (531)              |
| Capital Outlay                          | 1,995             | 5,000             | 3,005              |
|   | <u>492,259</u>    | <u>512,081</u>    | <u>19,822</u>      |
| <b>GENERAL FUND SUMMARY</b>             |                   |                   |                    |
| Personnel - Compensation                | 29,647,768        | 29,782,156        | 134,388            |
| Personnel - Benefits, Taxes & Insurance | 14,619,823        | 8,649,642         | (5,970,181)        |
| Less: Personnel Reimbursements          | (92,940)          | (90,000)          | 2,940              |
| Contractual Services                    | 7,318,803         | 7,216,755         | (102,048)          |
| Commodities                             | 2,376,888         | 2,485,770         | 108,882            |
| Capital Outlay                          | 1,373,840         | 533,863           | (839,977)          |
| Debt Service - Principal                | 75,945            | 75,945            | (0)                |
| Debt Service - Interest                 | 10,182            | 16,273            | 6,091              |
|   | <u>55,330,308</u> | <u>48,670,404</u> | <u>(6,659,904)</u> |
| Operating Transfers Out                 | 180,041           | -                 | (180,041)          |
| <b>GENERAL FUND TOTALS</b>              | <u>55,510,349</u> | <u>48,670,404</u> | <u>(6,839,945)</u> |

## GENERAL FUND

## Schedule Of Expenditures And Other Financing Uses, Compared To Budget

April 30, 2006

|  | ACTUAL            | BUDGET            | VARIANCE           |
|--|-------------------|-------------------|--------------------|
| <b>GENERAL FUND TOTALS BY FUNCTION</b>     |                   |                   |                    |
| <b>Capital Outlay</b>                      |                   |                   |                    |
| Public Safety - Police/Communications      | 411,611           | 196,263           | (215,348)          |
| Public Safety - Fire/Emergency Medical     | 66,626            | 249,600           | 182,974            |
| Streets, Bridges & Other Public Works      | 847,423           | 30,000            | (817,423)          |
| Sanitation & Environment-Refuse Collection | -                 | -                 | -                  |
| General Government                         | 37,905            | 44,000            | 6,095              |
| Public Safety - Protective Inspection      | 8,280             | 9,000             | 9,000              |
| Economic Development                       | -                 | -                 | -                  |
| Culture & Recreation                       | 1,995             | 5,000             | 3,005              |
|  | <u>1,373,840</u>  | <u>533,863</u>    | <u>(831,697)</u>   |
| <b>Current Operating Expenditures</b>      |                   |                   |                    |
| Public Safety - Police/Communications      | 23,131,794        | 20,086,501        | (3,045,293)        |
| Public Safety - Fire/Emergency Medical     | 13,129,266        | 11,250,559        | (1,878,707)        |
| Streets, Bridges & Other Public Works      | 5,827,109         | 6,201,487         | 374,378            |
| Sanitation & Environment-Refuse Collection | 3,286,432         | 3,235,001         | (51,431)           |
| General Government                         | 5,345,048         | 3,920,087         | (1,424,961)        |
| Public Safety - Protective Inspection      | 1,715,164         | 1,920,653         | 1,920,638          |
| Economic Development                       | 945,264           | 922,954           | 924,414            |
| Culture & Recreation                       | 490,264           | 507,081           | 16,817             |
|  | <u>53,870,342</u> | <u>48,044,323</u> | <u>(3,164,145)</u> |
| <b>Debt Service Expenditures</b>           |                   |                   |                    |
| Public Safety - Fire/Emergency Medical     | 86,127            | 92,218            | 6,091              |
|  | <u>86,127</u>     | <u>92,218</u>     | <u>6,091</u>       |
| <b>Totals</b>                              |                   |                   |                    |
| Public Safety - Police/Communications      | 23,543,405        | 20,282,764        | (3,260,641)        |
| Public Safety - Fire/Emergency Medical     | 13,282,019        | 11,592,377        | (1,689,642)        |
| Streets, Bridges & Other Public Works      | 6,674,532         | 6,231,487         | (443,045)          |
| Sanitation & Environment-Refuse Collection | 3,286,432         | 3,235,001         | (51,431)           |
| General Government                         | 5,382,953         | 3,964,087         | (1,418,866)        |
| Public Safety - Protective Inspection      | 1,723,444         | 1,929,653         | 1,929,638          |
| Economic Development                       | 945,264           | 922,954           | 924,414            |
| Culture & Recreation                       | 492,259           | 512,081           | 19,822             |
|  | <u>55,330,308</u> | <u>48,670,404</u> | <u>(3,989,750)</u> |
| Operating Transfers Out                    | 180,041           | -                 | (180,041)          |
| <b>GENERAL FUND TOTALS</b>                 | <u>55,510,349</u> | <u>48,670,404</u> | <u>(4,169,791)</u> |

# Special Revenue Funds

**SPECIAL REVENUE FUNDS**  
Combining Balance Sheet  
April 30, 2006

|  | Public Works     |                           | CDBG                  |                         | Public Safety Activities         |                         |                   | Public Safety Grants  |                               |                       | TIF Dist-Spec Tax Alloc Fds.  |                       |                               |
|--|------------------|---------------------------|-----------------------|-------------------------|----------------------------------|-------------------------|-------------------|-----------------------|-------------------------------|-----------------------|-------------------------------|-----------------------|-------------------------------|
|  | Motor Fuel Tax   | Com. Develop. Block Grant | Narcotics Forfeitures | 911 Emerg. Phone System | Enhancing Security & Crime Prev. | Repeat Offender Program | Homeland Security | #1 Lakefront Develop. | #4 Lakefront/Downtown Reconv. | #1 Lakefront Develop. | #4 Lakefront/Downtown Reconv. | #1 Lakefront Develop. | #4 Lakefront/Downtown Reconv. |
| <b>ASSETS</b>                            |                  |                           |                       |                         |                                  |                         |                   |                       |                               |                       |                               |                       |                               |
| Cash & Cash Equivalents                  | 8,397            | 34,044                    | 528,766               | 377,276                 | 120,312                          | 9,762                   | 5,495             | 63,813                | 152,555                       |                       |                               |                       |                               |
| Investments                              | 2,081,389        | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | 91,839                | 296,964                       | -                     | -                             |
| Taxes Receivable, Net of Uncollectibles: |                  |                           |                       |                         |                                  |                         |                   |                       |                               |                       |                               |                       |                               |
| Property                                 | -                | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Home Rule Sales Tax                      | -                | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Motor Fuel Tax                           | 403,233          | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Utility Taxes (911)                      | -                | -                         | -                     | 198,087                 | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Loans Receivable                         | -                | 2,577                     | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Other Receivables:                       |                  |                           |                       |                         |                                  |                         |                   |                       |                               |                       |                               |                       |                               |
| Accrued Investment Income                | -                | -                         | 157                   | 463                     | -                                | -                       | -                 | -                     | -                             | 84                    | 225                           | -                     | -                             |
| Intergovernmental Grants                 | -                | -                         | -                     | -                       | -                                | -                       | 1,326             | -                     | -                             | -                     | -                             | -                     | -                             |
| Miscellaneous                            | 1,001            | -                         | 18,926                | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Due From Other Funds                     | 17,239           | -                         | -                     | -                       | 3,165                            | 800                     | 25,802            | -                     | -                             | -                     | -                             | -                     | 10,800                        |
| Inventory                                | 296,620          | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| <b>TOTAL ASSETS</b>                      | <b>2,767,879</b> | <b>36,621</b>             | <b>547,849</b>        | <b>575,826</b>          | <b>123,477</b>                   | <b>10,562</b>           | <b>32,422</b>     | <b>155,746</b>        | <b>459,744</b>                |                       |                               |                       |                               |

|   | Public Works     |                           | CDBG                  |                         | Public Safety Activities         |                         |                   | Public Safety Grants  |                               |                       | TIF Dist-Spec Tax Alloc Fds.  |                       |                               |
|---|------------------|---------------------------|-----------------------|-------------------------|----------------------------------|-------------------------|-------------------|-----------------------|-------------------------------|-----------------------|-------------------------------|-----------------------|-------------------------------|
|   | Motor Fuel Tax   | Com. Develop. Block Grant | Narcotics Forfeitures | 911 Emerg. Phone System | Enhancing Security & Crime Prev. | Repeat Offender Program | Homeland Security | #1 Lakefront Develop. | #4 Lakefront/Downtown Reconv. | #1 Lakefront Develop. | #4 Lakefront/Downtown Reconv. | #1 Lakefront Develop. | #4 Lakefront/Downtown Reconv. |
| <b>LIABILITIES AND FUND BALANCE</b>       |                  |                           |                       |                         |                                  |                         |                   |                       |                               |                       |                               |                       |                               |
| <b>Liabilities</b>                        |                  |                           |                       |                         |                                  |                         |                   |                       |                               |                       |                               |                       |                               |
| Accounts Payable                          | 114,208          | 12,868                    | 593                   | 112,868                 | -                                | 800                     | 73,969            | 501                   | 14,853                        | -                     | -                             | -                     | -                             |
| Accrued Salaries                          | 29,818           | 11,485                    | 7,178                 | 12,837                  | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Advance Ticket Sales                      | -                | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Interfund Loans                           | -                | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Due to Other Funds (Short-Term)           | -                | -                         | 90,709                | 82,647                  | 29,324                           | -                       | 46,433            | 10,000                | 501,833                       | -                     | -                             | -                     | -                             |
| Deferred Revenue:                         |                  |                           |                       |                         |                                  |                         |                   |                       |                               |                       |                               |                       |                               |
| Property Taxes                            | -                | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Other Taxes                               | -                | -                         | -                     | 73,757                  | -                                | -                       | -                 | -                     | 91,839                        | -                     | -                             | -                     | -                             |
| Theatre                                   | -                | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Intergovernmental Grants                  | -                | 7,632                     | -                     | -                       | 87,386                           | -                       | 1,326             | -                     | -                             | -                     | -                             | -                     | -                             |
| <b>Total Liabilities</b>                  | <b>144,026</b>   | <b>31,984</b>             | <b>98,470</b>         | <b>282,108</b>          | <b>116,710</b>                   | <b>800</b>              | <b>121,728</b>    | <b>102,340</b>        | <b>813,150</b>                |                       |                               |                       |                               |
| <b>Fund Balance</b>                       |                  |                           |                       |                         |                                  |                         |                   |                       |                               |                       |                               |                       |                               |
| Reserved for:                             |                  |                           |                       |                         |                                  |                         |                   |                       |                               |                       |                               |                       |                               |
| Inventory                                 | 256,620          | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Economic Development                      | -                | -                         | -                     | -                       | -                                | -                       | -                 | -                     | -                             | -                     | -                             | -                     | -                             |
| Unreserved & Undesignated                 | 2,367,232        | 4,636                     | 449,379               | 293,718                 | 6,766                            | 9,762                   | (89,306)          | 53,406                | (353,406)                     | -                     | -                             | -                     | -                             |
| <b>Total Fund Balance</b>                 | <b>2,623,852</b> | <b>4,636</b>              | <b>449,379</b>        | <b>293,718</b>          | <b>6,766</b>                     | <b>9,762</b>            | <b>(89,306)</b>   | <b>53,406</b>         | <b>(353,406)</b>              |                       |                               |                       |                               |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> | <b>2,767,879</b> | <b>36,621</b>             | <b>547,849</b>        | <b>575,826</b>          | <b>123,477</b>                   | <b>10,562</b>           | <b>32,422</b>     | <b>155,746</b>        | <b>459,744</b>                |                       |                               |                       |                               |

**SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet (cont.)**  
*April 30, 2006*

|  | Econ. Dev.                                 |  | Resid. Dev.                   |  | Environmental Develop.                    |                        |                            | Theatre                          |                  |
|--|--|--|-------------------------------|--|---|------------------------|----------------------------|----------------------------------|------------------|
|  | Hm Rule SI Tx<br>Lakefront/<br>Dntwn Redev |  | Neighborhood<br>Stabilization |  | EPA Grants<br>Brownfields<br>Redev. Init. | Wetlands<br>Mitigation | Environment<br>Remediation | Genesee<br>Theatre<br>Operations | Totals           |
| <b>ASSETS</b>                            |  |  |                               |  |   |                        |                            |                                  |                  |
| Cash & Cash Equivalents                  | 777,370                                    |  | 176,685                       |  | 64,830                                    | 39,936                 | 335,027                    | 494,243                          | 3,188,511        |
| Investments                              | -  |  | -                             |  | -   | -                      | -                          | -                                | 2,081,389        |
| Taxes Receivable, Net of Uncollectibles: |  |  |                               |  |   |                        |                            |                                  |                  |
| Property                                 | -  |  | -                             |  | -   | -                      | -                          | -                                | 388,802          |
| Home Rule Sales Tax                      | 430,849                                    |  | -                             |  | -   | -                      | -                          | -                                | 430,849          |
| Motor Fuel Tax                           | -  |  | -                             |  | -   | -                      | -                          | -                                | 403,233          |
| Utility Taxes (911)                      | -  |  | -                             |  | -   | -                      | -                          | -                                | 198,087          |
| Loans Receivable                         | -  |  | -                             |  | -   | -                      | -                          | -                                | 2,577            |
| Other Receivables:                       |  |  |                               |  |   |                        |                            |                                  |                  |
| Accrued Investment Income                | 825  |  | 261                           |  | -   | 59                     | 446                        | -                                | 2,630            |
| Intergovernmental Grants                 | -  |  | -                             |  | 12,509                                    | -                      | -                          | -                                | 13,835           |
| Miscellaneous                            | -  |  | -                             |  | 12,509                                    | -                      | -                          | 109,900                          | 142,336          |
| Due From Other Funds<br>Inventory        | 1,350,419                                  |  | -                             |  | -   | -                      | 8,245                      | -                                | 1,415,469        |
|  | -  |  | -                             |  | -   | -                      | -                          | -                                | 256,620          |
| <b>TOTAL ASSETS</b>                      | <b>2,559,563</b>                           |  | <b>176,946</b>                |  | <b>89,647</b>                             | <b>39,995</b>          | <b>343,718</b>             | <b>604,143</b>                   | <b>8,524,338</b> |

|   | Econ. Dev.                                 |  | Resid. Dev.                   |  | Environmental Develop.                    |                        |                            | Theatre                          |                  |
|---|--|--|-------------------------------|--|---|------------------------|----------------------------|----------------------------------|------------------|
|   | Hm Rule SI Tx<br>Lakefront/<br>Dntwn Redev |  | Neighborhood<br>Stabilization |  | EPA Grants<br>Brownfields<br>Redev. Init. | Wetlands<br>Mitigation | Environment<br>Remediation | Genesee<br>Theatre<br>Operations | Totals           |
| <b>LIABILITIES AND FUND BALANCE</b>       |  |  |                               |  |   |                        |                            |                                  |                  |
| <b>Liabilities</b>                        |  |  |                               |  |   |                        |                            |                                  |                  |
| Accounts Payable                          | 38,308                                     |  | -                             |  | 27,704                                    | -                      | 2,611                      | 155,591                          | 554,665          |
| Accrued Salaries                          | 4,502                                      |  | -                             |  | -   | -                      | -                          | -                                | 95,820           |
| Advance Ticket Sales                      | -  |  | -                             |  | -   | -                      | -                          | 271,332                          | 271,332          |
| Interfund Loans                           | -  |  | -                             |  | -   | -                      | -                          | -                                | -                |
| Due to Other Funds (Short-Term)           | 8,245                                      |  | -                             |  | 41,968                                    | -                      | 1,646,494                  | 239,048                          | 2,696,401        |
| Deferred Revenue:                         |  |  |                               |  |   |                        |                            |                                  |                  |
| Property Taxes                            | -  |  | -                             |  | -   | -                      | -                          | -                                | 388,802          |
| Other Taxes                               | 161,094                                    |  | -                             |  | -   | -                      | -                          | -                                | 234,850          |
| Theatre                                   | 161,158                                    |  | -                             |  | -   | -                      | -                          | 31,814                           | 192,972          |
| Intergovernmental Grants                  | -  |  | -                             |  | 27,068                                    | -                      | -                          | -                                | 123,412          |
| <b>Total Liabilities</b>                  | <b>373,307</b>                             |  | <b>176,946</b>                |  | <b>96,741</b>                             | <b>-</b>               | <b>1,649,105</b>           | <b>697,785</b>                   | <b>4,528,255</b> |
| <b>Fund Balance</b>                       |  |  |                               |  |   |                        |                            |                                  |                  |
| Reserved for:                             |  |  |                               |  |   |                        |                            |                                  |                  |
| Inventory                                 | -  |  | -                             |  | -   | -                      | -                          | -                                | 256,620          |
| Unreserved & Undesignated                 | 2,186,256                                  |  | 176,946                       |  | (6,893)                                   | 39,995                 | (1,305,367)                | (93,642)                         | 3,799,463        |
| <b>Total Fund Balance</b>                 | <b>2,186,256</b>                           |  | <b>176,946</b>                |  | <b>(6,893)</b>                            | <b>39,995</b>          | <b>(1,305,367)</b>         | <b>(93,642)</b>                  | <b>3,996,063</b> |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> | <b>2,559,563</b>                           |  | <b>176,946</b>                |  | <b>89,647</b>                             | <b>39,995</b>          | <b>343,718</b>             | <b>604,143</b>                   | <b>8,524,338</b> |

**SPECIAL REVENUE FUNDS**  
Combining Statement Of Revenues, Expenditures, and Changes in Fund Balance  
April 30, 2006

|   | Public Works     |                            | CDBG                  |                         | Public Safety Activities         |                         |                   | Public Safety Grants |                           |                  | TIF-Spec Tax Alloc Fds. |  |
|---|------------------|----------------------------|-----------------------|-------------------------|----------------------------------|-------------------------|-------------------|----------------------|---------------------------|------------------|-------------------------|--|
|   | Motor Fuel Tax   | Comm. Develop. Block Grant | Narcotics Forfeitures | 911 Emerg. Phone System | Enhancing Security & Crime Prev. | Repeat Offender Program | Homeland Security | Lakefront Develop.   | Lakefront/ Dntwn Redevel. | #1               | #4                      |  |
| <b>REVENUES</b>   |                  |                            |                       |                         |                                  |                         |                   |                      |                           |                  |                         |  |
| Property Tax  | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | 59,545                    | -                | 182,439                 |  |
| Home Rule-Sales Tax   | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Motor Fuel Tax  | 2,646,411        | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| 911 Emergency Surcharge   | -                | -                          | 183,574               | 729,575                 | 48,306                           | -                       | 93,983            | -                    | -                         | -                | -                       |  |
| Intergovernmental   | -                | 1,162,059                  | 184,244               | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Fines & Forfeitures   | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Charges for Services (Theatre Income)   | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Licenses  | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Investment Income   | 89,271           | 80                         | 10,794                | 22,098                  | 3,224                            | -                       | -                 | -                    | 2,374                     | -                | 7,829                   |  |
| Miscellaneous   | 5,316            | 207,139                    | 20                    | 63                      | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| <b>TOTAL REVENUES</b>   | <b>2,740,997</b> | <b>1,369,278</b>           | <b>358,632</b>        | <b>751,737</b>          | <b>51,530</b>                    | <b>-</b>                | <b>93,983</b>     | <b>61,919</b>        | <b>-</b>                  | <b>190,268</b>   | <b>-</b>                |  |
| <b>EXPENDITURES</b>   |                  |                            |                       |                         |                                  |                         |                   |                      |                           |                  |                         |  |
| <b>Current Operating</b>  |                  |                            |                       |                         |                                  |                         |                   |                      |                           |                  |                         |  |
| Economic Development  | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Public Safety - Protective Inspection   | -                | 72,940                     | -                     | -                       | -                                | -                       | -                 | 21,477               | -                         | -                | 267,197                 |  |
| Public Safety - Police/Communications   | -                | 20,000                     | 369,980               | 904,726                 | 21,529                           | 20,510                  | -                 | -                    | -                         | -                | -                       |  |
| Public Safety - Fire/Homeland Security  | -                | -                          | -                     | -                       | -                                | -                       | 171,512           | -                    | -                         | -                | -                       |  |
| Sts., Bridges, Pub. Works   | 2,158,870        | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Sanitation & Environment  | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Community Development   | -                | 984,283                    | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Culture & Recreation  | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| <b>Community Development Grants</b>   |                  |                            |                       |                         |                                  |                         |                   |                      |                           |                  |                         |  |
| Priv. Non-Profit Agencies   | -                | 126,237                    | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Intergovernmental   | -                | 47,157                     | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Capital Outlay  | 101,409          | 124,591                    | 138,342               | 258,394                 | 32,500                           | 1,778                   | -                 | 10,000               | -                         | -                | 115,534                 |  |
| Debt Service  | -                | -                          | -                     | 49,026                  | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Principal Retirement  | -                | 226,875                    | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Bad Debt Expense  | -                | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Interest Expense  | -                | -                          | 55                    | 5,378                   | -                                | -                       | -                 | -                    | -                         | -                | 24,912                  |  |
| <b>TOTAL EXPENDITURES</b>   | <b>2,260,279</b> | <b>1,602,082</b>           | <b>508,377</b>        | <b>1,217,524</b>        | <b>54,029</b>                    | <b>22,288</b>           | <b>171,512</b>    | <b>31,477</b>        | <b>-</b>                  | <b>407,643</b>   | <b>-</b>                |  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND.</b>   | <b>480,718</b>   | <b>(232,804)</b>           | <b>(149,745)</b>      | <b>(465,787)</b>        | <b>(2,499)</b>                   | <b>(22,288)</b>         | <b>(77,529)</b>   | <b>30,442</b>        | <b>-</b>                  | <b>(217,375)</b> | <b>-</b>                |  |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                            |                       |                         |                                  |                         |                   |                      |                           |                  |                         |  |
| Operating Transfers In  | -                | -                          | 55,697                | -                       | -                                | -                       | 23,026            | -                    | -                         | -                | 201,258                 |  |
| Operating Transfers Out   | (680,729)        | -                          | -                     | -                       | -                                | -                       | (11,374)          | -                    | -                         | -                | -                       |  |
| <b>TTL. OTHER FINANCING SOURCES (USES)</b>  | <b>(680,729)</b> | <b>-</b>                   | <b>55,697</b>         | <b>-</b>                | <b>-</b>                         | <b>-</b>                | <b>11,652</b>     | <b>-</b>             | <b>-</b>                  | <b>201,258</b>   | <b>-</b>                |  |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <b>(200,011)</b> | <b>(232,804)</b>           | <b>(94,048)</b>       | <b>(465,787)</b>        | <b>(2,499)</b>                   | <b>(22,288)</b>         | <b>(65,877)</b>   | <b>30,442</b>        | <b>-</b>                  | <b>(16,117)</b>  | <b>-</b>                |  |
| <b>FUND BALANCE</b>   |                  |                            |                       |                         |                                  |                         |                   |                      |                           |                  |                         |  |
| Incr (Decr)-Fund Bal, Res for Inventory   | 256,620          | -                          | -                     | -                       | -                                | -                       | -                 | -                    | -                         | -                | -                       |  |
| Beginning of Year   | 2,567,243        | 237,440                    | 543,427               | 759,504                 | 9,285                            | 32,050                  | (23,429)          | 22,964               | -                         | (337,290)        | -                       |  |
| <b>End of Year</b>  | <b>2,623,852</b> | <b>4,636</b>               | <b>449,379</b>        | <b>293,718</b>          | <b>6,766</b>                     | <b>9,762</b>            | <b>(89,306)</b>   | <b>53,406</b>        | <b>-</b>                  | <b>(353,406)</b> | <b>-</b>                |  |

**SPECIAL REVENUE FUNDS**

**Combining Statement Of Revenues, Expenditures, and Changes in Fund Balance (cont.)**

April 30, 2006

|   | Econ. Dev.                                    | Resid. Dev.                   | Environmental Develop.                    |                        | Theatre                    | Totals                           |
|---|---|-------------------------------|---|------------------------|----------------------------|----------------------------------|
|   | Hen Rule SI Tx<br>Lakefront/<br>Dntwn Redevel | Neighborhood<br>Stabilization | EPA Grants<br>Brownfields<br>Redev. Init. | Wetlands<br>Mitigation | Environment<br>Remediation | Genesee<br>Theatre<br>Operations |
| <b>REVENUES</b>   |   |                               |   |                        |                            |                                  |
| Property Tax  | -   | -                             | -   | -                      | -                          | 241,984                          |
| Home Rule Sales Tax   | 1,371,456                                     | -                             | -   | -                      | -                          | 1,371,456                        |
| Motor Fuel Tax  | -   | -                             | -   | -                      | -                          | 2,646,411                        |
| 911 Emergency Surcharge   | -   | -                             | 138,516                                   | -                      | 18,992                     | 729,575                          |
| Intergovernmental   | -   | -                             | -   | -                      | -                          | 1,645,430                        |
| Fines & Forfeitures   | -   | -                             | -   | -                      | -                          | 164,244                          |
| Charges for Services  | -   | -                             | -   | 4,500                  | -                          | 720,941                          |
| Theatre Income & Fees-Wetlands Mitigation   | -   | -                             | -   | -                      | 6,724                      | 6,724                            |
| Licenses  | 52,612  | 7,215                         | -   | 1,250                  | -                          | 207,679                          |
| Investment Income   | -   | -                             | 11,786                                    | -                      | -                          | 10,932                           |
| Miscellaneous   | -   | -                             | -   | -                      | -                          | 224,325                          |
| <b>TOTAL REVENUES</b>   | <b>1,424,068</b>                              | <b>7,215</b>                  | <b>150,302</b>                            | <b>5,750</b>           | <b>25,716</b>              | <b>7,963,269</b>                 |
| <b>EXPENDITURES</b>   |   |                               |   |                        |                            |                                  |
| <b>Current Operating</b>  |   |                               |   |                        |                            |                                  |
| Economic Development  | 842,594                                       | -                             | -   | -                      | 1,666,721                  | 2,797,988                        |
| Public Safety - Protective Inspection   | -   | -                             | -   | -                      | -                          | 72,940                           |
| Public Safety - Police/Communications   | -   | -                             | -   | -                      | -                          | 1,336,745                        |
| Public Safety - Fire/Homeland Security  | -   | -                             | -   | -                      | -                          | 171,512                          |
| St. , Bridges, Pub. Works   | -   | -                             | -   | -                      | -                          | 2,159,870                        |
| Sanitation & Environment  | -   | -                             | 167,799                                   | -                      | -                          | 167,799                          |
| Community Development   | -   | 70,000                        | -   | -                      | -                          | 1,084,283                        |
| Culture & Recreation  | -   | -                             | -   | -                      | -                          | 935,683                          |
| <b>Community Development Grants</b>   |   |                               |   |                        |                            |                                  |
| Priv. Non-Profit Agencies   | -   | -                             | -   | -                      | -                          | 126,237                          |
| Intergovernmental   | -   | -                             | -   | -                      | -                          | 47,157                           |
| <b>Capital Outlay</b>   |   |                               |   |                        |                            |                                  |
| Debt Service  | 4,781   | -                             | 41,968                                    | -                      | -                          | 838,601                          |
| Principal Retirement  | -   | -                             | -   | -                      | -                          | 49,026                           |
| Bad Debt Expense  | -   | -                             | -   | -                      | -                          | 226,975                          |
| Interest Expense  | 179,684                                       | -                             | 178                                       | -                      | -                          | 210,207                          |
| <b>TOTAL EXPENDITURES</b>   | <b>1,027,059</b>                              | <b>70,000</b>                 | <b>209,946</b>                            | <b>-</b>               | <b>1,666,721</b>           | <b>40,193,923</b>                |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND.</b>   | <b>397,009</b>                                | <b>(62,785)</b>               | <b>(59,643)</b>                           | <b>5,750</b>           | <b>(1,641,005)</b>         | <b>(2,230,654)</b>               |
| <b>OTHER FINANCING SOURCES (USES)</b>   |   |                               |   |                        |                            |                                  |
| Operating Transfers In  | 150,000                                       | -                             | 52,750                                    | -                      | -                          | 602,731                          |
| Operating Transfers Out   | (374,009)                                     | -                             | -   | -                      | -                          | (1,056,111)                      |
| <b>TTL. OTHER FINANCING SOURCES (USES)</b>  | <b>(224,009)</b>                              | <b>-</b>                      | <b>52,750</b>                             | <b>-</b>               | <b>-</b>                   | <b>(463,380)</b>                 |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <b>173,001</b>                                | <b>(62,785)</b>               | <b>(6,893)</b>                            | <b>5,750</b>           | <b>(1,641,005)</b>         | <b>(2,694,034)</b>               |
| <b>FUND BALANCE</b>   |   |                               |   |                        |                            |                                  |
| Incr (Decr)-Fund Bal. Res for Inventory   | -   | -                             | -   | -                      | -                          | 256,620                          |
| Beginning of Year   | 2,013,255                                     | 239,731                       | -   | 34,245                 | 335,618                    | 6,435,497                        |
| End of Year   | <b>2,186,256</b>                              | <b>176,946</b>                | <b>(6,893)</b>                            | <b>39,995</b>          | <b>(1,305,387)</b>         | <b>3,996,083</b>                 |

**SPECIAL REVENUE FUNDS  
MOTOR FUEL TAX**

**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
April 30, 2006**

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|------------------|------------------|-----------------|
| <b>REVENUES</b>   |                  |                  |                 |
| Motor Fuel Tax  | 2,646,411        | 2,653,000        | (6,589)         |
| Intergovernmental   | -                | -                | -               |
| Investment Income   | 89,271           | 85,000           | 4,271           |
| Miscellaneous   | 5,316            | -                | 5,316           |
| <b>TOTAL REVENUES</b>   | <u>2,740,997</u> | <u>2,738,000</u> | <u>2,997</u>    |
| <b>EXPENDITURES</b>   |                  |                  |                 |
| <b>Streets, Sidewalks &amp; Other Public Works Activities</b>   |                  |                  |                 |
| Personnel - Compensation  | 704,803          | 774,857          | 70,054          |
| Personnel - Benefits, Taxes & Insurance   | 313,171          | 336,850          | 23,679          |
| Contractual   | 813,243          | 580,000          | (233,243)       |
| Commodities   | 327,653          | 410,000          | 82,347          |
| <b>Capital Outlay</b>   | 101,409          | 320,000          | 218,591         |
| <b>TOTAL EXPENDITURES</b>   | <u>2,260,279</u> | <u>2,421,707</u> | <u>161,428</u>  |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>480,718</u>   | <u>316,293</u>   | <u>164,425</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                 |
| Operating Transfers In  | -                | -                | -               |
| Operating Transfers Out   | (680,729)        | (680,729)        | (0)             |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(680,729)</u> | <u>(680,729)</u> | <u>(0)</u>      |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(200,011)</u> | <u>(364,436)</u> | <u>164,425</u>  |
| <b>FUND BALANCE</b>   |                  |                  |                 |
| Increase (Decrease) In Fund Balance, Reserved for Inventory<br>Beginning of Year                                      | 256,620          |                  |                 |
|   | <u>2,567,243</u> |                  |                 |
| End of Year   | <u>2,623,852</u> |                  |                 |

**SPECIAL REVENUE FUNDS**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
*April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|------------------|------------------|-----------------|
| <b>REVENUES</b>   |                  |                  |                 |
| Intergovernmental   | 1,162,059        | 1,217,027        | (54,968)        |
| Investment Income   | 80               | 500              | (420)           |
| Rehabilitation Lien Repayments  | 207,139          | 210,000          | (2,861)         |
| <b>TOTAL REVENUES</b>   | <u>1,369,278</u> | <u>1,427,527</u> | <u>(58,249)</u> |
| <b>EXPENDITURES</b>   |                  |                  |                 |
| <b>Community Development</b>  |                  |                  |                 |
| Personnel - Compensation  | 244,907          | 249,368          | 4,461           |
| Personnel - Benefits, Taxes & Insurance   | 111,723          | 120,790          | 9,067           |
| Contractual   | 619,297          | 605,183          | (14,114)        |
| Commodities   | 8,356            | 11,000           | 2,644           |
| Community Development Grants  |                  |                  |                 |
| Private Non-Profit Agencies   | 126,237          | 157,004          | 30,767          |
| Intergovernmental   | 47,157           | 50,800           | 3,644           |
| <b>Public Safety - Police/Communications</b>  |                  |                  |                 |
| Personnel - Compensation & Benefits   | 20,000           | 20,000           | -               |
| <b>Public Safety - Protective Inspection</b>  |                  |                  |                 |
| Personnel - Compensation & Benefits   | 72,940           | 70,000           | (2,940)         |
| <b>Capital Outlay</b>   | 124,591          | 151,000          | 26,409          |
| <b>Debt Service</b>   |                  |                  |                 |
| Principal Retirement  | -                | -                | -               |
| Bad Debt Expense  | 226,875          | -                | -               |
| Interest Expense  | -                | -                | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>1,602,082</u> | <u>1,435,145</u> | <u>59,938</u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u>(232,804)</u> | <u>(7,618)</u>   | <u>1,689</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                 |
| Sale/Trades of General Fixed Assets   | -                | -                | -               |
| Operating Transfers In  | -                | -                | -               |
| Operating Transfers Out   | -                | -                | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>         | <u>-</u>         | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u>(232,804)</u> | <u>(7,618)</u>   | <u>1,689</u>    |
| <b>FUND BALANCE</b>   |                  |                  |                 |
| Beginning of Year   | <u>237,440</u>   |                  |                 |
| End of Year   | <u>4,636</u>     |                  |                 |

**SPECIAL REVENUE FUNDS**  
**NARCOTICS FORFEITURES**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**April 30, 2006**

|   | <u>ACTUAL</u>           | <u>BUDGET</u>           | <u>VARIANCE</u>        |
|---|-------------------------|-------------------------|------------------------|
| <b>REVENUES</b>   |                         |                         |                        |
| Intergovernmental   | 183,574                 | 185,000                 | (1,426)                |
| Fines & Forfeitures   | 164,244                 | 184,000                 | (19,756)               |
| Investment Income   | 10,794                  | 5,000                   | 5,794                  |
| Miscellaneous   | 20                      | -                       | 20                     |
| <b>TOTAL REVENUES</b>   | <u><b>358,632</b></u>   | <u><b>374,000</b></u>   | <u><b>(15,368)</b></u> |
| <b>EXPENDITURES</b>   |                         |                         |                        |
| <b>Public Safety - Police/Communications</b>  |                         |                         |                        |
| Personnel - Compensation  | 203,860                 | 316,471                 | 112,611                |
| Personnel - Benefits, Taxes & Insurance   | 40,142                  | 42,945                  | 2,803                  |
| Contractual   | 120,754                 | 119,500                 | (1,254)                |
| Commodities   | 5,224                   | 5,500                   | 276                    |
| <b>Capital Outlay</b>   | 138,342                 | 170,000                 | 31,658                 |
| Interest Expense  | 55                      | -                       | (55)                   |
| <b>TOTAL EXPENDITURES</b>   | <u><b>508,377</b></u>   | <u><b>654,416</b></u>   | <u><b>146,039</b></u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u><b>(149,745)</b></u> | <u><b>(280,416)</b></u> | <u><b>130,671</b></u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                         |                         |                        |
| Operating Transfers In  | 55,697                  | -                       | 55,697                 |
| Operating Transfers Out   | -                       | -                       | -                      |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u><b>55,697</b></u>    | <u><b>-</b></u>         | <u><b>55,697</b></u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u><b>(94,048)</b></u>  | <u><b>(280,416)</b></u> | <u><b>186,368</b></u>  |
| <b>FUND BALANCE</b>   |                         |                         |                        |
| Beginning of Year   | <u><b>543,427</b></u>   |                         |                        |
| End of Year   | <u><b>449,379</b></u>   |                         |                        |

**SPECIAL REVENUE FUNDS**  
**911 EMERGENCY PHONE SYSTEM**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**April 30, 2006**

|   | <u>ACTUAL</u>           | <u>BUDGET</u>           | <u>VARIANCE</u>        |
|---|-------------------------|-------------------------|------------------------|
| <b>REVENUES</b>   |                         |                         |                        |
| Property Tax  | -                       | -                       | -                      |
| Home Rule Sales Tax   | -                       | -                       | -                      |
| Motor Fuel Tax  | -                       | -                       | -                      |
| 911 Emergency Surcharge   | 729,575                 | 710,000                 | 19,575                 |
| Intergovernmental   | -                       | -                       | -                      |
| Fines & Forfeitures   | -                       | -                       | -                      |
| Investment Income   | 22,098                  | 25,000                  | (2,902)                |
| Miscellaneous   | 63                      | -                       | 63                     |
| <b>TOTAL REVENUES</b>   | <u><b>751,737</b></u>   | <u><b>735,000</b></u>   | <u><b>16,737</b></u>   |
| <b>EXPENDITURES</b>   |                         |                         |                        |
| <b>Public Safety - Police/Communications</b>  |                         |                         |                        |
| Personnel - Compensation  | -                       | -                       | -                      |
| Personnel - Benefits, Taxes & Insurance   | -                       | -                       | -                      |
| Personnel - Compensation  | 218,392                 | 216,557                 | (1,835)                |
| Personnel - Benefits, Taxes & Insurance   | 61,653                  | 56,504                  | (5,149)                |
| Contractual   | 578,813                 | 604,500                 | 25,687                 |
| Commodities   | 45,867                  | 13,500                  | (32,367)               |
| <b>Community Development Grants</b>   |                         |                         |                        |
| Private Non-Profit Agencies   | -                       | -                       | -                      |
| Intergovernmental   | -                       | -                       | -                      |
| <b>Capital Outlay</b>   | 258,394                 | 201,000                 | (57,394)               |
| <b>Debt Service</b>   |                         |                         |                        |
| Principal Retirement  | 49,026                  | 48,362                  | (664)                  |
| Interest Expense  | 5,378                   | 5,951                   | 573                    |
| <b>TOTAL EXPENDITURES</b>   | <u><b>1,217,524</b></u> | <u><b>1,146,374</b></u> | <u><b>(71,150)</b></u> |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u><b>(465,787)</b></u> | <u><b>(411,374)</b></u> | <u><b>(54,413)</b></u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                         |                         |                        |
| Proceeds From Capital Lease   | -                       | -                       | -                      |
| Operating Transfers In  | -                       | -                       | -                      |
| Operating Transfers Out   | -                       | -                       | -                      |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u><b>-</b></u>         | <u><b>-</b></u>         | <u><b>-</b></u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u><b>(465,787)</b></u> | <u><b>(411,374)</b></u> | <u><b>(54,413)</b></u> |
| <b>FUND BALANCE</b>   |                         |                         |                        |
| Beginning of Year   | <u><b>759,504</b></u>   |                         |                        |
| End of Year   | <u><b>293,718</b></u>   |                         |                        |

## SPECIAL REVENUE FUNDS

## LOCAL LAW ENFORCEMENT BLOCK GRANT - ENHANCING SECURITY/CRIME PREVENTION

## Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget &amp; Actual

April 30, 2006

|   | ACTUAL         | BUDGET          | VARIANCE     |
|---|----------------|-----------------|--------------|
| <b>REVENUES</b>   |                |                 |              |
| Intergovernmental   | 48,306         | 46,000          | 2,306        |
| Investment Income   | 3,224          | 1,500           | 1,724        |
| <b>TOTAL REVENUES</b>   | <b>51,530</b>  | <b>47,500</b>   | <b>4,030</b> |
| <b>EXPENDITURES</b>   |                |                 |              |
| <b>Public Safety - Police/Communications</b>  | -              | -               | -            |
| Personnel - Compensation  | -              | -               | -            |
| Personnel - Benefits, Taxes & Insurance   | -              | -               | -            |
| Contractual   | 21,529         | 25,000          | 3,471        |
| Commodities   | -              | -               | -            |
| <b>Community Development Grants</b>   |                |                 |              |
| Private Non-Profit Agencies   | -              | -               | -            |
| Intergovernmental   | -              | -               | -            |
| <b>Capital Outlay</b>   | 32,500         | 32,500          | -            |
| <b>Debt Service</b>   |                |                 |              |
| Principal Retirement  | -              | -               | -            |
| Interest Expense  | -              | -               | -            |
| <b>TOTAL EXPENDITURES</b>   | <b>54,029</b>  | <b>57,500</b>   | <b>3,471</b> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <b>(2,499)</b> | <b>(10,000)</b> | <b>7,501</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                |                 |              |
| Operating Transfers In  | -              | -               | -            |
| Operating Transfers Out   | -              | -               | -            |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>-</b>       | <b>-</b>        | <b>-</b>     |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b>(2,499)</b> | <b>(10,000)</b> | <b>7,501</b> |
| <b>FUND BALANCE</b>   |                |                 |              |
| Beginning of Year   | 9,265          |                 |              |
| End of Year   | 6,766          |                 |              |

**SPECIAL REVENUE FUNDS**  
**LOCAL LAW ENFORCEMENT BLOCK GRANT - REPEAT OFFENDER PROGRAM**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**April 30, 2006**

|   | <u>ACTUAL</u>   | <u>BUDGET</u>   | <u>VARIANCE</u> |
|---|-----------------|-----------------|-----------------|
| <b>REVENUES</b>   |                 |                 |                 |
| Property Tax  | -               | -               | -               |
| Home Rule Sales Tax   | -               | -               | -               |
| Motor Fuel Tax  | -               | -               | -               |
| 911 Emergency Surcharge   | -               | -               | -               |
| Intergovernmental   | -               | -               | -               |
| Fines & Forfeitures   | -               | -               | -               |
| Investment Income   | -               | 100             | (100)           |
| Miscellaneous   | -               | -               | -               |
| <b>TOTAL REVENUES</b>   | <u>-</u>        | <u>100</u>      | <u>(100)</u>    |
| <b>EXPENDITURES</b>   |                 |                 |                 |
| <b>Public Safety - Police/Communications</b>  |                 |                 |                 |
| Personnel - Compensation  | -               | -               | -               |
| Personnel - Benefits, Taxes & Insurance   | -               | -               | -               |
| Contractual   | 4,000           | 32,321          | 28,321          |
| Commodities   | 16,510          | -               | (16,510)        |
| <b>Community Development Grants</b>   |                 |                 |                 |
| Private Non-Profit Agencies   | -               | -               | -               |
| Intergovernmental   | -               | -               | -               |
| <b>Capital Outlay</b>   | 1,778           | -               | (1,778)         |
| <b>Debt Service</b>   |                 |                 |                 |
| Principal Retirement  | -               | -               | -               |
| Interest Expense  | -               | -               | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>22,288</u>   | <u>32,321</u>   | <u>10,033</u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u>(22,288)</u> | <u>(32,221)</u> | <u>9,933</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                 |                 |                 |
| Operating Transfers In  | -               | -               | -               |
| Operating Transfers Out   | -               | -               | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>        | <u>-</u>        | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u>(22,288)</u> | <u>(32,221)</u> | <u>9,933</u>    |
| <b>FUND BALANCE</b>   |                 |                 |                 |
| Beginning of Year   | <u>32,050</u>   |                 |                 |
| End of Year   | <u>9,762</u>    |                 |                 |

**SPECIAL REVENUE FUNDS  
HOMELAND SECURITY**

**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**

*April 30, 2006*

|   | <u>ACTUAL</u>   | <u>BUDGET</u> | <u>VARIANCE</u> |
|---|-----------------|---------------|-----------------|
| <b>REVENUES</b>   |                 |               |                 |
| Property Tax  | -               | -             | -               |
| Home Rule Sales Tax   | -               | -             | -               |
| Grant-Homeland Security-Fire  | -               | -             | -               |
| 911 Emergency Surcharge   | -               | -             | -               |
| Intergovernmental   | 93,983          | 95,371        | (1,388)         |
| Fines & Forfeitures   | -               | -             | -               |
| Investment Income   | -               | -             | -               |
| Miscellaneous   | -               | -             | -               |
| <b>TOTAL REVENUES</b>   | <u>93,983</u>   | <u>95,371</u> | <u>(1,388)</u>  |
| <b>EXPENDITURES</b>   |                 |               |                 |
| <b>Public Safety-Fire</b>   |                 |               |                 |
| Commodities   | 171,512         | 94,576        | (76,936)        |
| <b>TOTAL EXPENDITURES</b>   | <u>171,512</u>  | <u>94,576</u> | <u>(76,936)</u> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(77,529)</u> | <u>795</u>    | <u>(78,324)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                 |               |                 |
| Operating Transfers In  | 23,026          | -             | 23,026          |
| Operating Transfers Out   | (11,374)        | -             | (11,374)        |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>11,652</u>   | <u>-</u>      | <u>11,652</u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(65,877)</u> | <u>795</u>    | <u>(66,672)</u> |
| <b>FUND BALANCE</b>   |                 |               |                 |
| Increase (Decrease) In Fund Balance, Reserved for Inventory<br>Beginning of Year                                      | <u>(23,429)</u> |               |                 |
| End of Year   | <u>(89,306)</u> |               |                 |

SPECIAL REVENUE FUNDS  
TAX INCREMENT FINANCING DISTRICTS -  
**#1 - LAKEFRONT DEVELOPMENT SPECIAL TAX ALLOCATION**  
Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
*April 30, 2006*

|   | ACTUAL        | BUDGET        | VARIANCE        |
|---|---------------|---------------|-----------------|
| <b>REVENUES</b>   |               |               |                 |
| Property Tax  | 59,545        | 60,510        | (965)           |
| Investment Income   | 2,374         | 2,000         | 374             |
| <b>TOTAL REVENUES</b>   | <b>61,919</b> | <b>62,510</b> | <b>(591)</b>    |
| <b>EXPENDITURES</b>   |               |               |                 |
| Economic Development  |               |               |                 |
| Contractual   | 21,477        | 21,000        | (477)           |
| Capital Outlay  | 10,000        | -             | (10,000)        |
| <b>TOTAL EXPENDITURES</b>   | <b>31,477</b> | <b>21,000</b> | <b>(10,477)</b> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <b>30,442</b> | <b>41,510</b> | <b>(11,068)</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |               |               |                 |
| Operating Transfers In  | -             | -             | -               |
| Operating Transfers Out   | -             | -             | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>-</b>      | <b>-</b>      | <b>-</b>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b>30,442</b> | <b>41,510</b> | <b>(11,068)</b> |
| <b>FUND BALANCE</b>   |               |               |                 |
| Beginning of Year   | 22,964        |               |                 |
| End of Year   | 53,406        |               |                 |

**SPECIAL REVENUE FUNDS**  
**TAX INCREMENT FINANCING DISTRICTS -**  
**#4 - LAKEFRONT/DOWNTOWN REDEVELOPMENT SPECIAL TAX ALLOCATION**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**April 30, 2006**

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u>  |
|---|------------------|------------------|------------------|
| <b>REVENUES</b>   |                  |                  |                  |
| Property Tax  | 182,439          | 182,000          | 439              |
| Investment Income   | 7,829            | 7,800            | 29               |
| <b>TOTAL REVENUES</b>   | <u>190,268</u>   | <u>189,800</u>   | <u>468</u>       |
| <b>EXPENDITURES</b>   |                  |                  |                  |
| <b>Economic Development</b>   |                  |                  |                  |
| Personnel - Compensation  | -                | -                | -                |
| Personnel - Benefits, Taxes & Insurance   | -                | -                | -                |
| Contractual   | 267,197          | 160,000          | (107,197)        |
| Commodities   | -                | -                | -                |
| <b>Community Development Grants</b>   |                  |                  |                  |
| Private Non-Profit Agencies   | -                | -                | -                |
| Intergovernmental   | -                | -                | -                |
| <b>Capital Outlay</b>   | 115,534          | 145,000          | 29,466           |
| <b>Debt Service</b>   |                  |                  |                  |
| Principal Retirement  | -                | -                | -                |
| Interest Expense  | 24,912           | -                | (24,912)         |
| <b>TOTAL EXPENDITURES</b>   | <u>407,643</u>   | <u>305,000</u>   | <u>(102,643)</u> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(217,375)</u> | <u>(115,200)</u> | <u>(102,175)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                  |
| Operating Transfers In  | 201,258          | 210,000          | (8,742)          |
| Operating Transfers Out   | -                | -                | -                |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>201,258</u>   | <u>210,000</u>   | <u>(8,742)</u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(16,117)</u>  | <u>94,800</u>    | <u>(110,917)</u> |
| <b>FUND BALANCE</b>   |                  |                  |                  |
| Beginning of Year   | <u>(337,290)</u> |                  |                  |
| End of Year   | <u>(353,406)</u> |                  |                  |

**SPECIAL REVENUE FUNDS**  
**HOME RULE SALES TAX - LAKEFRONT/DOWNTOWN REDEVELOPMENT**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**April 30, 2006**

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|------------------|------------------|-----------------|
| <b>REVENUES</b>   |                  |                  |                 |
| Home Rule Sales Tax   | 1,371,456        | 1,296,981        | 74,475          |
| Theatre Restoration Fees  | -                | -                | -               |
| Investment Income   | 52,612           | 50,000           | 2,612           |
| <b>TOTAL REVENUES</b>   | <u>1,424,068</u> | <u>1,346,981</u> | <u>77,087</u>   |
| <b>EXPENDITURES</b>   |                  |                  |                 |
| <b>Economic Development</b>   |                  |                  |                 |
| Personnel - Compensation  | 117,658          | 115,328          | (2,330)         |
| Personnel - Benefits, Taxes & Insurance   | 40,972           | 39,560           | (1,412)         |
| Contractual   | 675,951          | 784,500          | 108,549         |
| Commodities   | 8,013            | 18,000           | 9,987           |
| <b>Capital Outlay</b>   | 4,781            | 107,500          | 102,719         |
| Interest Expense  | 179,684          | -                | (179,684)       |
| <b>TOTAL EXPENDITURES</b>   | <u>1,027,059</u> | <u>1,064,888</u> | <u>37,829</u>   |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>397,009</u>   | <u>282,093</u>   | <u>114,916</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                 |
| Operating Transfers In  | 150,000          | -                | 150,000         |
| Operating Transfers Out   | (374,008)        | (210,000)        | (164,008)       |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(224,008)</u> | <u>(210,000)</u> | <u>(14,008)</u> |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>173,001</u>   | <u>72,093</u>    | <u>100,908</u>  |
| <b>FUND BALANCE</b>   |                  |                  |                 |
| Beginning of Year   | <u>2,013,255</u> |                  |                 |
| End of Year   | <u>2,186,256</u> |                  |                 |

**SPECIAL REVENUE FUNDS**  
**NEIGHBORHOOD STABILIZATION**  
Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
*April 30, 2006*

|   | <u>ACTUAL</u>   | <u>BUDGET</u>   | <u>VARIANCE</u> |
|---|-----------------|-----------------|-----------------|
| <b>REVENUES</b>   |                 |                 |                 |
| Investment Income   | 7,215           | 7,000           | 215             |
| <b>TOTAL REVENUES</b>   | <u>7,215</u>    | <u>7,000</u>    | <u>215</u>      |
| <b>EXPENDITURES</b>   |                 |                 |                 |
| Community Development   |                 |                 |                 |
| Contractual   | 70,000          | 100,000         | 30,000          |
| <b>TOTAL EXPENDITURES</b>   | <u>70,000</u>   | <u>100,000</u>  | <u>30,000</u>   |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(62,785)</u> | <u>(93,000)</u> | <u>30,215</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                 |                 |                 |
| Operating Transfers In  | -               | -               | -               |
| Operating Transfers Out   | -               | -               | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>        | <u>-</u>        | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(62,785)</u> | <u>(93,000)</u> | <u>30,215</u>   |
| <b>FUND BALANCE</b>   |                 |                 |                 |
| Beginning of Year   | <u>239,731</u>  |                 |                 |
| End of Year   | <u>176,946</u>  |                 |                 |

**SPECIAL REVENUE FUNDS**  
**ILLINOIS/US EPA GRANTS - BROWNFIELDS REDEVELOPMENT INITIATIVE**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**April 30, 2006**

|   | ACTUAL          | 2006<br>BUDGET | VARIANCE        |
|---|-----------------|----------------|-----------------|
| <b>REVENUES</b>   |                 |                |                 |
| Property Tax  | -               | -              | -               |
| Home Rule Sales Tax   | -               | -              | -               |
| Motor Fuel Tax  | -               | -              | -               |
| 911 Emergency Surcharge   | -               | -              | -               |
| Intergovernmental   | 138,516         | 152,353        | (13,837)        |
| Fines & Forfeitures   | -               | -              | -               |
| Investment Income   | -               | -              | -               |
| Miscellaneous   | 11,786          | -              | 11,786          |
| <b>REVENUES</b>   | <b>150,302</b>  | <b>152,353</b> | <b>(2,051)</b>  |
| <b>EXPENDITURES</b>   |                 |                |                 |
| <b>Sanitation &amp; Environment</b>   |                 |                |                 |
| Contractual   | 167,799         | 117,478        | (50,321)        |
| Commodities   | -               | -              | -               |
| <b>Community Development Grants</b>   |                 |                |                 |
| Private Non-Profit Agencies   | -               | -              | -               |
| Intergovernmental   | -               | -              | -               |
| <b>Capital Outlay</b>   | 41,968          | -              | (41,968)        |
| <b>Debt Service</b>   |                 |                |                 |
| Principal Retirement  | -               | -              | -               |
| Interest Expense  | 178             | -              | (178)           |
| <b>TOTAL EXPENDITURES</b>   | <b>209,946</b>  | <b>117,478</b> | <b>(92,468)</b> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <b>(59,643)</b> | <b>34,875</b>  | <b>(94,518)</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                 |                |                 |
| Operating Transfers In  | 52,750          | 52,750         | -               |
| Operating Transfers Out   | -               | -              | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>52,750</b>   | <b>52,750</b>  | <b>-</b>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b>(6,893)</b>  | <b>87,625</b>  | <b>(94,518)</b> |
| <b>FUND BALANCE</b>   |                 |                |                 |
| Beginning of Year   | -               |                |                 |
| End of Year   | <b>(6,893)</b>  |                |                 |

**SPECIAL REVENUE FUNDS  
WETLANDS MITIGATION**

**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**

*April 30, 2006*

|   | <u>ACTUAL</u> | <u>BUDGET</u>   | <u>VARIANCE</u> |
|---|---------------|-----------------|-----------------|
| <b>REVENUES</b>   |               |                 |                 |
| Fees - Wetland Mitigation   | 4,500         | 4,500           |                 |
| Investment Income   | 1,250         | 1,100           | 150             |
| <b>TOTAL REVENUES</b>   | <u>5,750</u>  | <u>5,600</u>    | <u>150</u>      |
| <b>EXPENDITURES</b>   |               |                 |                 |
| <b>Sanitation &amp; Environment</b>   |               |                 |                 |
| Contractual   | -             | 34,419          | 34,419          |
| <b>TOTAL EXPENDITURES</b>   | <u>-</u>      | <u>34,419</u>   | <u>34,419</u>   |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>5,750</u>  | <u>(28,819)</u> | <u>34,569</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |               |                 |                 |
| Operating Transfers In  | -             | -               | -               |
| Operating Transfers Out   | -             | -               | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>      | <u>-</u>        | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>5,750</u>  | <u>(28,819)</u> | <u>34,569</u>   |
| <b>FUND BALANCE</b>   |               |                 |                 |
| Beginning of Year   | <u>34,245</u> |                 |                 |
| End of Year   | <u>39,995</u> |                 |                 |

**SPECIAL REVENUE FUNDS**  
**ENVIRONMENT REMEDIATION**  
Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
*April 30, 2006*

|   | ACTUAL             | BUDGET             | VARIANCE         |
|---|--------------------|--------------------|------------------|
| <b>REVENUES</b>   |                    |                    |                  |
| Property Tax  | -                  | -                  | -                |
| Home Rule Sales Tax   | -                  | -                  | -                |
| Motor Fuel Tax  | -                  | -                  | -                |
| 911 Emergency Surcharge   | -                  | -                  | -                |
| Intergovernmental   | 18,992             | 22,488             | (3,496)          |
| Fines & Forfeitures   | -                  | -                  | -                |
| Investment Income   | 6,724              | -                  | 6,724            |
| Miscellaneous-Developer Fees  | -                  | -                  | -                |
| <b>TOTAL REVENUES</b>   | <b>25,716</b>      | <b>22,488</b>      | <b>3,228</b>     |
| <b>EXPENDITURES</b>   |                    |                    |                  |
| <b>Sanitation &amp; Environment</b>   |                    |                    |                  |
| Personnel - Compensation  | -                  | -                  | -                |
| Personnel - Benefits, Taxes & Insurance   | -                  | -                  | -                |
| Contractual   | 1,666,721          | 1,654,500          | (12,221)         |
| Commodities   | -                  | -                  | -                |
| <b>Community Development Grants</b>   |                    |                    |                  |
| Private Non-Profit Agencies   | -                  | -                  | -                |
| Intergovernmental   | -                  | -                  | -                |
| <b>Capital Outlay</b>   | -                  | -                  | -                |
| <b>Debt Service</b>   |                    |                    |                  |
| Principal Retirement  | -                  | -                  | -                |
| Interest Expense  | -                  | -                  | -                |
| <b>TOTAL EXPENDITURES</b>   | <b>1,666,721</b>   | <b>1,654,500</b>   | <b>(12,221)</b>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <b>(1,641,005)</b> | <b>(1,632,012)</b> | <b>(8,993)</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                    |                    |                  |
| Sale/Trades of General Fixed Assets   | -                  | -                  | -                |
| Operating Transfers In  | -                  | 333,806            | (333,806)        |
| Operating Transfers Out   | -                  | -                  | -                |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>-</b>           | <b>333,806</b>     | <b>(333,806)</b> |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <b>(1,641,005)</b> | <b>(1,298,206)</b> | <b>(342,799)</b> |
| <b>FUND BALANCE</b>   |                    |                    |                  |
| Beginning of Year   | 335,618            |                    |                  |
| End of Year   | (1,305,387)        |                    |                  |

**SPECIAL REVENUE FUNDS**  
**GENESEE THEATRE (OPERATIONS)**  
Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
*April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u> | <u>VARIANCE</u>  |
|---|------------------|---------------|------------------|
| <b>REVENUES</b>   |                  |               |                  |
| Theatre Rental/Sales Income   | 526,109          | -             | 526,109          |
| Sponsorships  | 194,832          | -             | 194,832          |
| Investment Income   | 10,932           | -             | 10,932           |
| <b>TOTAL REVENUES</b>   | <u>731,873</u>   | <u>-</u>      | <u>731,873</u>   |
| <b>EXPENDITURES</b>   |                  |               |                  |
| <b>Culture &amp; Recreation</b>   |                  |               |                  |
| Contractual   | 916,899          | -             | (916,899)        |
| Commodities   | 18,784           | -             | (18,784)         |
| <b>Capital Outlay</b>   | 9,304            | -             | (9,304)          |
| <b>TOTAL EXPENDITURES</b>   | <u>944,987</u>   | <u>-</u>      | <u>(944,987)</u> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(213,114)</u> | <u>-</u>      | <u>(213,114)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |               |                  |
| Operating Transfers In  | 120,000          | -             | 120,000          |
| Operating Transfers Out   | -                | -             | -                |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>120,000</u>   | <u>-</u>      | <u>120,000</u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(93,114)</u>  | <u>-</u>      | <u>(93,114)</u>  |
| <b>FUND BALANCE</b>   |                  |               |                  |
| Beginning of Year   | <u>(528)</u>     |               |                  |
| End of Year   | <u>(93,642)</u>  |               |                  |

# Capital Project Funds

**CAPITAL PROJECTS FUNDS**  
Combining Balance Sheet  
April 30, 2006

|   | G.O. Bonds - Capital Projects |                                  |             |                        |                          |                        |                         | Totals           |
|---|-------------------------------|----------------------------------|-------------|------------------------|--------------------------|------------------------|-------------------------|------------------|
|   | Streets & Sidewalks           | Series 1992 Capital Improvements | Series 2001 | Ser. 2001A Cap. Imprv. | Series 2004B Cap. Imprv. | Ser. 2003A Cap. Imprv. | Ser. 2005 Special Assmt |                  |
| <b>ASSETS</b>                             |                               |                                  |             |                        |                          |                        |                         |                  |
| Cash & Cash Equivalents                   | 84,550                        | 282,476                          | -           | 66,873                 | 757,001                  | -                      | 639,133                 | 1,930,133        |
| Investments                               | -                             | 3,216,058                        | -           | -                      | -                        | -                      | -                       | 3,216,058        |
| Receivables:                              |                               |                                  |             |                        |                          |                        |                         |                  |
| Accrued Investment Income                 | -                             | 427                              | -           | 99                     | 1,011                    | -                      | 581                     | 2,118            |
| Home Rule Sales Tax                       | 244,536                       | -                                | -           | -                      | -                        | -                      | -                       | 244,536          |
| Due From Other Funds                      | -                             | -                                | 772         | -                      | -                        | -                      | -                       | 772              |
| <b>TOTAL ASSETS</b>                       | <b>329,086</b>                | <b>3,498,961</b>                 | <b>772</b>  | <b>67,072</b>          | <b>758,012</b>           | <b>-</b>               | <b>639,714</b>          | <b>5,293,617</b> |
| <b>LIABILITIES AND FUND BALANCE</b>       |                               |                                  |             |                        |                          |                        |                         |                  |
| <b>Liabilities</b>                        |                               |                                  |             |                        |                          |                        |                         |                  |
| Accounts Payable                          | 300,231                       | -                                | -           | 44,157                 | -                        | -                      | 1,092                   | 345,480          |
| Construction Costs/Retainage Payable      | -                             | -                                | -           | -                      | 85,000                   | 10,614                 | -                       | 95,614           |
| Deferred Revenue-Home Rule Sales Tax      | 91,432                        | -                                | -           | -                      | -                        | -                      | -                       | 91,432           |
| Due to Other Funds                        | 306,700                       | -                                | -           | -                      | -                        | 339                    | -                       | 307,039          |
| <b>Total Liabilities</b>                  | <b>698,363</b>                | <b>-</b>                         | <b>-</b>    | <b>44,157</b>          | <b>85,000</b>            | <b>10,953</b>          | <b>1,092</b>            | <b>839,565</b>   |
| <b>Fund Balance</b>                       |                               |                                  |             |                        |                          |                        |                         |                  |
| Reserved for:                             |                               |                                  |             |                        |                          |                        |                         |                  |
| Capital Projects                          | -                             | 3,498,961                        | 772         | 22,915                 | 673,012                  | (10,953)               | 639,622                 | 1,324,368        |
| Unreserved & Undesignated                 | (369,277)                     | -                                | -           | -                      | -                        | -                      | -                       | 3,129,694        |
| <b>Total Fund Balance</b>                 | <b>(369,277)</b>              | <b>3,498,961</b>                 | <b>772</b>  | <b>22,915</b>          | <b>673,012</b>           | <b>(10,953)</b>        | <b>639,622</b>          | <b>4,454,052</b> |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> | <b>329,086</b>                | <b>3,498,961</b>                 | <b>772</b>  | <b>67,072</b>          | <b>758,012</b>           | <b>-</b>               | <b>639,714</b>          | <b>5,293,617</b> |

**CAPITAL PROJECTS FUNDS**  
**Combining Statement Of Revenues, Expenditures, and Changes in Fund Balance**  
**April 30, 2006**

|   | G.O. Bonds - Capital Projects |                         |                         |                          |                          |                          | Totals             |
|---|-------------------------------|-------------------------|-------------------------|--------------------------|--------------------------|--------------------------|--------------------|
|   | Streets & Sidewalks           | Series 1992 Cap. Imprv. | Series 2001 Cap. Imprv. | Series 2001A Cap. Imprv. | Series 2004B Cap. Imprv. | Series 2003A Cap. Imprv. |                    |
| <b>REVENUES</b>   |                               |                         |                         |                          |                          |                          |                    |
| Home Rule Sales Tax   | 979,380                       | -                       | -                       | -                        | -                        | 120                      | 979,500            |
| Intergovernmental Revenue   | 15,834                        | -                       | -                       | -                        | -                        | -                        | 15,834             |
| Investment Income   | 299                           | 101,559                 | 4,125                   | 36,904                   | 30,498                   | 12,704                   | 185,989            |
| <b>TOTAL REVENUES</b>   | <b>995,513</b>                | <b>101,559</b>          | <b>4,125</b>            | <b>36,804</b>            | <b>30,618</b>            | <b>12,704</b>            | <b>1,181,323</b>   |
| <b>EXPENDITURES</b>   |                               |                         |                         |                          |                          |                          |                    |
| <b>Current Operating</b>  |                               |                         |                         |                          |                          |                          |                    |
| General Government  | -                             | -                       | -                       | -                        | -                        | -                        | -                  |
| Economic Development  | -                             | -                       | -                       | -                        | 2,128,414                | -                        | 4,443,329          |
| Streets, Sidewalks, & Other Pub. Works  | 74,279                        | -                       | -                       | -                        | -                        | -                        | 74,279             |
| Sanitation & Environment  | -                             | -                       | -                       | -                        | -                        | -                        | -                  |
| Culture and Recreation  | -                             | -                       | -                       | -                        | -                        | -                        | -                  |
| <b>Capital Outlay</b>   | 1,883,131                     | -                       | 33,980                  | 348,166                  | -                        | -                        | 2,265,287          |
| <b>Debt Service</b>   |                               |                         |                         |                          |                          |                          |                    |
| Bond Issuance Costs   | -                             | -                       | -                       | 9,000                    | -                        | -                        | 191,364            |
| Principal Retirement-Capital Lease  | -                             | -                       | -                       | 59,384                   | -                        | -                        | 59,384             |
| Interest Expense  | 13,483                        | -                       | 7,125                   | -                        | -                        | -                        | 21,515             |
| <b>TOTAL EXPENDITURES</b>   | <b>1,970,903</b>              | <b>-</b>                | <b>109,500</b>          | <b>349,166</b>           | <b>2,129,310</b>         | <b>2,497,299</b>         | <b>7,056,178</b>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <b>(975,390)</b>              | <b>101,559</b>          | <b>(105,375)</b>        | <b>(312,362)</b>         | <b>(2,098,692)</b>       | <b>(2,484,595)</b>       | <b>(5,874,855)</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                               |                         |                         |                          |                          |                          |                    |
| Bond Proceeds   | -                             | -                       | -                       | -                        | -                        | -                        | 3,695,000          |
| Bond Issuance Premium/(Discount)  | -                             | -                       | -                       | -                        | -                        | -                        | -                  |
| Operating Transfers In  | 600,000                       | 157,015                 | -                       | -                        | -                        | -                        | 757,015            |
| Operating Transfers Out   | -                             | (1,754,000)             | -                       | (150,000)                | (68,798)                 | (571,783)                | (2,584,581)        |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>600,000</b>                | <b>(1,754,000)</b>      | <b>157,015</b>          | <b>(150,000)</b>         | <b>(88,798)</b>          | <b>3,123,217</b>         | <b>1,887,434</b>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <b>(375,390)</b>              | <b>(1,652,441)</b>      | <b>157,015</b>          | <b>(462,362)</b>         | <b>(2,187,490)</b>       | <b>638,622</b>           | <b>(3,987,421)</b> |
| <b>FUND BALANCE</b>   |                               |                         |                         |                          |                          |                          |                    |
| Beginning of Year   | 6,113                         | 5,151,402               | (156,243)               | 128,290                  | 1,135,374                | -                        | 8,441,473          |
| End of Year   | (369,277)                     | 3,498,961               | 772                     | 22,915                   | 673,012                  | 638,622                  | 4,454,052          |

**CAPITAL PROJECTS FUNDS**  
**STREETS AND SIDEWALKS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u>  |
|---|------------------|------------------|------------------|
| <b>REVENUES</b>   |                  |                  |                  |
| Home Rule Sales Tax   | 979,380          | 1,058,064        | (78,684)         |
| Investment Income   | 299              | 1,000            | (701)            |
| Intergovernmental Revenue   | 15,834           | 15,834           | -                |
| <b>TOTAL REVENUES</b>   | <u>995,513</u>   | <u>1,074,898</u> | <u>(79,385)</u>  |
| <b>EXPENDITURES</b>   |                  |                  |                  |
| <b>Streets, Sidewalks, Public Works</b>   |                  |                  |                  |
| Contractual Services  | -                | -                | -                |
| Commodities - Concrete/Asphalt Patch  | 74,279           | 62,000           | (12,279)         |
| <b>Capital Outlay</b>   |                  |                  |                  |
| Improvements  | 35,548           | -                | (35,548)         |
| Equipment   | 24,188           | -                | (24,188)         |
| Streets/Sidewalks/Bridges Improvements  | 1,823,395        | 1,593,000        | (230,395)        |
| <b>Debt Service</b>   |                  |                  |                  |
| Interest Expense  | 13,493           | -                | (13,493)         |
| <b>TOTAL EXPENDITURES</b>   | <u>1,970,903</u> | <u>1,655,000</u> | <u>(315,903)</u> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(975,390)</u> | <u>(580,102)</u> | <u>(395,288)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                  |
| Operating Transfers In  | 600,000          | 600,000          | -                |
| Operating Transfers Out   | -                | -                | -                |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>600,000</u>   | <u>600,000</u>   | <u>-</u>         |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(375,390)</u> | <u>19,898</u>    | <u>(395,288)</u> |
| <b>FUND BALANCE</b>   |                  |                  |                  |
| Beginning of Year   | <u>6,113</u>     |                  |                  |
| End of Year   | <u>(369,277)</u> |                  |                  |

**CAPITAL PROJECTS FUNDS**  
**CAPITAL IMPROVEMENTS FUNDS-1992 G.O. REFUNDING BONDS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**

*April 30, 2006*

|   | <u>ACTUAL</u>      | <u>BUDGET</u>      | <u>VARIANCE</u> |
|---|--------------------|--------------------|-----------------|
| <b>REVENUES</b>   |                    |                    |                 |
| Investment Income   | 101,559            | 72,800             | 28,759          |
| <b>TOTAL REVENUES</b>   | <u>101,559</u>     | <u>72,800</u>      | <u>28,759</u>   |
| <b>EXPENDITURES</b>   |                    |                    |                 |
| <b>General Government</b>   |                    |                    |                 |
| Contractual Services-Fixed Asset Accounting   | -                  | -                  | -               |
| <b>Capital Outlay</b>   |                    |                    |                 |
| Fire Truck  | -                  | -                  | -               |
| City Hall Furnishings   | -                  | -                  | -               |
| <b>Debt Service</b>   |                    |                    |                 |
| Principal Retirement-Capital Lease  | -                  | -                  | -               |
| Interest Expense-Capital Lease  | -                  | -                  | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>-</u>           | <u>-</u>           | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>101,559</u>     | <u>72,800</u>      | <u>28,759</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                    |                    |                 |
| Operating Transfers In  | -                  | -                  | -               |
| Operating Transfers Out   | (1,754,000)        | (1,754,000)        | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(1,754,000)</u> | <u>(1,754,000)</u> | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(1,652,441)</u> | <u>(1,681,200)</u> | <u>28,759</u>   |
| <b>FUND BALANCE</b>   |                    |                    |                 |
| Beginning of Year   | <u>5,151,402</u>   |                    |                 |
| End of Year   | <u>3,498,961</u>   |                    |                 |

**CAPITAL PROJECTS FUNDS**  
**2001 G.O. BONDS - CAPITAL IMPROVEMENTS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|------------------|------------------|-----------------|
| <b>REVENUES</b>   |                  |                  |                 |
| Investment Income   | -                | 5,300            | (5,300)         |
| <b>TOTAL REVENUES</b>   | <u>-</u>         | <u>5,300</u>     | <u>(5,300)</u>  |
| <b>EXPENDITURES</b>   |                  |                  |                 |
| <b>Contractual Services</b>   |                  |                  |                 |
| Engineering Services  | -                | 7,528            | 7,528           |
| <b>TOTAL EXPENDITURES</b>   | <u>-</u>         | <u>7,528</u>     | <u>7,528</u>    |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>-</u>         | <u>(2,228)</u>   | <u>2,228</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                 |
| Operating Transfers In  | 157,015          | -                | 157,015         |
| Operating Transfers Out   | -                | (333,806)        | 333,806         |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>157,015</u>   | <u>(333,806)</u> | <u>490,821</u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>157,015</u>   | <u>(336,034)</u> | <u>493,049</u>  |
| <b>FUND BALANCE</b>   |                  |                  |                 |
| Beginning of Year   | <u>(156,243)</u> | -                |                 |
| End of Year   | <u>772</u>       |                  |                 |

**CAPITAL PROJECTS FUNDS**  
**2001A G.O. BONDS - CAPITAL IMPROVEMENTS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u>   | <u>VARIANCE</u> |
|---|------------------|-----------------|-----------------|
| <b>REVENUES</b>   |                  |                 |                 |
| Investment Income   | 4,125            | 3,803           | 322             |
| <b>TOTAL REVENUES</b>   | <u>4,125</u>     | <u>3,803</u>    | <u>322</u>      |
| <b>EXPENDITURES</b>   |                  |                 |                 |
| <b>General Government</b>   |                  |                 |                 |
| Contractual Services  | -                | -               | -               |
| Commodities   | -                | -               | -               |
| <b>Capital Outlay</b>   |                  |                 |                 |
| New City Hall Construction  | 33,990           | 59,384          | 25,394          |
| New City Hall Phone System  | -                | -               | -               |
| New City Hall Furniture   | -                | -               | -               |
| <b>Debt Service</b>   |                  |                 |                 |
| Bond Issuance Costs   | 9,000            | -               | (9,000)         |
| Principal Retirement-Capital Lease  | 59,384           | -               | (59,384)        |
| Interest Expense-Capital Lease  | 7,126            | 7,126           | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>109,500</u>   | <u>66,510</u>   | <u>(42,990)</u> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(105,375)</u> | <u>(62,707)</u> | <u>(42,668)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                 |                 |
| Bond Anticipation Note Proceeds   | -                | -               | -               |
| Operating Transfers In  | -                | -               | -               |
| Operating Transfers Out   | -                | -               | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>         | <u>-</u>        | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(105,375)</u> | <u>(62,707)</u> | <u>(42,668)</u> |
| <b>FUND BALANCE</b>   |                  |                 |                 |
| Beginning of Year   | <u>128,290</u>   |                 |                 |
| End of Year   | <u>22,915</u>    |                 |                 |

**CAPITAL PROJECTS FUNDS**  
**2004B G.O. BONDS - CAPITAL IMPROVEMENTS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|------------------|------------------|-----------------|
| <b>REVENUES</b>   |                  |                  |                 |
| Investment Income   | 36,804           | 35,000           | 1,804           |
| <b>TOTAL REVENUES</b>   | <u>36,804</u>    | <u>35,000</u>    | <u>1,804</u>    |
| <b>EXPENDITURES</b>   |                  |                  |                 |
| <b>Culture &amp; Recreation</b>   |                  |                  |                 |
| Contractual Svcs.   | -                | -                | -               |
| Commodities   | -                | -                | -               |
| <b>Capital Outlay</b>   |                  |                  |                 |
| Genesee Theatre Construction & Equipment  | 349,166          | 349,160          | (6)             |
| <b>Debt Service</b>   |                  |                  |                 |
| Interest Expense  | -                | -                | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>349,166</u>   | <u>349,160</u>   | <u>(6)</u>      |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(312,362)</u> | <u>(314,160)</u> | <u>1,798</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                 |
| Bond Anticipation Notes   | -                | -                | -               |
| Operating Transfers In  | -                | -                | -               |
| Operating Transfers Out   | (150,000)        | (150,000)        | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(150,000)</u> | <u>(150,000)</u> | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>(462,362)</u> | <u>(464,160)</u> | <u>1,798</u>    |
| <b>FUND BALANCE</b>   |                  |                  |                 |
| Beginning of Year   | <u>1,135,374</u> |                  |                 |
| End of Year   | <u>673,012</u>   |                  |                 |

**CAPITAL PROJECTS FUNDS**  
**2003A G.O. BONDS - CAPITAL IMPROVEMENTS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*April 30, 2006*

|   | ACTUAL             | BUDGET             | VARIANCE        |
|---|--------------------|--------------------|-----------------|
| <b>REVENUES</b>   |                    |                    |                 |
| Investment Income   | 30,498             | 30,500             | (2)             |
| Property Tax  | 120                | -                  | 120             |
| <b>TOTAL REVENUES</b>   | <b>30,618</b>      | <b>30,500</b>      | <b>118</b>      |
| <b>EXPENDITURES</b>   |                    |                    |                 |
| <b>Economic Development</b>   |                    |                    |                 |
| Contractual Svcs  | 13,419             | -                  | (13,419)        |
| Legal Services  | 2,885              | -                  | (2,885)         |
| Lakehurst Land/Redevelopment Costs-City Share   | 2,112,110          | 2,130,000          | 17,890          |
| <b>Debt Service</b>   |                    |                    |                 |
| Interest Expense  | 896                | -                  | (896)           |
| <b>TOTAL EXPENDITURES</b>   | <b>2,129,310</b>   | <b>2,130,000</b>   | <b>690</b>      |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <b>(2,098,692)</b> | <b>(2,099,500)</b> | <b>808</b>      |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                    |                    |                 |
| Operating Transfers In  | -                  | -                  | -               |
| Operating Transfers Out   | (88,798)           | -                  | (88,798)        |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>(88,798)</b>    | <b>-</b>           | <b>(88,798)</b> |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b>(2,187,490)</b> | <b>(2,099,500)</b> | <b>(87,990)</b> |
| <b>FUND BALANCE</b>   |                    |                    |                 |
| Beginning of Year   | 2,176,537          |                    |                 |
| End of Year   | (10,953)           |                    |                 |

**CAPITAL PROJECTS FUNDS**  
**2005 SPECIAL ASSESSMENT BONDS-FOUNTAIN SQUARE**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*April 30, 2006*

|   | <u>ACTUAL</u>      | <u>BUDGET</u> | <u>VARIANCE</u>    |
|---|--------------------|---------------|--------------------|
| <b>REVENUES</b>   |                    |               |                    |
| Investment Income   | 12,704             | 11,000        | 1,704              |
| <b>TOTAL REVENUES</b>   | <u>12,704</u>      | <u>11,000</u> | <u>1,704</u>       |
| <b>EXPENDITURES</b>   |                    |               |                    |
| <b>Economic Development</b>   |                    |               |                    |
| Legal Services  | 1,092              | -             | (1,092)            |
| Special Assessment Project Expense  | 2,313,823          | -             | (2,313,823)        |
| Fire Station/Access Road Construction   | -                  | -             | -                  |
| Fire Station Renovation   | -                  | -             | -                  |
| <b>Debt Service</b>   |                    |               |                    |
| Bond Issuance Costs   | 182,384            | -             | (182,384)          |
| Principal Retirement  | -                  | -             | -                  |
| Interest Expense  | -                  | -             | -                  |
| <b>TOTAL EXPENDITURES</b>   | <u>2,497,299</u>   | <u>-</u>      | <u>(2,497,299)</u> |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u>(2,484,595)</u> | <u>11,000</u> | <u>(2,495,595)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                    |               |                    |
| Bond Proceeds   | 3,695,000          | -             | 3,695,000          |
| Bond Issuance Premium/(Discount)  | -                  | -             | -                  |
| Operating Transfers In  | -                  | -             | -                  |
| Operating Transfers Out   | (571,783)          | -             | (571,783)          |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>3,123,217</u>   | <u>-</u>      | <u>3,123,217</u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u>638,622</u>     | <u>11,000</u> | <u>627,622</u>     |
| <b>FUND BALANCE</b>   |                    |               |                    |
| Beginning of Year   | -                  |               |                    |
| End of Year   | <u>638,622</u>     |               |                    |

# **Debt Service Fund**

DEBT SERVICE FUND

Schedule of Assets, Liabilities & Fund Balance - By Bond Issue

April 30, 2006

|   | Spec Tx Bds    | General Obligation Bonds     |                             |                            |                            |                             |                              | Bds |
|---|----------------|------------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|------------------------------|-----|
|   |                | Fountain Sq<br>2005 Sp Assmt | \$1,715,000<br>Series 1994B | \$9,760,000<br>Series 1998 | \$6,550,000<br>Series 2000 | \$20,000,000<br>Series 2001 | \$11,000,000<br>Series 2001A |     |
| <b>ASSETS</b>                             |                |                              |                             |                            |                            |                             |                              |     |
| Cash & Cash Equivalents                   | 83             | -                            | 1,084                       | 21                         | 62,610                     | 783                         | 637                          |     |
| Investments                               | 571,700        | -                            | 31,000                      | 476,900                    | 49,000                     | 202,400                     | 216,000                      |     |
| Taxes Receivable, Net of Uncollectibles:  |                |                              |                             |                            |                            |                             |                              |     |
| Property                                  | -              | -                            | 1,133,296                   | -                          | -                          | 758,055                     | 310,676                      |     |
| Home Rule Sales Tax                       | -              | -                            | -                           | -                          | -                          | -                           | -                            |     |
| Other Receivables:                        |                |                              |                             |                            |                            |                             |                              |     |
| Accrued Investment Income                 | 6,704          | -                            | 364                         | 5,592                      | 575                        | 2,373                       | 2,533                        |     |
| Advance to Waukegan Port District         | -              | -                            | -                           | 1,834,400                  | -                          | -                           | -                            |     |
| Due From Other Funds                      | -              | -                            | 100,000                     | -                          | -                          | -                           | 6,115                        |     |
| <b>TOTAL ASSETS</b>                       | <b>578,487</b> | <b>-</b>                     | <b>1,265,744</b>            | <b>2,316,913</b>           | <b>112,185</b>             | <b>963,611</b>              | <b>535,961</b>               |     |
| <b>LIABILITIES AND FUND BALANCE</b>       |                |                              |                             |                            |                            |                             |                              |     |
| <b>Liabilities</b>                        |                |                              |                             |                            |                            |                             |                              |     |
| Accounts Payable                          | -              | -                            | -                           | -                          | -                          | -                           | -                            | 825 |
| Interfund Loans                           | -              | -                            | -                           | -                          | -                          | -                           | -                            | -   |
| Due to Other Funds                        | -              | -                            | 5,544                       | 145,243                    | -                          | -                           | -                            | -   |
| Deferred Revenue:                         |                |                              |                             |                            |                            |                             |                              |     |
| Property Taxes                            | -              | -                            | 1,133,295                   | -                          | -                          | 758,055                     | 310,676                      |     |
| Home Rule Sales Tax                       | -              | -                            | -                           | -                          | -                          | -                           | -                            |     |
| Advance to Waukegan Port District         | -              | -                            | -                           | 1,834,400                  | -                          | -                           | -                            |     |
| <b>Total Liabilities</b>                  | <b>-</b>       | <b>-</b>                     | <b>1,138,839</b>            | <b>1,979,643</b>           | <b>-</b>                   | <b>758,055</b>              | <b>311,501</b>               |     |
| <b>Fund Balance</b>                       |                |                              |                             |                            |                            |                             |                              |     |
| Reserved for Debt Service                 | 578,487        | -                            | 126,905                     | 337,270                    | 112,185                    | 205,556                     | 224,460                      |     |
| Unreserved & Undesignated                 | -              | -                            | -                           | -                          | -                          | -                           | -                            |     |
| <b>Total Fund Balance</b>                 | <b>578,487</b> | <b>-</b>                     | <b>126,905</b>              | <b>337,270</b>             | <b>112,185</b>             | <b>205,556</b>              | <b>224,460</b>               |     |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> | <b>578,487</b> | <b>-</b>                     | <b>1,265,744</b>            | <b>2,316,913</b>           | <b>112,185</b>             | <b>963,611</b>              | <b>535,961</b>               |     |

DEBT SERVICE FUND

Schedule of Assets, Liabilities & Fund Balance - By Bond Issue (cont.)

April 30, 2006

|   | \$26,000,000<br>Series 2003A | \$2,545,000<br>Series 2003B | Lewis Ave. TIF<br>(2003B Debt Svc) | Refunding<br>Bids \$625,000<br>Series 2003C | \$8,425,000<br>Series 2004A | \$9,450,000<br>Series 2004B | \$24,760,000<br>Series 2005A | General Use                            |  | Totals           |
|---|------------------------------|-----------------------------|------------------------------------|---|-----------------------------|-----------------------------|------------------------------|--|--|------------------|
|   |                              |                             |                                    |   |                             |                             |                              | Home Rule<br>Sales Tax-Debt<br>Service | Home Rule<br>Sales Tax-Debt<br>Service |                  |
| <b>ASSETS</b>                             |                              |                             |                                    |   |                             |                             |                              |  |  |                  |
| Cash & Cash Equivalents                   | 174                          | -                           | 93                                 | 223   | -                           | 81                          | -                            | 126,307                                | -                                      | 192,096          |
| Investments                               | 8,600                        | -                           | 53,500                             | 136,000                                     | -                           | 117,000                     | 560,000                      | -                                      | -                                      | 2,422,100        |
| Taxes Receivable, Net of Uncollectibles:  |                              |                             |                                    |   |                             |                             |                              |  |  |                  |
| Property                                  | 607,251                      | -                           | 248,897                            | 277,876                                     | -                           | -                           | 999,574                      | -                                      | -                                      | 4,335,625        |
| Home Rule Sales Tax                       | -                            | -                           | -                                  | -   | -                           | -                           | -                            | 244,536                                | -                                      | 244,536          |
| Other Receivables:                        |                              |                             |                                    |   |                             |                             |                              |  |  |                  |
| Accrued Investment Income                 | 101                          | -                           | 79                                 | 1,969                                       | -                           | 1,372                       | 3,884                        | -                                      | -                                      | 25,546           |
| Advance to Waukegan Port District         | -                            | -                           | -                                  | -   | -                           | -                           | -                            | -                                      | -                                      | 1,834,400        |
| Due From Other Funds                      | 339                          | 373,712                     | -                                  | -   | -                           | -                           | -                            | 1,357                                  | -                                      | 481,523          |
| <b>TOTAL ASSETS</b>                       | <b>616,465</b>               | <b>373,712</b>              | <b>302,569</b>                     | <b>416,068</b>                              | <b>-</b>                    | <b>118,453</b>              | <b>1,563,458</b>             | <b>372,200</b>                         | <b>-</b>                               | <b>9,535,826</b> |
| <b>LIABILITIES AND FUND BALANCE</b>       |                              |                             |                                    |   |                             |                             |                              |  |  |                  |
| <b>Liabilities</b>                        |                              |                             |                                    |   |                             |                             |                              |  |  |                  |
| Accounts Payable                          | 200                          | -                           | 3,000                              | -   | -                           | 200                         | -                            | -                                      | -                                      | 4,225            |
| Interfund Loans                           | -                            | -                           | -                                  | -   | -                           | -                           | -                            | -                                      | -                                      | -                |
| Due to Other Funds                        | -                            | -                           | -                                  | 1,170                                       | -                           | 187                         | -                            | -                                      | -                                      | 152,144          |
| Deferred Revenue:                         |                              |                             |                                    |   |                             |                             |                              |  |  |                  |
| Property Taxes                            | 607,251                      | -                           | 248,897                            | 277,876                                     | -                           | -                           | 999,574                      | -                                      | -                                      | 4,335,624        |
| Home Rule Sales Tax                       | -                            | -                           | -                                  | -   | -                           | -                           | -                            | 91,431                                 | -                                      | 91,431           |
| Advance to Waukegan Port District         | -                            | -                           | -                                  | -   | -                           | -                           | -                            | -                                      | -                                      | 1,834,400        |
| <b>Total Liabilities</b>                  | <b>607,451</b>               | <b>-</b>                    | <b>251,897</b>                     | <b>279,046</b>                              | <b>-</b>                    | <b>387</b>                  | <b>999,574</b>               | <b>91,431</b>                          | <b>-</b>                               | <b>6,417,824</b> |
| <b>Fund Balance</b>                       |                              |                             |                                    |   |                             |                             |                              |  |  |                  |
| Reserved for Debt Service                 | 9,014                        | 373,712                     | 50,672                             | 137,022                                     | -                           | 118,066                     | 563,884                      | -                                      | -                                      | 2,837,233        |
| Unreserved & Undesignated                 | -                            | -                           | -                                  | -   | -                           | -                           | -                            | 280,769                                | -                                      | 280,769          |
| <b>Total Fund Balance</b>                 | <b>9,014</b>                 | <b>373,712</b>              | <b>50,672</b>                      | <b>137,022</b>                              | <b>-</b>                    | <b>118,066</b>              | <b>563,884</b>               | <b>280,769</b>                         | <b>-</b>                               | <b>3,118,902</b> |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> | <b>616,465</b>               | <b>373,712</b>              | <b>302,569</b>                     | <b>416,068</b>                              | <b>-</b>                    | <b>118,453</b>              | <b>1,563,458</b>             | <b>372,200</b>                         | <b>-</b>                               | <b>9,535,826</b> |

**DEBT SERVICE FUND**

**Combining Schedule Of Revenues, Expenditures, and Changes in Fund Balance - By Bond Issue**

Year Ended April 30, 2006

|   | Spec Tx Bds    | General Obligation Bonds     |                             |                            |                            |                             | Refunding Bds      |                              |  |
|---|----------------|------------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|--------------------|------------------------------|--|
|   |                | Fountain Sq<br>2005 Sp Assmt | \$1,715,000<br>Series 1994B | \$9,760,000<br>Series 1998 | \$6,550,000<br>Series 2000 | \$20,000,000<br>Series 2001 |                    | \$11,000,000<br>Series 2001A | Refunding<br>Bds<br>\$9,430,000<br>Series 2003 |
| <b>REVENUES</b>   |                |                              |                             |                            |                            |                             |                    |                              |  |
| Property Tax  | -              | -                            | 953,806                     | -                          | -                          | 507,497                     | -                  | 836,830                      | 408,517  |
| Home Rule Sales Tax   | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| Harbor Fund Pass Through Receipts   | -              | -                            | -                           | 748,393                    | -                          | -                           | -                  | -                            | -  |
| Investment Income   | 6,704          | -                            | 15,228                      | 12,472                     | 6,592                      | -                           | 13,759             | -                            | 10,048   |
| <b>TOTAL REVENUES</b>   | <b>6,704</b>   | <b>-</b>                     | <b>969,034</b>              | <b>760,865</b>             | <b>514,089</b>             | <b>850,589</b>              | <b>418,565</b>     |                              |  |
| <b>EXPENDITURES</b>   |                |                              |                             |                            |                            |                             |                    |                              |  |
| Contractual   | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| Commodities   | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| Debt Service  | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| Bond Issuance Costs   | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| Principal Retirement  | -              | -                            | 974,755                     | 473,860                    | 370,000                    | 385,000                     | 2,135,000          |                              |  |
| Interest & Fiscal Charges   | -              | -                            | 164,583                     | 85,145                     | 738,753                    | 438,163                     | 203,960            |                              |  |
| Waukegan Port District Pass-Throughs  | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| <b>TOTAL EXPENDITURES</b>   | <b>-</b>       | <b>-</b>                     | <b>1,139,338</b>            | <b>559,005</b>             | <b>1,108,753</b>           | <b>823,163</b>              | <b>2,338,960</b>   |                              |  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND.</b>   |                |                              | <b>(170,304)</b>            | <b>201,860</b>             | <b>(594,664)</b>           | <b>27,426</b>               | <b>(1,920,395)</b> |                              |  |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                |                              |                             |                            |                            |                             |                    |                              |  |
| General Obligation Bonds Issued-Principal   | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| General Obligation Bonds Issued-Premium   | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| Pmt. to Refunded Bond Escrow Agent  | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| Operating Transfers In  | 571,783        | 340                          | 200,270                     | -                          | 629,634                    | -                           | 1,934,459          |                              |  |
| Operating Transfers Out   | -              | -                            | -                           | -                          | -                          | -                           | -                  | -                            | -  |
| <b>TTL. OTHER FINANCING SOURCES (USES)</b>  | <b>571,783</b> | <b>340</b>                   | <b>200,270</b>              | <b>-</b>                   | <b>629,634</b>             | <b>-</b>                    | <b>1,934,459</b>   |                              |  |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <b>578,487</b> | <b>340</b>                   | <b>29,966</b>               | <b>201,860</b>             | <b>34,970</b>              | <b>27,426</b>               | <b>14,064</b>      |                              |  |
| <b>FUND BALANCE</b>   |                |                              |                             |                            |                            |                             |                    |                              |  |
| Beginning of Year   | -              | (340)                        | 96,939                      | 135,410                    | 77,215                     | 178,130                     | 210,396            |                              |  |
| End of Year   | <b>578,487</b> | <b>-</b>                     | <b>126,905</b>              | <b>337,270</b>             | <b>112,185</b>             | <b>205,556</b>              | <b>224,460</b>     |                              |  |

DEBT SERVICE FUND

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - By Bond Issue (cont.)  
Year Ended April 30, 2006

|  | \$26,000,000<br>Series 2003A | \$2,545,000<br>Series 2003B | Lewis Ave.<br>(2003B Debt<br>Svc) | Refunding<br>Bds \$625,000<br>Series 2003C | \$8,425,000<br>Revenue Bds<br>Series 2004A | \$9,450,000<br>Series 2004B | \$24,760,000<br>Series 2005A | General Use                            |          | Totals             |
|--|------------------------------|-----------------------------|-----------------------------------|--|--|-----------------------------|------------------------------|--|----------|--------------------|
|  |                              |                             |                                   |  |  |                             |                              | Home Rule<br>Sales Tax-Debt<br>Service |          |                    |
| REVENUES   |                              |                             |                                   |  |  |                             |                              |  |          |                    |
| Property Tax   | 187,162                      | 772,000                     | 236,546                           | 267,336                                    | -  | -                           | -                            | -                                      | -        | 4,171,694          |
| Home Rule Sales Tax  | -                            | -                           | -                                 | -  | -  | -                           | -                            | 979,380                                | -        | 979,380            |
| Harbor Fund Pass Through Receipts  | -                            | -                           | -                                 | -  | -  | -                           | -                            | -                                      | -        | 748,393            |
| Investment Income  | 2,733                        | 6,223                       | 3,443                             | 5,537                                      | 12   | 11,677                      | 3,884                        | 6,295                                  | -        | 104,607            |
| <b>TOTAL REVENUES</b>  | <b>189,895</b>               | <b>778,223</b>              | <b>241,989</b>                    | <b>272,873</b>                             | <b>12</b>                                  | <b>11,677</b>               | <b>3,884</b>                 | <b>985,675</b>                         |          | <b>6,004,074</b>   |
| EXPENDITURES   |                              |                             |                                   |  |  |                             |                              |  |          |                    |
| Contractual  | -                            | -                           | 21,000                            | -  | -  | -                           | -                            | -                                      | -        | 21,000             |
| Commodities  | -                            | -                           | -                                 | -  | 12   | -                           | -                            | -                                      | -        | 12                 |
| Debt Service   | -                            | -                           | -                                 | -  | -  | -                           | -                            | -                                      | -        | -                  |
| Bond Issuance Costs  | -                            | -                           | -                                 | -  | -  | -                           | 343,846                      | -                                      | -        | 343,846            |
| Principal Retirement   | 185,000                      | 919,607                     | -                                 | 220,000                                    | -  | -                           | -                            | -                                      | -        | 5,663,222          |
| Interest & Fiscal Charges  | 400                          | 18,849                      | -                                 | 12,511                                     | -  | 216,950                     | 259,502                      | -                                      | -        | 2,138,616          |
| Waukegan Port District Pass-Throughs   | -                            | -                           | -                                 | -  | -  | -                           | -                            | -                                      | -        | -                  |
| <b>TOTAL EXPENDITURES</b>  | <b>185,400</b>               | <b>938,256</b>              | <b>21,000</b>                     | <b>232,511</b>                             | <b>12</b>                                  | <b>216,950</b>              | <b>603,348</b>               | <b>-</b>                               | <b>-</b> | <b>8,166,696</b>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND.</b>  | <b>4,495</b>                 | <b>(160,033)</b>            | <b>220,989</b>                    | <b>40,362</b>                              | <b>-</b>                                   | <b>(205,273)</b>            | <b>(599,464)</b>             | <b>985,675</b>                         |          | <b>(2,162,622)</b> |
| OTHER FINANCING SOURCES (USES)   |                              |                             |                                   |  |  |                             |                              |  |          |                    |
| General Obligation Bonds Issued-Principal  | -                            | -                           | -                                 | -  | -  | -                           | 24,760,000                   | -                                      | -        | 24,760,000         |
| General Obligation Bonds Issued-Premium  | -                            | -                           | -                                 | -  | -  | -                           | 427,575                      | -                                      | -        | 427,575            |
| Prnt. to Refunded Bond Escrow Agent  | -                            | -                           | -                                 | -  | -  | -                           | (24,649,006)                 | -                                      | -        | (24,649,006)       |
| Operating Transfers In   | -                            | 160,722                     | -                                 | -  | -  | -                           | 814,413                      | 88,798                                 | -        | 4,420,419          |
| Operating Transfers Out  | -                            | (14,817)                    | (176,132)                         | (340)                                      | -  | (254,413)                   | (189,634)                    | (1,000,000)                            | -        | (1,635,336)        |
| <b>TTL. OTHER FINANCING SOURCES (USES)</b>   | <b>-</b>                     | <b>165,905</b>              | <b>(176,132)</b>                  | <b>(340)</b>                               | <b>-</b>                                   | <b>(254,413)</b>            | <b>1,163,348</b>             | <b>(911,202)</b>                       |          | <b>3,323,652</b>   |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES | 4,495                        | 5,872                       | 44,857                            | 40,022                                     | -  | (459,686)                   | 563,884                      | 74,473                                 |          | 1,161,030          |
| FUND BALANCE   |                              |                             |                                   |  |  |                             |                              |  |          |                    |
| Beginning of Year  | 4,519                        | 367,840                     | 5,815                             | 97,000                                     | -  | 577,752                     | -                            | 206,296                                |          | 1,956,972          |
| End of Year  | 9,014                        | 373,712                     | 50,672                            | 137,022                                    | -  | 118,066                     | 563,884                      | 280,769                                |          | 3,118,002          |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$1,715,000 GENERAL OBLIGATION BONDS - SERIES 1994B**  
**BELVIDERE TIF DISTRICT PROJECTS (BUILDERS SQUARE)**  
Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
Year Ended April 30, 2006

|   | <u>ACTUAL</u> | <u>BUDGET</u> | <u>VARIANCE</u> |
|---|---------------|---------------|-----------------|
| <b>REVENUES</b>   |               |               |                 |
| Property Tax  | -             | -             | -               |
| Investment Income   | -             | -             | -               |
| <b>TOTAL REVENUES</b>   | <u>-</u>      | <u>-</u>      | <u>-</u>        |
| <b>EXPENDITURES</b>   |               |               |                 |
| <b>Debt Service</b>   |               |               |                 |
| Principal Retirement  | -             | -             | -               |
| Interest & Fiscal Charges   | -             | -             | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>-</u>      | <u>-</u>      | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>-</u>      | <u>-</u>      | <u>-</u>        |
| <b>OTHER FINANCING SOURCES (USES)</b>   |               |               |                 |
| Operating Transfers In  | 340           | -             | 340             |
| Operating Transfers Out   | -             | -             | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>340</u>    | <u>-</u>      | <u>340</u>      |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>340</u>    | <u>-</u>      | <u>340</u>      |
| <b>FUND BALANCE</b>   |               |               |                 |
| Beginning of Year   | <u>(340)</u>  |               |                 |
| End of Year   | <u>-</u>      |               |                 |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$9,760,000 GENERAL OBLIGATION BONDS - SERIES 1998**  
**REFUNDING (1991, 1994A G.O. BONDS), NORTHWEST FIRE STATION/EQUIPMENT,**  
**STREETS/SIDEWALKS & WATER/SEWER IMPROVEMENTS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**Year Ended April 30, 2006**

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|------------------|------------------|-----------------|
| <b>REVENUES</b>   |                  |                  |                 |
| Property Tax  | 953,806          | 938,703          | 15,103          |
| Investment Income   | 15,228           | 2,200            | 13,028          |
| <b>TOTAL REVENUES</b>   | <u>969,034</u>   | <u>940,903</u>   | <u>28,131</u>   |
| <b>EXPENDITURES</b>   |                  |                  |                 |
| Contractual - Refund to Homeowners  | -                | -                | -               |
| Debt Service  |                  |                  |                 |
| Principal Retirement  | 974,755          | 974,755          | -               |
| Interest & Fiscal Charges   | 164,583          | 164,218          | (365)           |
| <b>TOTAL EXPENDITURES</b>   | <u>1,139,338</u> | <u>1,138,973</u> | <u>(365)</u>    |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u>(170,304)</u> | <u>(198,070)</u> | <u>27,766</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                 |
| Operating Transfers In  | 200,270          | 200,270          | -               |
| Operating Transfers Out   | -                | -                | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>200,270</u>   | <u>200,270</u>   | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u>29,966</u>    | <u>2,200</u>     | <u>27,766</u>   |
| <b>FUND BALANCE</b>   |                  |                  |                 |
| Beginning of Year   | <u>96,939</u>    |                  |                 |
| End of Year   | <u>126,905</u>   |                  |                 |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$6,550,000 GENERAL OBLIGATION REFUNDING BONDS - SERIES 2000**  
**ADVANCE REFUNDING OF SERIES 1992 GENERAL OBLIGATION REFUNDING BONDS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**Year Ended April 30, 2006**

|   | <u>ACTUAL</u>  | <u>BUDGET</u>  | <u>VARIANCE</u> |
|---|----------------|----------------|-----------------|
| <b>REVENUES</b>   |                |                |                 |
| Property Tax  | -              | -              | -               |
| Home Rule Sales Tax   | -              | -              | -               |
| Investment Income   | 12,472         | 4,500          | 7,972           |
| Miscellaneous   | 748,393        | 748,393        | -               |
| <b>TOTAL REVENUES</b>   | <u>760,865</u> | <u>752,893</u> | <u>7,972</u>    |
| <b>EXPENDITURES</b>   |                |                |                 |
| Contractual   | -              | -              | -               |
| Debt Service  |                |                |                 |
| Principal Retirement  | 473,860        | 473,860        | -               |
| Interest & Fiscal Charges   | 85,145         | 85,145         | -               |
| Less: Debt Service Pass Throughs  | -              | -              | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>559,005</u> | <u>559,005</u> | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>201,860</u> | <u>193,888</u> | <u>7,972</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                |                |                 |
| Operating Transfers In  | -              | -              | -               |
| Operating Transfers Out   | -              | -              | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>       | <u>-</u>       | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>201,860</u> | <u>193,888</u> | <u>7,972</u>    |
| <b>FUND BALANCE</b>   |                |                |                 |
| Beginning of Year   | <u>135,410</u> |                |                 |
| End of Year   | <u>337,270</u> |                |                 |

DEBT SERVICE FUND - DETAIL BY BOND ISSUE  
**\$20,000,000 GENERAL OBLIGATION BONDS - SERIES 2001**  
**GENESEE THEATRE RENOVATION, CITY HALL REMODELING, DOWNTOWN/WATERFRONT TIF**  
**PROPERTY ACQUISITIONS & VARIOUS OTHER CAPITAL ACQUISITIONS/IMPROVEMENTS**  
 Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
 Year Ended April 30, 2006

|   | ACTUAL           | BUDGET           | VARIANCE         |
|---|------------------|------------------|------------------|
| <b>REVENUES</b>   |                  |                  |                  |
| Property Tax  | 507,497          | 688,388          | (180,891)        |
| Investment Income   | 6,592            | 5,000            | 1,592            |
| <b>TOTAL REVENUES</b>   | <b>514,089</b>   | <b>693,388</b>   | <b>(179,299)</b> |
| <b>EXPENDITURES</b>   |                  |                  |                  |
| <b>Contractual</b>  |                  |                  |                  |
| <b>Debt Service</b>   |                  |                  |                  |
| Principal Retirement  | 370,000          | 760,000          | 390,000          |
| Interest & Fiscal Charges   | 738,753          | 928,388          | 189,635          |
| <b>TOTAL EXPENDITURES</b>   | <b>1,108,753</b> | <b>1,688,388</b> | <b>579,635</b>   |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <b>(594,664)</b> | <b>(995,000)</b> | <b>400,336</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                  |
| Operating Transfers In  | 629,634          | 1,000,000        | (370,366)        |
| Operating Transfers Out   | -                | -                | -                |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>629,634</b>   | <b>1,000,000</b> | <b>(370,366)</b> |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b>34,970</b>    | <b>5,000</b>     | <b>29,970</b>    |
| <b>FUND BALANCE</b>   |                  |                  |                  |
| Beginning of Year   | 77,215           |                  |                  |
| End of Year   | 112,185          |                  |                  |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$11,000,000 GENERAL OBLIGATION BONDS - SERIES 2001A**  
**CITY HALL CONSTRUCTION & ENVIRONMENTAL REMEDIATION**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**Year Ended April 30, 2006**

|   | <u>ACTUAL</u>         | <u>BUDGET</u>         | <u>VARIANCE</u>      |
|---|-----------------------|-----------------------|----------------------|
| <b>REVENUES</b>   |                       |                       |                      |
| Property Tax  | 836,830               | 823,163               | 13,667               |
| Investment Income   | 13,759                | 3,000                 | 10,759               |
| <b>TOTAL REVENUES</b>   | <b><u>850,589</u></b> | <b><u>826,163</u></b> | <b><u>24,426</u></b> |
| <b>EXPENDITURES</b>   |                       |                       |                      |
| Contractual   |                       |                       | -                    |
| Debt Service  |                       |                       |                      |
| Principal Retirement  | 385,000               | 385,000               | -                    |
| Interest & Fiscal Charges   | 438,163               | 438,163               | -                    |
| <b>TOTAL EXPENDITURES</b>   | <b><u>823,163</u></b> | <b><u>823,163</u></b> | <b><u>-</u></b>      |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <b><u>27,426</u></b>  | <b><u>3,000</u></b>   | <b><u>24,426</u></b> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                       |                       |                      |
| Operating Transfers In  | -                     | -                     | -                    |
| Operating Transfers Out   | -                     | -                     | -                    |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b><u>-</u></b>       | <b><u>-</u></b>       | <b><u>-</u></b>      |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b><u>27,426</u></b>  | <b><u>3,000</u></b>   | <b><u>24,426</u></b> |
| <b>FUND BALANCE</b>   |                       |                       |                      |
| Beginning of Year   | <u>178,130</u>        |                       |                      |
| End of Year   | <u>205,556</u>        |                       |                      |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$9,430,000 GENERAL OBLIGATION REFUNDING BONDS - SERIES 2003**  
**ADVANCE REFUNDING OF SERIES 1992 GENERAL OBLIGATION BONDS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**Year Ended April 30, 2006**

|   | <u>ACTUAL</u>      | <u>BUDGET</u>      | <u>VARIANCE</u> |
|---|--------------------|--------------------|-----------------|
| <b>REVENUES</b>   |                    |                    |                 |
| Property Tax  | 408,517            | 402,851            | 5,666           |
| Investment Income   | 10,048             | 2,000              | 8,048           |
| <b>TOTAL REVENUES</b>   | <u>418,565</u>     | <u>404,851</u>     | <u>13,714</u>   |
| <b>EXPENDITURES</b>   |                    |                    |                 |
| Contractual   |                    |                    | -               |
| Debt Service  |                    |                    |                 |
| Principal Retirement  | 2,135,000          | 2,135,000          | -               |
| Interest & Fiscal Charges   | 203,960            | 202,310            | (1,650)         |
| <b>TOTAL EXPENDITURES</b>   | <u>2,338,960</u>   | <u>2,337,310</u>   | <u>(1,650)</u>  |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(1,920,395)</u> | <u>(1,932,459)</u> | <u>12,064</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                    |                    |                 |
| Operating Transfers In  | 1,934,459          | 1,934,459          | -               |
| Operating Transfers Out   | -                  | -                  | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>1,934,459</u>   | <u>1,934,459</u>   | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>14,064</u>      | <u>2,000</u>       | <u>12,064</u>   |
| <b>FUND BALANCE</b>   |                    |                    |                 |
| Beginning of Year   | <u>210,396</u>     |                    |                 |
| End of Year   | <u>224,460</u>     |                    |                 |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$26,000,000 GENERAL OBLIGATION BONDS - SERIES 2003A**  
**LAKEHURST REDEVELOPMENT TIF DISTRICT - CAPITAL APPRECIATION BONDS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
**Year Ended April 30, 2006**

|   | <u>ACTUAL</u>  | <u>BUDGET</u>  | <u>VARIANCE</u> |
|---|----------------|----------------|-----------------|
| <b>REVENUES</b>   |                |                |                 |
| Property Tax  | 187,162        | 185,000        | 2,162           |
| Investment Income   | 2,733          | -              | 2,733           |
| <b>TOTAL REVENUES</b>   | <u>189,895</u> | <u>185,000</u> | <u>4,895</u>    |
| <b>EXPENDITURES</b>   |                |                |                 |
| Contractual   | -              | -              | -               |
| Debt Service  |                |                |                 |
| Principal Retirement  | 185,000        | 177,406        | (7,594)         |
| Interest & Fiscal Charges   | 400            | 7,594          | 7,194           |
| <b>TOTAL EXPENDITURES</b>   | <u>185,400</u> | <u>185,000</u> | <u>(400)</u>    |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u>4,495</u>   | <u>-</u>       | <u>4,495</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                |                |                 |
| Operating Transfers In  | -              | -              | -               |
| Operating Transfers Out   | -              | -              | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>       | <u>-</u>       | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u>4,495</u>   | <u>-</u>       | <u>4,495</u>    |
| <b>FUND BALANCE</b>   |                |                |                 |
| Beginning of Year   | <u>4,519</u>   |                |                 |
| End of Year   | <u>9,014</u>   |                |                 |

DEBT SERVICE FUND - DETAIL BY BOND ISSUE  
**\$2,545,000 GENERAL OBLIGATION BONDS - SERIES 2003B**  
**ADVANCE REFUNDING OF SERIES 1994A GENERAL OBLIGATION BONDS &**  
**EQUIPMENT & FURNISHINGS - NEW MUNICIPAL BUILDING**  
 Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
 Year Ended April 30, 2006

|   | ACTUAL           | BUDGET           | VARIANCE        |
|---|------------------|------------------|-----------------|
| <b>REVENUES</b>   |                  |                  |                 |
| Property Tax  | 772,000          | 760,302          | 11,698          |
| Investment Income   | 6,223            |                  | 6,223           |
| <b>TOTAL REVENUES</b>   | <b>778,223</b>   | <b>760,302</b>   | <b>17,921</b>   |
| <b>EXPENDITURES</b>   |                  |                  |                 |
| Contractual   |                  |                  | -               |
| Debt Service  |                  |                  |                 |
| Principal Retirement  | 919,607          | 919,607          | -               |
| Interest & Fiscal Charges   | 18,649           | 16,827           | (1,822)         |
| <b>TOTAL EXPENDITURES</b>   | <b>938,256</b>   | <b>936,434</b>   | <b>(1,822)</b>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <b>(160,033)</b> | <b>(176,132)</b> | <b>16,099</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                 |
| Operating Transfers In  | 180,722          | 176,132          | 4,590           |
| Operating Transfers Out   | (14,817)         | -                | (14,817)        |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>165,905</b>   | <b>176,132</b>   | <b>(10,227)</b> |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <b>5,872</b>     | <b>-</b>         | <b>5,872</b>    |
| <b>FUND BALANCE</b>   |                  |                  |                 |
| Beginning of Year   | 367,840          |                  |                 |
| End of Year   | 373,712          |                  |                 |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE  
TAX INCREMENT FINANCING DISTRICT -  
#2 - LEWIS AVENUE DEVELOPMENT SPECIAL TAX ALLOCATION  
(SUPPORT FOR 2003B BONDS)**

Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
Year Ended April 30, 2006

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|------------------|------------------|-----------------|
| <b>REVENUES</b>   |                  |                  |                 |
| Property Tax  | 238,546          | 238,546          | -               |
| Investment Income   | 3,443            | 3,200            | 243             |
| <b>TOTAL REVENUES</b>   | <u>241,989</u>   | <u>241,746</u>   | <u>243</u>      |
| <b>EXPENDITURES</b>   |                  |                  |                 |
| Contractual   | 21,000           | 18,000           | (3,000)         |
| Debt Service  |                  |                  |                 |
| Principal Retirement  | -                | -                | -               |
| Interest & Fiscal Charges   | -                | -                | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>21,000</u>    | <u>18,000</u>    | <u>(3,000)</u>  |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>21,000</u>    | <u>223,746</u>   | <u>(2,757)</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                  |                 |
| Operating Transfers In  | -                | -                | -               |
| Operating Transfers Out   | (176,132)        | (176,132)        | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(176,132)</u> | <u>(176,132)</u> | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>44,857</u>    | <u>47,614</u>    | <u>(2,757)</u>  |
| <b>FUND BALANCE</b>   |                  |                  |                 |
| Beginning of Year   | <u>5,815</u>     |                  |                 |
| End of Year   | <u>50,672</u>    |                  |                 |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$625,000 GENERAL OBLIGATION REFUNDING BONDS - SERIES 2003C**  
**ADVANCE REFUNDING OF SERIES 1994A & 1994B GENERAL OBLIGATION BONDS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*Year Ended April 30, 2006*

|   | <u>ACTUAL</u>  | <u>BUDGET</u>  | <u>VARIANCE</u> |
|---|----------------|----------------|-----------------|
| <b>REVENUES</b>   |                |                |                 |
| Property Tax  | 267,336        | 229,575        | 37,761          |
| Investment Income   | 5,537          | -              | 5,537           |
| <b>TOTAL REVENUES</b>   | <u>272,873</u> | <u>229,575</u> | <u>43,298</u>   |
| <b>EXPENDITURES</b>   |                |                |                 |
| Contractual   |                |                | -               |
| Debt Service  |                |                |                 |
| Principal Retirement  | 220,000        | 220,000        | -               |
| Interest & Fiscal Charges   | 12,511         | 9,575          | (2,936)         |
| <b>TOTAL EXPENDITURES</b>   | <u>232,511</u> | <u>229,575</u> | <u>(2,936)</u>  |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>40,362</u>  | <u>-</u>       | <u>40,362</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                |                |                 |
| Operating Transfers In  | -              | -              | -               |
| Operating Transfers Out   | (340)          | -              | (340)           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(340)</u>   | <u>-</u>       | <u>(340)</u>    |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>40,022</u>  | <u>-</u>       | <u>40,022</u>   |
| <b>FUND BALANCE</b>   |                |                |                 |
| Beginning of Year   | <u>97,000</u>  |                |                 |
| End of Year   | <u>137,022</u> |                |                 |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE  
\$8,425,000 REVENUE BONDS - SERIES 2004A**

**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual  
Year Ended April 30, 2006**

|   | <u>ACTUAL</u> | <u>BUDGET</u> | <u>VARIANCE</u> |
|---|---------------|---------------|-----------------|
| <b>REVENUES</b>   |               |               |                 |
| Property Tax  | -             | -             | -               |
| Investment Income   | 12            | -             | 12              |
| <b>TOTAL REVENUES</b>   | <u>12</u>     | <u>-</u>      | <u>12</u>       |
| <b>EXPENDITURES</b>   |               |               |                 |
| Contractual   | -             | -             | -               |
| Commodities   | 12            | -             | -               |
| Debt Service  |               |               |                 |
| Interest & Fiscal Charges   |               |               | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>12</u>     | <u>-</u>      | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>-</u>      | <u>-</u>      | <u>12</u>       |
| <b>OTHER FINANCING SOURCES (USES)</b>   |               |               |                 |
| Operating Transfers In  | -             | -             | -               |
| Operating Transfers Out   | -             | -             | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>      | <u>-</u>      | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>-</u>      | <u>-</u>      | <u>12</u>       |
| <b>FUND BALANCE</b>   |               |               |                 |
| Beginning of Year   | <u>-</u>      |               |                 |
| End of Year   | <u>-</u>      |               |                 |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$9,450,000 GENERAL OBLIGATION BONDS - SERIES 2004B**  
**DOWNTOWN REDEVELOPMENT - GENESEE THEATRE**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*Year Ended April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u>  | <u>VARIANCE</u>  |
|---|------------------|----------------|------------------|
| <b>REVENUES</b>   |                  |                |                  |
| Property Tax  | -                | 283,500        | (283,500)        |
| Investment Income   | 11,677           | -              | 11,677           |
| <b>TOTAL REVENUES</b>   | <u>11,677</u>    | <u>283,500</u> | <u>(271,823)</u> |
| <b>EXPENDITURES</b>   |                  |                |                  |
| Contractual   |                  |                |                  |
| Debt Service  |                  |                |                  |
| Interest & Fiscal Charges   | 216,950          | 283,500        | 66,550           |
| <b>TOTAL EXPENDITURES</b>   | <u>216,950</u>   | <u>283,500</u> | <u>66,550</u>    |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u>(205,273)</u> | <u>-</u>       | <u>(205,273)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                |                  |
| Operating Transfers In  | -                |                | -                |
| Operating Transfers Out   | (254,413)        | -              | (254,413)        |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(254,413)</u> | <u>-</u>       | <u>(254,413)</u> |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u>(459,686)</u> | <u>-</u>       | <u>(459,686)</u> |
| <b>FUND BALANCE</b>   |                  |                |                  |
| Beginning of Year   | <u>577,752</u>   |                |                  |
| End of Year   | <u>118,066</u>   |                |                  |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$3,695,000.00 ASSESSMENT BONDS - SERIES 2005**

**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*Year Ended April 30, 2006*

|   | <u>ACTUAL</u>  | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|----------------|------------------|-----------------|
| <b>REVENUES</b>   |                |                  |                 |
| Property Tax  | -              | -                | -               |
| Investment Income   | 6,704          | 8,000            | (1,296)         |
| <b>TOTAL REVENUES</b>   | <u>6,704</u>   | <u>8,000</u>     | <u>(1,296)</u>  |
| <b>EXPENDITURES</b>   |                |                  |                 |
| Contractual   | -              | -                | -               |
| Debt Service  |                |                  |                 |
| Interest & Fiscal Charges   | -              | 204,208          | 204,208         |
| <b>TOTAL EXPENDITURES</b>   | <u>-</u>       | <u>204,208</u>   | <u>204,208</u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u>6,704</u>   | <u>(196,208)</u> | <u>202,912</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                |                  |                 |
| Operating Transfers In  | 571,783        | 571,783          | -               |
| Operating Transfers Out   | -              | -                | -               |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>571,783</u> | <u>571,783</u>   | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u>578,487</u> | <u>375,575</u>   | <u>202,912</u>  |
| <b>FUND BALANCE</b>   |                |                  |                 |
| Beginning of Year   | <u>-</u>       |                  |                 |
| End of Year   | <u>578,487</u> |                  |                 |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**\$24,760,000 GENERAL OBLIGATION BONDS - SERIES 2005A**  
**ADVANCE REFUNDING OF 2001 AND 2004B G.O.BONDS**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*Year Ended April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u> | <u>VARIANCE</u>  |
|---|------------------|---------------|------------------|
| <b>REVENUES</b>   |                  |               |                  |
| Property Tax  |                  |               | -                |
| Investment Income   | 3,884            |               | 3,884            |
| <b>TOTAL REVENUES</b>   | <u>3,884</u>     | <u>-</u>      | <u>3,884</u>     |
| <b>EXPENDITURES</b>   |                  |               |                  |
| Contractual   |                  |               | -                |
| Debt Service  |                  |               |                  |
| Bond Issuance Costs   | 343,846          | -             | (343,846)        |
| Interest & Fiscal Charges   | 259,502          | -             | (259,502)        |
| <b>TOTAL EXPENDITURES</b>   | <u>603,348</u>   | <u>-</u>      | <u>(603,348)</u> |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>(599,464)</u> | <u>-</u>      | <u>(599,464)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |               |                  |
| General Obligation Bonds Issued-Principal   | 24,760,000       | -             | 24,760,000       |
| General Obligation Bonds Issued-Premium   | 427,575          | -             | 427,575          |
| Payment to Refunded Bond Escrow Agent   | (24,649,006)     | -             | (24,649,006)     |
| Operating Transfers In  | 814,413          |               | 814,413          |
| Operating Transfers Out   | (189,634)        | -             | (189,634)        |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>1,163,348</u> | <u>-</u>      | <u>1,163,348</u> |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>563,884</u>   | <u>-</u>      | <u>563,884</u>   |
| <b>FUND BALANCE</b>   |                  |               |                  |
| Beginning of Year   | -                |               |                  |
| End of Year   | <u>563,884</u>   |               |                  |

**DEBT SERVICE FUND - DETAIL BY BOND ISSUE**  
**HOME RULE SALES TAX**  
**(FOR UNRESTRICTED USE IN DEBT SERVICE FUND)**  
**Schedule Of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual**  
*Year Ended April 30, 2006*

|   | <u>ACTUAL</u>    | <u>BUDGET</u>      | <u>VARIANCE</u> |
|---|------------------|--------------------|-----------------|
| <b>REVENUES</b>   |                  |                    |                 |
| Home Rule Sales Tax   | 979,380          | 1,058,064          | (78,684)        |
| Investment Income   | 6,295            | -                  | 6,295           |
| <b>TOTAL REVENUES</b>   | <u>985,675</u>   | <u>1,058,064</u>   | <u>(72,389)</u> |
| <b>EXPENDITURES</b>   |                  |                    |                 |
| <b>Debt Service</b>   |                  |                    |                 |
| Interest & Fiscal Charges   | -                | -                  | -               |
| <b>TOTAL EXPENDITURES</b>   | <u>-</u>         | <u>-</u>           | <u>-</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>  | <u>985,675</u>   | <u>1,058,064</u>   | <u>(72,389)</u> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                  |                    |                 |
| Operating Transfers In  | 88,798           | -                  | 88,798          |
| Operating Transfers Out   | (1,000,000)      | (1,200,270)        | 200,270         |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>(911,202)</u> | <u>(1,200,270)</u> | <u>289,068</u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | <u>74,473</u>    | <u>(142,206)</u>   | <u>216,679</u>  |
| <b>FUND BALANCE</b>   |                  |                    |                 |
| Beginning of Year   | <u>206,296</u>   |                    |                 |
| End of Year   | <u>280,769</u>   |                    |                 |

# Permanent Funds

**PERMANENT FUNDS**  
**Combining Balance Sheet**  
*April 30, 2006*

|   | <u>Working<br/>Cash</u> | <u>Cemetery<br/>Trust</u> | <u>Totals</u>         |
|---|-------------------------|---------------------------|-----------------------|
| <b>ASSETS</b>                             |                         |                           |                       |
| Cash And Cash Equivalents                 | 18                      | -                         | 18                    |
| Investments                               | 880,399                 | 43,000                    | 923,399               |
| Accrued Interest                          | 228                     | 54                        | 282                   |
| <b>TOTAL ASSETS</b>                       | <b><u>880,645</u></b>   | <b><u>43,054</u></b>      | <b><u>923,699</u></b> |
| <b>LIABILITIES &amp; FUND BALANCE</b>     |                         |                           |                       |
| <b>Liabilities</b>                        |                         |                           |                       |
|   | -                       | -                         | -                     |
| <b>Fund Balance</b>                       |                         |                           |                       |
| Reserved for:                             |                         |                           |                       |
| Cemetery Trust                            | -                       | 43,054                    | 43,054                |
| Working Cash                              | 880,645                 | -                         | 880,645               |
| <b>Total Fund Balance</b>                 | <b><u>880,645</u></b>   | <b><u>43,054</u></b>      | <b><u>923,699</u></b> |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> | <b><u>880,645</u></b>   | <b><u>43,054</u></b>      | <b><u>923,699</u></b> |

## PERMANENT FUNDS

## Combining Statement Of Revenues, Expenditures, and Changes in Fund Balance

Year Ended April 30, 2006

|   | Working<br>Cash | Cemetery<br>Trust | Totals        |
|---|-----------------|-------------------|---------------|
| <b>REVENUES</b>   |                 |                   |               |
| Investment Income   | 29,116          | 21                | 29,137        |
| <b>EXPENDITURES</b>   | -               | -                 | -             |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <b>29,116</b>   | <b>21</b>         | <b>29,137</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                 |                   |               |
| Operating Transfers In  | -               | -                 | -             |
| Operating Transfers Out   | -               | -                 | -             |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | -               | -                 | -             |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b>29,116</b>   | <b>21</b>         | <b>29,137</b> |
| <b>FUND BALANCE</b>   |                 |                   |               |
| Beginning of Year   | 851,529         | 43,033            | 894,562       |
| End of Year   | 880,645         | 43,054            | 923,699       |

PERMANENT FUNDS  
WORKING CASH

Schedule Of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual  
Year Ended April 30, 2006

|   | <u>ACTUAL</u>  | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|----------------|------------------|-----------------|
| <b>REVENUES</b>   |                |                  |                 |
| Investment Income   | 29,116         | 14,000           | 15,116          |
| <b>EXPENDITURES</b>   | -              | -                | -               |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>29,116</u>  | <u>14,000</u>    | <u>15,116</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                |                  |                 |
| Operating Transfers In  | -              | -                | -               |
| Operating Transfers Out   | -              | (800,000)        | 800,000         |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | -              | <u>(800,000)</u> | <u>800,000</u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>29,116</u>  | <u>(786,000)</u> | <u>815,116</u>  |
| <b>FUND BALANCE</b>   |                |                  |                 |
| Beginning of Year   | <u>851,529</u> |                  |                 |
| End of Year   | <u>880,645</u> |                  |                 |

PERMANENT FUNDS  
CEMETERY TRUST

Schedule Of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual  
Year Ended April 30, 2006

|   | <u>ACTUAL</u> | <u>BUDGET</u>  | <u>VARIANCE</u> |
|---|---------------|----------------|-----------------|
| <b>REVENUES</b>   |               |                |                 |
| Investment Income   | 21            | 1,291          | (1,270)         |
| <b>EXPENDITURES</b>   | -             | -              | -               |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>  | <u>21</u>     | <u>1,291</u>   | <u>(1,270)</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>   |               |                |                 |
| Operating Transfers In  | -             | -              | -               |
| Operating Transfers Out   | -             | (1,291)        | 1,291           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>-</u>      | <u>(1,291)</u> | <u>1,291</u>    |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>FINANCING SOURCES OVER EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <u>21</u>     | <u>-</u>       | <u>21</u>       |
| <b>FUND BALANCE</b>   |               |                |                 |
| Beginning of Year   | <u>43,033</u> |                |                 |
| End of Year   | <u>43,054</u> |                |                 |

# Enterprise Funds

**ENTERPRISE FUNDS**  
**Combining Statement of Net Assets**  
*April 30, 2006*

|  | <u>Waterworks and<br/>Sewerage</u> | <u>Motor Vehicle<br/>Parking System</u> | <u>Totals</u>            |
|--|------------------------------------|---|--------------------------|
| <b>ASSETS</b>                                      |                                    |   |                          |
| <b>Current Assets</b>                              |                                    |   |                          |
| Cash And Cash Equivalents                          | 5,279,944                          | 53,983                                  | 5,333,927                |
| Trade Receivables, Net                             |                                    |   |                          |
| Billed   | 418,868                            | -                                       | 418,868                  |
| Unbilled   | 1,565,136                          | -                                       | 1,565,136                |
| Accrued Interest                                   | 11,488                             | 1,108                                   | 12,596                   |
| Inventories  | 296,278                            | -                                       | 296,278                  |
| Due From Other Funds                               | 132,111                            | 62,233                                  | 194,344                  |
| <b>Total Current Assets</b>                        | <b><u>7,703,825</u></b>            | <b><u>117,324</u></b>                   | <b><u>7,821,149</u></b>  |
| <b>Noncurrent Assets</b>                           |                                    |   |                          |
| Capital Assets, Net of Depreciation                |                                    |   |                          |
| Land   | 1,040,947                          | 1,608,223                               | 2,649,170                |
| Buildings, Parking Lots & Improvements             | 5,330,030                          | 10,421,893                              | 15,751,923               |
| Machinery & Equipment                              | 1,742,271                          | 61,456                                  | 1,803,727                |
| System Infrastructure                              | 32,018,841                         | -                                       | 32,018,841               |
| Vehicles   | 1,685,434                          | 1,841                                   | 1,687,275                |
| <b>Total Capital Assets</b>                        | <b><u>41,817,523</u></b>           | <b><u>12,093,413</u></b>                | <b><u>53,910,936</u></b> |
| Cash & Cash Equivalents, Restricted for            |                                    |   |                          |
| Revenue Bond Reserve Requirements                  | -                                  | 937,789                                 | 937,789                  |
| Special Assessments Receivable & Grants Receivable | 392,303                            | -                                       | 392,303                  |
| Deferred Bond Issuance Costs                       | 41,935                             | 200,312                                 | 242,247                  |
| <b>Total Noncurrent Assets</b>                     | <b><u>42,251,761</u></b>           | <b><u>13,231,514</u></b>                | <b><u>55,483,275</u></b> |
| <b>TOTAL ASSETS</b>                                | <b><u>49,955,586</u></b>           | <b><u>13,348,838</u></b>                | <b><u>63,304,424</u></b> |

**ENTERPRISE FUNDS**  
**Combining Statement of Net Assets (cont.)**  
*April 30, 2006*

|   | <u>Waterworks and<br/>Sewerage</u> | <u>Motor Vehicle<br/>Parking System</u> | <u>Totals</u>            |
|---|------------------------------------|---|--------------------------|
| <b>LIABILITIES</b>  |                                    |   |                          |
| <b>Current Liabilities</b>  |                                    |   |                          |
| Accounts Payable  | 659,960                            | 362,486                                 | 1,022,446                |
| Accrued Salaries  | 133,357                            | 3,688                                   | 137,045                  |
| Interest Payable  | 48,844                             | 86,943                                  | 135,787                  |
| Due To Other Funds  | 369,710                            | 547,206                                 | 916,916                  |
| Current Portion Of Long-Term Debt   | 890,538                            | 523,269                                 | 1,413,807                |
| <b>Total Current Liabilities</b>  | <b><u>2,102,409</u></b>            | <b><u>1,523,592</u></b>                 | <b><u>3,626,001</u></b>  |
| <b>Noncurrent Liabilities</b>   |                                    |   |                          |
| Bonds Payable<br>(Net of Unamortized Discounts and Deferred Amounts on Refunding) |                                    |   |                          |
| 1998 G.O. Bonds Payable   | 373,986                            | 309,761                                 | 683,747                  |
| 2000 G.O. Bonds Payable   | 261,741                            | -                                       | 261,741                  |
| 2004A Revenue Bonds Payable   | -                                  | 7,640,000                               | 7,640,000                |
| Total Bonds Payable, Net  | <u>635,727</u>                     | <u>7,949,761</u>                        | <u>8,585,488</u>         |
| Note Payable  | 3,761,618                          | -                                       | 3,761,618                |
| Capital Leases Payable  | 1,515,162                          | -                                       | 1,515,162                |
| Total Bonds & Notes & Capital Leases Payable                                      | <u>5,912,507</u>                   | <u>7,949,761</u>                        | <u>13,862,268</u>        |
| Other Noncurrent Liabilities  |                                    |   |                          |
| Compensated Absences  | 345,176                            | 4,740                                   | 349,916                  |
| Customer Deposits & Deferred Grant Revenue  | 167,778                            | -                                       | 167,778                  |
| <b>Total Noncurrent Liabilities</b>   | <b><u>6,425,461</u></b>            | <b><u>7,954,501</u></b>                 | <b><u>14,379,962</u></b> |
| <b>TOTAL LIABILITIES</b>  | <b><u>8,527,870</u></b>            | <b><u>9,478,093</u></b>                 | <b><u>18,005,963</u></b> |
| <b>NET ASSETS</b>   |                                    |   |                          |
| Invested in Capital Assets, Net of Related Debt                                   | 35,014,478                         | 3,620,383                               | 38,634,861               |
| Restricted for Debt Service/Bond Covenant Reserves                                | -                                  | 850,846                                 | 850,846                  |
| Unrestricted  | 6,413,238                          | (600,484)                               | 5,812,754                |
| <b>TOTAL NET ASSETS</b>   | <b><u>41,427,716</u></b>           | <b><u>3,870,745</u></b>                 | <b><u>45,298,461</u></b> |

## ENTERPRISE FUNDS

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

For the Year Ended April 30, 2006

|   | Waterworks and<br>Sewerage | Motor Vehicle<br>Parking System | Totals             |
|---|----------------------------|---------------------------------|--------------------|
| <b>OPERATING REVENUES</b>               |                            |                                 |                    |
| Water and Sewer Billings                | 10,450,389                 | -                               | 10,450,389         |
| Permits & Fees                          | 835,441                    | -                               | 835,441            |
| Parking Fees & Rent                     | -                          | 747,635                         | 747,635            |
| Penalties                               | 227,332                    | -                               | 227,332            |
| Miscellaneous Income                    | 33,583                     | -                               | 33,583             |
| <b>TOTAL OPERATING REVENUES</b>         | <b>11,546,745</b>          | <b>747,635</b>                  | <b>12,294,380</b>  |
| <b>OPERATING EXPENSES</b>               |                            |                                 |                    |
| Personnel - Compensation                | 3,015,621                  | 72,643                          | 3,088,264          |
| Personnel - Benefits, Taxes & Insurance | 1,298,672                  | 25,686                          | 1,324,358          |
| Contractual Services                    | 1,446,361                  | 110,560                         | 1,556,921          |
| Commodities                             | 973,854                    | 24,841                          | 998,695            |
| Total Oper. Exp. Before Depr.           | <b>6,734,508</b>           | <b>233,730</b>                  | <b>6,968,238</b>   |
| Depreciation                            | 1,979,236                  | 260,374                         | 2,239,610          |
| <b>TOTAL OPERATING EXPENSES</b>         | <b>8,713,744</b>           | <b>494,104</b>                  | <b>9,207,848</b>   |
| <b>OPERATING INCOME (LOSS)</b>          | <b>2,833,001</b>           | <b>253,531</b>                  | <b>3,086,532</b>   |
| <b>NONOPER. REVENUES (EXP.)</b>         |                            |                                 |                    |
| Interest Earned                         | 89,815                     | 21,346                          | 111,161            |
| Special Assessment Revenues             | -                          | -                               | -                  |
| Interest & Fiscal Charges               | (134,901)                  | (355,441)                       | (490,342)          |
| <b>TOTAL NONOPER. REV (EXP.)</b>        | <b>(45,086)</b>            | <b>(334,095)</b>                | <b>(379,181)</b>   |
| <b>NET INCOME BEFORE OPER TRANSFERS</b> | <b>2,787,915</b>           | <b>(80,564)</b>                 | <b>2,707,351</b>   |
| <b>OPERATING TRANSFERS IN(OUT)</b>      |                            |                                 |                    |
| Operating Transfers In                  | -                          | -                               | -                  |
| Operating Transfers Out                 | (2,568,389)                | (40,000)                        | (2,608,389)        |
| <b>TOTAL OPER. TRANSFERS IN(OUT)</b>    | <b>(2,568,389)</b>         | <b>(40,000)</b>                 | <b>(2,608,389)</b> |
| <b>NET INCOME</b>                       | <b>219,526</b>             | <b>(120,564)</b>                | <b>98,962</b>      |
| <b>NET ASSETS</b>                       |                            |                                 |                    |
| Beginning of Year                       | 41,208,190                 | 3,991,309                       | 45,199,499         |
| End of Year                             | 41,427,716                 | 3,870,745                       | 45,298,461         |

**ENTERPRISE FUNDS**  
**Combining Statement of Cash Flows**  
*April 30, 2006*

|   | <u>Waterworks and<br/>Sewerage</u> | <u>Motor Vehicle<br/>Parking System</u> | <u>Totals</u>      |
|---|------------------------------------|---|--------------------|
| <b>Cash Flows From Operating Activities</b>   |                                    |   |                    |
| Receipts from customers & users   | 12,012,077                         | 747,635                                 | 12,759,712         |
| Payments to suppliers   | (2,248,397)                        | (139,234)                               | (2,387,631)        |
| Payments to employees   | (3,042,728)                        | (72,315)                                | (3,115,043)        |
| Payments for interfund services (Insurance)   | (374,732)                          | (5,856)                                 | (380,588)          |
| Payments for interfund services (Employee Health Insurance)   | (425,352)                          | (8,546)                                 | (433,898)          |
| Payments for other employee benefits & taxes  | (498,588)                          | (11,284)                                | (509,872)          |
| <b>Net Cash Provided By (Used For) Oper. Activities</b>   | <u>5,422,280</u>                   | <u>510,400</u>                          | <u>5,932,680</u>   |
| <b>Cash Flows From Noncapital Financing Activities</b>  |                                    |   |                    |
| Transfers to General Fund   | (1,963,799)                        | (40,000)                                | (2,003,799)        |
| Transfers to Other Funds (Capital Projects, Debt Service)   | (604,590)                          | -                                       | (604,590)          |
| Transfers from Other Funds (For Debt Service)   | -                                  | 540,393                                 | 540,393            |
| Proceeds from Note Payable  | 4,000,000                          | -                                       | 4,000,000          |
| Other Interfund Advances (Net of Repayments)  | (10,055)                           | (59,736)                                | (69,791)           |
| <b>Net Cash Prov. By (Used For) Noncap. Fin. Activ.</b>   | <u>1,421,556</u>                   | <u>440,657</u>                          | <u>1,862,213</u>   |
| <b>Cash Flows From Capital &amp; Related Financing Activities</b>                                       |                                    |   |                    |
| Payments Received on Special Assessments  | 49,260                             | -                                       | 49,260             |
| Proceeds from Capital Lease   | 1,000,000                          | -                                       | 1,000,000          |
| Deferred Bond Issue Costs   | (23,327)                           | (9,258)                                 | (32,585)           |
| Principal Paid On Capital Debt  | (960,590)                          | (544,882)                               | (1,505,472)        |
| Interest Paid On Capital Debt   | (123,870)                          | (376,217)                               | (500,087)          |
| Purchase/Construction Of Capital Assets   | (5,530,234)                        | (4,608)                                 | (5,534,842)        |
| <b>Net Cash Prov. By (Used For) Cap. &amp; Rel. Fin. Activ.</b>   | <u>(5,588,761)</u>                 | <u>(934,965)</u>                        | <u>(6,523,726)</u> |
| <b>Cash Flows From Investing Activities</b>   |                                    |   |                    |
| Interest Received   | 78,740                             | 20,460                                  | 99,200             |
| <b>Net Cash Provided By (Used For) Inv. Activities</b>  | <u>78,740</u>                      | <u>20,460</u>                           | <u>99,200</u>      |
| <b>NET INCREASE(DECREASE) IN CASH &amp; CASH EQUIV.</b>   | <b>1,333,815</b>                   | <b>36,552</b>                           | <b>1,370,367</b>   |
| <b>TOTAL CASH &amp; CASH EQUIVALENTS</b>  |                                    |   |                    |
| <b>Beginning of Year</b><br>(Including \$924,213 for the Parking Fund, reported in restricted accounts) | <u>3,946,129</u>                   | <u>955,220</u>                          | <u>4,901,349</u>   |
| <b>End of Year</b><br>(Including \$937,789 for the Parking Fund, reported in restricted accounts)       | <u>5,279,944</u>                   | <u>991,772</u>                          | <u>6,271,716</u>   |

**ENTERPRISE FUNDS**  
**Combining Statement of Cash Flows**  
*April 30, 2006*

|  | <u>Waterworks and<br/>Sewerage</u> | <u>Motor Vehicle<br/>Parking System</u> | <u>Totals</u>           |
|--|------------------------------------|---|-------------------------|
| <b>Reconciliation of operating income to<br/>net cash provided (used) by operating activities</b>    |                                    |   |                         |
| Operating Income   | 2,833,001                          | 253,531                                 | 3,086,532               |
| Adjustments To Reconcile Operating Income To Net Cash<br>Provided By (Used For) Operating Activities |                                    |   |                         |
| Depreciation Expense   | 1,979,236                          | 260,374                                 | 2,239,610               |
| (Increase) Decrease In Receivables-Billed  | (32,649)                           | -                                       | (32,649)                |
| (Increase) Decrease In Receivables-Unbilled  | 432,653                            | -                                       | 432,653                 |
| (Increase) Decrease In Inventories   | (7,101)                            | -                                       | (7,101)                 |
| Increase (Decrease) In Accounts Payable (Non-Capital Items)  | 178,921                            | (3,833)                                 | 175,088                 |
| Increase (Decrease) In Accrued Salaries  | (27,107)                           | 328                                     | (26,779)                |
| Increase (Decrease) In Compensated Absences  | -                                  | -                                       | -                       |
| Increase (Decrease) In Customer Deposits   | 65,326                             | -                                       | 65,326                  |
| <b>Net Cash Provided By (Used For) Oper. Activities</b>  | <b><u>5,422,280</u></b>            | <b><u>510,400</u></b>                   | <b><u>5,932,680</u></b> |
| <b>Supplemental Disclosure Of Non Cash<br/>Financing, Investing &amp; Capital Activities</b>         |                                    |   |                         |
| None   | -                                  | -                                       | -                       |

**ENTERPRISE FUNDS  
WATERWORKS & SEWERAGE**

**Schedule of Revenues, Expenses, and Changes in Fund Net Assets, Budget & Actual**

*For the Year Ended April 30, 2006*

|   | <u>ACTUAL</u>             | <u>BUDGET</u>             | <u>VARIANCE</u>         |
|---|---------------------------|---------------------------|-------------------------|
| <b>OPERATING REVENUES</b>               |                           |                           |                         |
| Water and Sewer Billings                | 10,450,389                | 10,706,500                | (256,111)               |
| Permits & Fees                          | 835,441                   | 815,000                   | 20,441                  |
| Penalties                               | 227,332                   | 225,000                   | 2,332                   |
| Miscellaneous Income                    | 33,583                    | 50,000                    | (16,417)                |
| <b>TOTAL OPERATING REVENUES</b>         | <u><b>11,546,745</b></u>  | <u><b>11,796,500</b></u>  | <u><b>(249,755)</b></u> |
| <b>OPERATING EXPENSES</b>               |                           |                           |                         |
| Personnel - Compensation                | 3,015,621                 | 3,281,234                 | 265,613                 |
| Personnel - Benefits, Taxes & Insurance | 1,298,672                 | 1,342,472                 | 43,800                  |
| Contractual Services                    | 1,446,361                 | 1,833,210                 | 386,849                 |
| Commodities                             | 973,854                   | 906,850                   | (67,004)                |
| Total Oper. Exp. Before Depr.           | <u><b>6,734,508</b></u>   | <u><b>7,363,766</b></u>   | <u><b>629,258</b></u>   |
| Depreciation                            | 1,979,236                 | 1,979,236                 | -                       |
| <b>TOTAL OPERATING EXPENSES</b>         | <u><b>8,713,744</b></u>   | <u><b>9,343,002</b></u>   | <u><b>629,258</b></u>   |
| <b>OPERATING INCOME (LOSS)</b>          | <u><b>2,833,001</b></u>   | <u><b>2,453,498</b></u>   | <u><b>379,503</b></u>   |
| <b>NONOPER. REVENUES (EXP.)</b>         |                           |                           |                         |
| Interest Earned                         | 89,815                    | 75,000                    | 14,815                  |
| Special Assessment Revenue              | -                         | -                         | -                       |
| Interest & Fiscal Charges               | (134,901)                 | (110,287)                 | (24,614)                |
| <b>TOTAL NONOPER. REV (EXP.)</b>        | <u><b>(45,086)</b></u>    | <u><b>(35,287)</b></u>    | <u><b>(9,799)</b></u>   |
| <b>INCOME BEFORE OPER TRANSFERS</b>     | <u><b>2,787,915</b></u>   | <u><b>2,418,211</b></u>   | <u><b>369,704</b></u>   |
| <b>OPERATING TRANSFERS IN(OUT)</b>      |                           |                           |                         |
| Operating Transfers In                  | -                         | -                         | -                       |
| Operating Transfers Out                 | (2,568,389)               | (2,527,798)               | (40,591)                |
| <b>TOTAL OPER. TRANSFERS IN(OUT)</b>    | <u><b>(2,568,389)</b></u> | <u><b>(2,527,798)</b></u> | <u><b>(40,591)</b></u>  |
| <b>CHANGE IN NET ASSETS</b>             | <u><b>219,526</b></u>     | <u><b>(109,587)</b></u>   | <u><b>329,113</b></u>   |
| <b>NET ASSETS</b>                       |                           |                           |                         |
| Beginning of Year, as restated          | <u><b>41,208,190</b></u>  |                           |                         |
| End of Year                             | <u><b>41,427,716</b></u>  |                           |                         |

ENTERPRISE FUNDS  
**WATERWORKS & SEWERAGE**  
 Schedule Of Expenses, Budget & Actual  
 For the Year Ended April 30, 2006

| SEWER DIVISION                              | ACTUAL         | BUDGET         | VARIANCE         |
|---|----------------|----------------|------------------|
| <b>Rodding &amp; Jetting</b>                |                |                |                  |
| Personnel - Compensation                    | 315,847        | 313,196        | (2,651)          |
| Personnel - Benefits, Taxes & Insurance     | 142,639        | 139,082        | (3,557)          |
| Contractual                                 | 11,755         | 6,000          | (5,755)          |
| Commodities                                 | 493            | 3,500          | 3,007            |
| Capital Outlay                              | 271,424        | -              | (271,424)        |
|   | <u>742,158</u> | <u>461,778</u> | <u>(280,380)</u> |
| <b>Administration &amp; Office Services</b> |                |                |                  |
| Personnel - Compensation                    | -              | -              | -                |
| Personnel - Benefits, Taxes & Insurance     | -              | -              | -                |
| Contractual                                 | 34,291         | 65,975         | 31,684           |
| Commodities                                 | 2,752          | 7,850          | 5,098            |
| Capital Outlay                              | 727,301        | 50,000         | (677,301)        |
|   | <u>764,344</u> | <u>123,825</u> | <u>(640,519)</u> |
| <b>Snow And Ice Control</b>                 |                |                |                  |
| Personnel - Compensation                    | 87,090         | 85,406         | (1,684)          |
| Personnel - Benefits, Taxes & Insurance     | 28,939         | 33,277         | 4,338            |
| Contractual                                 | 68             | -              | (68)             |
| Commodities                                 | -              | 2,000          | 2,000            |
| Capital Outlay                              | 93,657         | 100,000        | 6,343            |
|   | <u>209,754</u> | <u>220,683</u> | <u>10,929</u>    |
| <b>Ravine Maintenance</b>                   |                |                |                  |
| Personnel - Compensation                    | -              | -              | -                |
| Personnel - Benefits, Taxes & Insurance     | -              | -              | -                |
| Contractual                                 | -              | 2,250          | 2,250            |
| Commodities                                 | 62             | 2,500          | 2,438            |
| Capital Outlay                              | -              | -              | -                |
|   | <u>62</u>      | <u>4,750</u>   | <u>4,688</u>     |
| <b>Vehicle &amp; Equipment Maintenance</b>  |                |                |                  |
| Personnel - Compensation                    | 150,556        | 158,913        | 8,357            |
| Personnel - Benefits, Taxes & Insurance     | 57,714         | 57,678         | (36)             |
| Contractual                                 | -              | 3,500          | 3,500            |
| Commodities                                 | 58,575         | 29,500         | (29,075)         |
| Capital Outlay                              | 103,244        | 100,000        | (3,244)          |
|   | <u>370,089</u> | <u>349,591</u> | <u>(20,498)</u>  |
| <b>Televising</b>                           |                |                |                  |
| Personnel - Compensation                    | 51,985         | 81,235         | 29,250           |
| Personnel - Benefits, Taxes & Insurance     | 28,102         | 27,337         | (765)            |
| Contractual                                 | 58             | 3,000          | 2,942            |
| Commodities                                 | -              | 4,500          | 4,500            |
| Capital Outlay                              | -              | -              | -                |
|   | <u>80,145</u>  | <u>116,072</u> | <u>35,927</u>    |

ENTERPRISE FUNDS  
**WATERWORKS & SEWERAGE**  
 Schedule Of Expenses, Budget & Actual  
 For the Year Ended April 30, 2006

|   | ACTUAL           | BUDGET           | VARIANCE         |
|---|------------------|------------------|------------------|
| <b>SEWER DIVISION (cont.)</b>               |                  |                  |                  |
| <b>Safety &amp; Training Administration</b> |                  |                  |                  |
| Personnel - Compensation                    | -                | -                | -                |
| Personnel - Benefits, Taxes & Insurance     | -                | -                | -                |
| Contractual                                 | 1,971            | 6,325            | 4,354            |
| Commodities                                 | -                | 4,500            | 4,500            |
| Capital Outlay                              | -                | -                | -                |
|   | <u>1,971</u>     | <u>10,825</u>    | <u>8,854</u>     |
| <b>Lift Station Maintenance</b>             |                  |                  |                  |
| Personnel - Compensation                    | -                | -                | -                |
| Personnel - Benefits, Taxes & Insurance     | -                | -                | -                |
| Contractual                                 | 16,049           | 12,000           | (4,049)          |
| Commodities                                 | 1,165            | 9,000            | 7,835            |
| Capital Outlay                              | -                | -                | -                |
|   | <u>17,214</u>    | <u>21,000</u>    | <u>3,786</u>     |
| <b>Storm/Sanitary/Pipe Repair</b>           |                  |                  |                  |
| Personnel - Compensation                    | -                | 49,473           | 49,473           |
| Personnel - Benefits, Taxes & Insurance     | 5,856            | 26,142           | 20,286           |
| Contractual                                 | -                | 4,000            | 4,000            |
| Commodities                                 | 73,443           | 41,000           | (32,443)         |
| Capital Outlay                              | 52,500           | 25,000           | (27,500)         |
|   | <u>131,799</u>   | <u>145,615</u>   | <u>13,816</u>    |
| <b>TOTALS - SEWER DIVISION</b>              |                  |                  |                  |
| <b>Personal Services</b>                    | 605,478          | 688,223          | 82,745           |
| <b>Personnel Related</b>                    | 263,250          | 283,516          | 20,266           |
| <b>Contractual</b>                          | 64,192           | 103,050          | 38,858           |
| <b>Commodities</b>                          | 136,490          | 104,350          | (32,140)         |
| <b>Capital Outlay</b>                       | 1,248,126        | 275,000          | (973,126)        |
|   | <u>2,317,536</u> | <u>1,454,139</u> | <u>(863,397)</u> |
| <b>WATER DIVISION</b>                       |                  |                  |                  |
| <b>Meter Shop</b>                           |                  |                  |                  |
| Personnel - Compensation                    | 588,583          | 562,626          | (25,957)         |
| Personnel - Benefits, Taxes & Insurance     | 239,033          | 243,537          | 4,504            |
| Contractual                                 | 8,973            | 10,750           | 1,777            |
| Commodities                                 | 193,436          | 171,500          | (21,936)         |
| Capital Outlay                              | -                | 9,000            | 9,000            |
|   | <u>1,030,025</u> | <u>997,413</u>   | <u>(32,612)</u>  |
| <b>Water Dept Vehicle Maintenance</b>       |                  |                  |                  |
| Personnel - Compensation                    | -                | -                | -                |
| Personnel - Benefits, Taxes & Insurance     | -                | -                | -                |
| Contractual                                 | 13,427           | 8,500            | (4,927)          |
| Commodities                                 | 17,251           | 17,000           | (251)            |
| Capital Outlay                              | 10,640           | 5,000            | (5,640)          |
|   | <u>41,318</u>    | <u>30,500</u>    | <u>(10,818)</u>  |

ENTERPRISE FUNDS  
**WATERWORKS & SEWERAGE**  
 Schedule Of Expenses, Budget & Actual  
 For the Year Ended April 30, 2006

|   | ACTUAL           | BUDGET           | VARIANCE       |
|---|------------------|------------------|----------------|
| <b>WATER DIVISION (cont.)</b>               |                  |                  |                |
| <b>Water Dept Safety &amp; Training</b>     |                  |                  |                |
| Personnel - Compensation                    | -                | -                | -              |
| Personnel - Benefits, Taxes & Insurance     | -                | -                | -              |
| Contractual                                 | 8,093            | 13,500           | 5,407          |
| Commodities                                 | 12,056           | 12,250           | 194            |
| Capital Outlay                              | -                | -                | -              |
|   | <u>20,149</u>    | <u>25,750</u>    | <u>5,601</u>   |
| <b>Water Testing &amp; Analysis</b>         |                  |                  |                |
| Personnel - Compensation                    | 96,406           | 100,080          | 3,674          |
| Personnel - Benefits, Taxes & Insurance     | 46,699           | 48,438           | 1,739          |
| Contractual                                 | 35,516           | 20,000           | (15,516)       |
| Commodities                                 | 14,098           | 21,250           | 7,152          |
| Capital Outlay                              | -                | 5,000            | 5,000          |
|   | <u>192,719</u>   | <u>194,768</u>   | <u>2,049</u>   |
| <b>Water Main Distribution</b>              |                  |                  |                |
| Personnel - Compensation                    | 661,268          | 730,061          | 68,793         |
| Personnel - Benefits, Taxes & Insurance     | 269,390          | 265,506          | (3,884)        |
| Contractual                                 | 17,763           | 16,000           | (1,763)        |
| Commodities                                 | 294,190          | 260,500          | (33,690)       |
| Capital Outlay                              | 83,290           | 80,000           | (3,290)        |
|   | <u>1,325,901</u> | <u>1,352,067</u> | <u>26,166</u>  |
| <b>Water Dept Administration</b>            |                  |                  |                |
| Personnel - Compensation                    | 139,312          | 140,603          | 1,291          |
| Personnel - Benefits, Taxes & Insurance     | 61,829           | 63,161           | 1,332          |
| Contractual                                 | 23,214           | 32,000           | 8,786          |
| Commodities                                 | 15,063           | 14,000           | (1,063)        |
| Capital Outlay                              | -                | 8,000            | 8,000          |
|   | <u>239,418</u>   | <u>257,764</u>   | <u>18,346</u>  |
| <b>Building &amp; Equipment Maintenance</b> |                  |                  |                |
| Personnel - Compensation                    | 382,007          | 469,123          | 87,116         |
| Personnel - Benefits, Taxes & Insurance     | 192,916          | 214,898          | 21,982         |
| Contractual                                 | 6,668            | 20,500           | 13,832         |
| Commodities                                 | 73,046           | 76,000           | 2,954          |
| Capital Outlay                              | -                | 45,000           | 45,000         |
|   | <u>654,637</u>   | <u>825,521</u>   | <u>170,884</u> |
| <b>Water Pumping &amp; Filtration</b>       |                  |                  |                |
| Personnel - Compensation                    | 388,544          | 417,199          | 28,655         |
| Personnel - Benefits, Taxes & Insurance     | 163,878          | 159,928          | (3,950)        |
| Contractual                                 | 784,956          | 765,500          | (19,456)       |
| Commodities                                 | 156,316          | 205,000          | 48,684         |
| Capital Outlay                              | 5,569            | 50,000           | 44,431         |
|   | <u>1,499,263</u> | <u>1,597,627</u> | <u>98,364</u>  |

ENTERPRISE FUNDS  
**WATERWORKS & SEWERAGE**  
 Schedule Of Expenses, Budget & Actual  
 For the Year Ended April 30, 2006

|  | ACTUAL            | BUDGET            | VARIANCE         |
|--|-------------------|-------------------|------------------|
| <b>WATER DIVISION (cont.)</b>            |                   |                   |                  |
| <b>Collections/Data Processing</b>       |                   |                   |                  |
| Personnel - Compensation                 | 154,023           | 173,319           | 19,296           |
| Personnel - Benefits, Taxes & Insurance  | 61,677            | 63,488            | 1,811            |
| Contractual                              | 411,381           | 292,050           | (119,331)        |
| Commodities                              | 22,368            | 25,000            | 2,632            |
| Capital Outlay                           | 31,910            | 215,000           | 183,090          |
|  | <u>681,359</u>    | <u>768,857</u>    | <u>87,498</u>    |
| <b>TOTALS - WATER DIVISION</b>           |                   |                   |                  |
| Personal Services                        | 2,410,143         | 2,593,011         | 182,868          |
| Personnel Related                        | 1,035,422         | 1,058,956         | 23,534           |
| Contractual                              | 1,309,991         | 1,178,800         | (131,191)        |
| Commodities                              | 797,824           | 802,500           | 4,676            |
| Capital Outlay                           | 131,409           | 417,000           | 285,591          |
|  | <u>5,684,789</u>  | <u>6,050,267</u>  | <u>365,478</u>   |
| <b>CAPITAL IMPROVEMENTS</b>              |                   |                   |                  |
| Contractual                              | 72,178            | 551,360           | 479,182          |
| Commodities                              | 39,540            | -                 | (39,540)         |
| Construction & Improvements              | 4,247,069         | 5,190,000         | 942,931          |
|  | <u>4,358,787</u>  | <u>5,741,360</u>  | <u>1,382,573</u> |
| <b>TOTAL OPERATING EXPENSES</b>          |                   |                   |                  |
| Personal Services                        | 3,015,621         | 3,281,234         | 265,613          |
| Personnel Related                        | 1,298,672         | 1,342,472         | 43,800           |
| Contractual Services                     | 1,446,361         | 1,833,210         | 386,849          |
| Commodities                              | 973,854           | 906,850           | (67,004)         |
| Capital Outlay                           | 5,626,604         | 5,882,000         | 255,396          |
|  | <u>12,361,112</u> | <u>13,245,766</u> | <u>884,654</u>   |
| Less: Capital Outlay                     | (5,626,604)       | (5,882,000)       | (255,396)        |
| Add: Depreciation Expense                | 1,979,236         | 1,979,236         | -                |
|  | <u>8,713,744</u>  | <u>9,343,002</u>  | <u>629,258</u>   |
| <b>TOTAL OPERATING EXPENSES</b>          |                   |                   |                  |
| <b>NON-OPERATING EXPENSES</b>            |                   |                   |                  |
| Interest Expense                         | 134,901           | 110,287           | (24,614)         |
|  | <u>134,901</u>    | <u>110,287</u>    | <u>(24,614)</u>  |
| <b>OPERATING TRANSFERS OUT</b>           |                   |                   |                  |
| Transfer to General Fund                 | 1,963,799         | 1,927,798         | (36,001)         |
| Transfer to Fixed Asset Replacement Fund | -                 | -                 | -                |
| Transfer to Debt Service Fund            | 4,590             | -                 | (4,590)          |
| Transfer to Streets & Sidewalks          | 600,000           | 600,000           | -                |
|  | <u>2,568,389</u>  | <u>2,527,798</u>  | <u>(40,591)</u>  |
| <b>TOTAL OPERATING TRANSFERS OUT</b>     |                   |                   |                  |
| <b>GRAND TOTALS</b>                      |                   |                   |                  |
| Operating Expenses                       | 8,713,744         | 9,343,002         | 629,258          |
| Non-Operating Expenses                   | 134,901           | 110,287           | (24,614)         |
| Operating Transfers Out                  | 2,568,389         | 2,527,798         | (40,591)         |
|  | <u>11,417,034</u> | <u>11,981,087</u> | <u>564,053</u>   |

**ENTERPRISE FUNDS  
MOTOR VEHICLE PARKING SYSTEM**

**Schedule of Revenues, Expenses, and Changes in Fund Net Assets, Budget & Actual  
For the Year Ended April 30, 2006**

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE</u> |
|---|------------------|------------------|-----------------|
| <b>OPERATING REVENUES</b>               |                  |                  |                 |
| Parking Lot Fees & Permits              | 643,247          | -                | 643,247         |
| Parking Lot Rentals                     | 104,388          | 99,500           | 4,888           |
| Other Revenue                           | -                | -                | -               |
| <b>TOTAL OPERATING REVENUES</b>         | <u>747,635</u>   | <u>99,500</u>    | <u>648,135</u>  |
| <b>OPERATING EXPENSES</b>               |                  |                  |                 |
| Personnel - Compensation                | 72,643           | 100,544          | 27,901          |
| Personnel - Benefits, Taxes & Insurance | 25,686           | 24,372           | (1,314)         |
| Contractual Services                    | 110,560          | 231,200          | 120,640         |
| Commodities                             | 24,841           | 28,800           | 3,959           |
| Total Oper. Exp. Before Depr.           | <u>233,730</u>   | <u>384,916</u>   | <u>151,186</u>  |
| Depreciation                            | 260,374          | 80,000           | (180,374)       |
| <b>TOTAL OPERATING EXPENSES</b>         | <u>494,104</u>   | <u>464,916</u>   | <u>(29,188)</u> |
| <b>OPERATING INCOME (LOSS)</b>          | <u>253,531</u>   | <u>(365,416)</u> | <u>618,947</u>  |
| <b>NONOPER. REVENUES (EXP.)</b>         |                  |                  |                 |
| Interest Earned                         | 21,346           | 10,000           | 11,346          |
| Interest & Fiscal Charges               | (355,441)        | (322,953)        | (32,488)        |
| <b>TOTAL NONOPER. REV (EXP.)</b>        | <u>(334,095)</u> | <u>(312,953)</u> | <u>(21,142)</u> |
| <b>INCOME BEFORE OPER TRANSFERS</b>     | <u>(80,564)</u>  | <u>(678,369)</u> | <u>597,805</u>  |
| <b>OPERATING TRANSFERS IN(OUT)</b>      |                  |                  |                 |
| Operating Transfers In                  | -                | -                | -               |
| Operating Transfers Out                 | (40,000)         | (40,000)         | -               |
| <b>TOTAL OPER. TRANSFERS IN(OUT)</b>    | <u>(40,000)</u>  | <u>(40,000)</u>  | <u>-</u>        |
| <b>CHANGE IN NET ASSETS</b>             | <u>(120,564)</u> | <u>(718,369)</u> | <u>597,805</u>  |
| <b>NET ASSETS</b>                       |                  |                  |                 |
| Beginning of Year                       | <u>3,991,309</u> |                  |                 |
| End of Year                             | <u>3,870,745</u> |                  |                 |

**ENTERPRISE FUNDS**  
**MOTOR VEHICLE PARKING SYSTEM**  
**Schedule Of Expenses, Budget & Actual**  
*For the Year Ended April 30, 2006*

|   | <u>ACTUAL</u>         | <u>BUDGET</u>         | <u>VARIANCE</u>        |
|---|-----------------------|-----------------------|------------------------|
| <b>OPERATING EXPENSES</b>               |                       |                       |                        |
| Personnel - Compensation                | 72,643                | 100,544               | 27,901                 |
| Personnel - Benefits, Taxes & Insurance | 25,686                | 24,372                | (1,314)                |
| Contractual Services                    | 110,560               | 231,200               | 120,640                |
| Commodities                             | 24,841                | 28,800                | 3,959                  |
| Capital Outlay                          | 4,610                 | 498,508               | 493,898                |
|   | <u>238,340</u>        | <u>883,424</u>        | <u>645,084</u>         |
| Less: Capital Outlay                    | (4,610)               | (498,508)             | (493,898)              |
| Add: Depreciation Expense               | 260,374               | 80,000                | (180,374)              |
| <b>TOTAL OPERATING EXPENSES</b>         | <b><u>494,104</u></b> | <b><u>464,916</u></b> | <b><u>(29,188)</u></b> |
| <b>NON-OPERATING EXPENSES</b>           |                       |                       |                        |
| Interest Expense                        | <u>355,441</u>        | <u>322,953</u>        | <u>(32,488)</u>        |
| <b>OPERATING TRANSFERS OUT</b>          | <u>40,000</u>         | <u>40,000</u>         | <u>-</u>               |
| <b>GRAND TOTALS</b>                     |                       |                       |                        |
| Operating Expenses                      | 494,104               | 464,916               | (29,188)               |
| Non-Operating Expenses                  | 355,441               | 322,953               | (32,488)               |
| Operating Transfers Out                 | 40,000                | 40,000                | -                      |
|   | <u>889,545</u>        | <u>827,869</u>        | <u>(61,676)</u>        |

**ENTERPRISE FUNDS**  
**Schedule of Capital Assets**  
*April 30, 2006*

|   | <u>Cost</u>       | <u>Accumulated<br/>Depreciation</u> | <u>Net<br/>Book Value</u> |
|---|-------------------|-------------------------------------|---------------------------|
| <b>WATERWORKS AND SEWERAGE</b>              |                   |                                     |                           |
| <b>Depreciable Assets</b>                   |                   |                                     |                           |
| Buildings & Improvements                    | 7,919,374         | 2,589,344                           | 5,330,030                 |
| Machinery & Equipment                       | 5,910,705         | 4,168,434                           | 1,742,271                 |
| Vehicles                                    | 4,057,183         | 2,371,749                           | 1,685,434                 |
| System Infrastructure                       | 55,183,619        | 23,164,778                          | 32,018,841                |
| <b>Totals, Depreciable Assets</b>           | <b>73,070,881</b> | <b>32,294,305</b>                   | <b>40,776,576</b>         |
| <b>Capital Assets Not Being Depreciated</b> |                   |                                     |                           |
| Land  | 1,040,947         | -                                   | 1,040,947                 |
| <b>TOTAL</b>                                | <b>74,111,828</b> | <b>32,294,305</b>                   | <b>41,817,523</b>         |
| <br>  |                   |                                     |                           |
| <b>MOTOR VEHICLE PARKING SYSTEM</b>         |                   |                                     |                           |
| <b>Depreciable Assets</b>                   |                   |                                     |                           |
| Buildings/Parking Lot Improvements          | 11,968,877        | 1,546,984                           | 10,421,893                |
| Machinery & Equipment                       | 169,796           | 108,340                             | 61,456                    |
| Vehicles                                    | 32,574            | 30,733                              | 1,841                     |
| <b>Totals, Depreciable Assets</b>           | <b>12,171,247</b> | <b>1,686,057</b>                    | <b>10,485,190</b>         |
| <b>Capital Assets Not Being Depreciated</b> |                   |                                     |                           |
| Land  | 1,608,223         | -                                   | 1,608,223                 |
| <b>TOTAL</b>                                | <b>13,779,470</b> | <b>1,686,057</b>                    | <b>12,093,413</b>         |

# **Internal Service Funds**

**INTERNAL SERVICE FUNDS**  
**Combining Statement of Net Assets**  
*April 30, 2006*

|   | <u>Employee<br/>Benefit Plan</u> | <u>Safety &amp; Risk<br/>Management</u> | <u>Totals</u>      |
|---|----------------------------------|---|--------------------|
| <b>ASSETS</b>   |                                  |   |                    |
| <b>Current Assets</b>   |                                  |   |                    |
| Cash And Cash Equivalents                                     | 629,092                          | 165,230                                 | 794,322            |
| Accounts Receivable   | -                                | 378,030                                 | 378,030            |
| Due From Other Funds  | -                                | -                                       | -                  |
| <b>Total Current Assets</b>                                   | <b>629,092</b>                   | <b>543,260</b>                          | <b>1,172,352</b>   |
| <b>Fixed Assets</b>   |                                  |   |                    |
| Furnishings & Equipment                                       | 5,968                            | -                                       | 5,968              |
| Accumulated Depreciation                                      | (5,078)                          | -                                       | (5,078)            |
| <b>Total Fixed Assets</b>                                     | <b>890</b>                       | <b>-</b>                                | <b>890</b>         |
| <b>TOTAL ASSETS</b>   | <b>629,982</b>                   | <b>543,260</b>                          | <b>1,173,242</b>   |
| <b>LIABILITIES</b>  |                                  |   |                    |
| <b>Current Liabilities</b>                                    |                                  |   |                    |
| Accounts Payable  | 4,938                            | 20,093                                  | 25,031             |
| Accrued Salaries And Benefits                                 | 1,474                            | 1,474                                   | 2,948              |
| Due to Other Funds  | -                                | -                                       | -                  |
| Claims Payable (Net of Reinsurance)                           | 4,262                            | -                                       | 4,262              |
| Prepaid Premiums (Net)  | (9,374)                          | -                                       | (9,374)            |
| Estimated Liability - Claims & Judgments (Net of Reinsurance) | -                                | -                                       | -                  |
| Environmental Matters   | -                                | 2,525,000                               | 2,525,000          |
| Other   | -                                | 2,146,316                               | 2,146,316          |
| <b>Total Current Liabilities</b>                              | <b>1,300</b>                     | <b>4,692,883</b>                        | <b>4,694,183</b>   |
| <b>Noncurrent Liabilities</b>                                 |                                  |   |                    |
| Advance from Other Funds (Long-Term)                          | 4,354,735                        | 73,842                                  | 4,428,577          |
| Compensated Absences  | 10,603                           | -                                       | 10,603             |
| <b>Total Noncurrent Liabilities</b>                           | <b>4,365,338</b>                 | <b>73,842</b>                           | <b>4,439,180</b>   |
| <b>TOTAL LIABILITIES</b>                                      | <b>4,366,638</b>                 | <b>4,766,725</b>                        | <b>9,133,363</b>   |
| <b>NET ASSETS</b>   |                                  |   |                    |
| Invested in Capital Assets, Net of Related Debt               | 890                              | -                                       | 890                |
| Unrestricted  | (3,737,546)                      | (4,223,465)                             | (7,961,011)        |
| <b>TOTAL NET ASSETS</b>                                       | <b>(3,736,656)</b>               | <b>(4,223,465)</b>                      | <b>(7,960,121)</b> |

**INTERNAL SERVICE FUNDS****Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets***For the Year Ended April 30, 2006*

|  | <u>Employee<br/>Benefit Plan</u> | <u>Safety &amp; Risk<br/>Management</u> | <u>Totals</u>      |
|--|----------------------------------|---|--------------------|
| <b>OPERATING REVENUES</b>                  |                                  |   |                    |
| Premiums                                   | 7,465,737                        | 3,207,532                               | 10,673,269         |
| Other Revenue                              | -                                | 53,464                                  | 53,464             |
| <b>TOTAL OPERATING REVENUES</b>            | <u>7,465,737</u>                 | <u>3,260,996</u>                        | <u>10,726,733</u>  |
| <b>OPERATING EXPENSES</b>                  |                                  |   |                    |
| Personnel - Compensation                   | 30,830                           | 30,991                                  | 61,821             |
| Personnel - Benefits, Taxes & Insurance    | 10,182                           | 9,853                                   | 20,035             |
| Contractual                                | 91,535                           | 197,240                                 | 288,775            |
| Commodities                                | 19,725                           | 5,673                                   | 25,398             |
| Claims & Judgments                         | 156,374                          | 2,394,744                               | 2,551,118          |
| Insurance Premiums                         | 6,114,716                        | 570,940                                 | 6,685,656          |
| Depreciation                               | -                                | -                                       | -                  |
| <b>TOTAL OPERATING EXPENSES</b>            | <u>6,423,362</u>                 | <u>3,209,441</u>                        | <u>9,632,803</u>   |
| <b>OPERATING INCOME (LOSS)</b>             | <u>1,042,375</u>                 | <u>51,555</u>                           | <u>1,093,930</u>   |
| <b>NON-OPERATING REVENUES (EXP.)</b>       |                                  |   |                    |
| Interest Expense (Interfund Loans)         | (152,720)                        | -                                       | (152,720)          |
| Investment Income                          | 17,447                           | 9,708                                   | 27,155             |
| <b>TOTAL NON-OPERATING REVENUES (EXP.)</b> | <u>(135,273)</u>                 | <u>9,708</u>                            | <u>(125,565)</u>   |
| <b>CHANGE IN NET ASSETS</b>                | <b>907,102</b>                   | <b>61,263</b>                           | <b>968,365</b>     |
| <b>NET ASSETS</b>                          |                                  |   |                    |
| Beginning of Year                          | <u>(4,643,758)</u>               | <u>(4,284,728)</u>                      | <u>(8,928,486)</u> |
| End of Year                                | <u>(3,736,656)</u>               | <u>(4,223,465)</u>                      | <u>(7,960,121)</u> |

**INTERNAL SERVICE FUNDS**  
**Combining Statement of Cash Flows**  
*For the Year Ended April 30, 2006*

|   | Employee<br>Benefit Plan | Safety & Risk<br>Management | Totals           |
|---|--------------------------|-----------------------------|------------------|
| <b>Cash Flows From Operating Activities</b>   |                          |                             |                  |
| Receipts from employees & retirees  | 1,613,145                | -                           | 1,613,145        |
| Receipts for Special Police Duty  | -                        | 53,464                      | 53,464           |
| Receipts from other funds for premiums  | 5,772,522                | 2,829,502                   | 8,602,024        |
| Receipts from insurance companies   | -                        | 364,389                     | 364,389          |
| Payments to suppliers & insurance carriers  | (6,240,689)              | (767,559)                   | (7,008,248)      |
| Payments for Claims & Judgments   | (604,890)                | (2,860,345)                 | (3,465,235)      |
| Payments to employees   | (30,843)                 | (31,004)                    | (61,848)         |
| Payments for interfund services (Insurance)   | (2,928)                  | (2,928)                     | (5,856)          |
| Payments for interfund services (Employee Health Insurance)                                       | (2,196)                  | (1,811)                     | (4,007)          |
| Payments for other employee benefits & taxes  | (5,058)                  | (5,114)                     | (10,172)         |
| <b>Net Cash Provided By (Used For) Oper. Activities</b>   | <b>499,062</b>           | <b>(421,407)</b>            | <b>77,656</b>    |
| <b>Cash Flows From Noncapital Financing Activities</b>  |                          |                             |                  |
| Interfund Loans   | 25,846                   | (26,343)                    | (497)            |
| Interest Received Paid on Interfund Loan  | (152,720)                | -                           | (152,720)        |
| Advances from/(to) General Fund   | (139,445)                | (397,755)                   | (537,200)        |
|   | <b>(266,319)</b>         | <b>(424,098)</b>            | <b>(690,417)</b> |
| <b>Cash Flows From Capital &amp; Related Financing Activities</b>                                 |                          |                             |                  |
| Fixed Asset Adjustment  | -                        | -                           | -                |
| <b>Cash Flows From Investing Activities</b>   | <b>17,447</b>            | <b>9,708</b>                | <b>27,155</b>    |
| <b>NET INCREASE(DECREASE) IN CASH &amp; CASH EQUIV.</b>   | <b>250,190</b>           | <b>(835,797)</b>            | <b>(585,606)</b> |
| <b>TOTAL CASH &amp; CASH EQUIVALENTS</b>  |                          |                             |                  |
| Beginning of Year   | <b>378,902</b>           | <b>1,001,026</b>            | <b>1,379,928</b> |
| End of Year   | <b>629,092</b>           | <b>165,230</b>              | <b>794,322</b>   |
| <b>Reconciliation of operating income to net cash provided (used) by operating activities</b>     |                          |                             |                  |
| Operating Income (loss)   | 1,042,375                | 51,555                      | 1,093,930        |
| Adjustments To Reconcile Operating Income To Net Cash Provided By (Used For) Operating Activities |                          |                             |                  |
| Depreciation Expense  | -                        | -                           | -                |
| (Increase) Decrease In Accounts Receivables   | -                        | (378,030)                   | (378,030)        |
| Increase (Decrease) In Accounts Payable   | (14,713)                 | 6,294                       | (8,419)          |
| Increase (Decrease) In Accrued Salaries   | (13)                     | (13)                        | (27)             |
| Increase (Decrease) In Compensated Absences   | -                        | -                           | -                |
| Increase (Decrease) In Prepaid Premiums Payable   | (80,070)                 | -                           | (80,070)         |
| Increase (Decrease) In Claims & Judgments Payable   | (448,516)                | (101,212)                   | (549,728)        |
| <b>Net Cash Provided By (Used For) Oper. Activities</b>   | <b>499,062</b>           | <b>(421,407)</b>            | <b>77,656</b>    |
| <b>Supplemental Disclosure Of Non Cash Financing, Investing &amp; Capital Activities</b>          |                          |                             |                  |
| NONE  | -                        | -                           | -                |

**INTERNAL SERVICE FUNDS  
EMPLOYEE BENEFIT PLAN**

**Schedule Of Revenues, Expenses, and Changes in Fund Net Assets, Budget and Actual**

*For the Year Ended April 30, 2006*

|  | ACTUAL             | BUDGET           | VARIANCE         |
|--|--------------------|------------------|------------------|
| <b>OPERATING REVENUES</b>                      |                    |                  |                  |
| Premiums-City                                  | 5,772,522          | 5,950,422        | (177,900)        |
| Premiums-Retirees                              | 1,086,380          | 991,935          | 94,445           |
| Premiums-Employees                             | 606,835            | 607,287          | (452)            |
| <b>TOTAL OPERATING REVENUES</b>                | <b>7,465,737</b>   | <b>7,549,644</b> | <b>(83,907)</b>  |
| <b>OPERATING EXPENSES</b>                      |                    |                  |                  |
| Personnel - Compensation                       | 30,830             | 32,705           | 1,875            |
| Personnel - Benefits, Taxes & Insurance        | 10,182             | 9,669            | (513)            |
| Contractual                                    | 91,535             | 103,464          | 11,929           |
| Commodities                                    | 19,725             | 5,750            | (13,975)         |
| Claims & Judgments (Net of Reinsurance Claims) | 156,374            | 555,000          | 398,626          |
| Insurance Premiums                             |                    |                  |                  |
| HMO Premiums                                   | 5,760,599          | 5,596,808        | (163,791)        |
| Stop Loss & Other Premiums                     | 354,117            | 359,597          | 5,480            |
| Depreciation                                   | -                  | 1,000            | 1,000            |
| <b>TOTAL OPERATING EXPENSES</b>                | <b>6,423,362</b>   | <b>6,663,993</b> | <b>240,631</b>   |
| <b>OPERATING INCOME (LOSS)</b>                 | <b>1,042,375</b>   | <b>885,651</b>   | <b>156,724</b>   |
| <b>NON-OPERATING REVENUES (EXP.)</b>           |                    |                  |                  |
| Interest Expense (Interfund Loans)             | (152,720)          | -                | (152,720)        |
| Investment Income                              | 17,447             | -                | 17,447           |
| <b>TOTAL NON-OPERATING REVENUES (EXP.)</b>     | <b>(135,273)</b>   | <b>-</b>         | <b>(135,273)</b> |
| <b>CHANGE IN NET ASSETS</b>                    | <b>907,102</b>     | <b>885,651</b>   | <b>21,451</b>    |
| <b>NET ASSETS</b>                              |                    |                  |                  |
| Beginning of Year                              | <u>(4,643,758)</u> |                  |                  |
| End of Year                                    | <u>(3,736,656)</u> |                  |                  |

# **Fiduciary Funds - Pension Trust Funds**

FIDUCIARY FUNDS  
**PENSION TRUST FUNDS**  
 Combining Statement of Fiduciary Net Assets

*April 30, 2006*

|                                    | Police<br>Pension        | Fire<br>Pension          | Totals                   |
|------------------------------------|--------------------------|--------------------------|--------------------------|
| <b>ASSETS</b>                      |                          |                          |                          |
| Cash & Cash Equivalents            | 1,945,345                | 673,416                  | 2,618,761                |
| Investments                        | 46,547,130               | 37,319,723               | 83,866,853               |
| Receivables:                       |                          |                          |                          |
| Employer Contributions             | 2,760,910                | 2,362,600                | 5,123,510                |
| Employee Contributions             | 39,508                   | -                        | 39,508                   |
| Accrued Investment Income          | 260,118                  | 217,973                  | 478,091                  |
| <b>TOTAL ASSETS</b>                | <b><u>51,553,011</u></b> | <b><u>40,573,712</u></b> | <b><u>92,126,723</u></b> |
| <b>LIABILITIES</b>                 |                          |                          |                          |
| Accounts Payable                   | -                        | 11,782                   | 11,782                   |
| Pensions Payable                   | 8,122                    | 738                      | 8,860                    |
| <b>TOTAL LIABILITIES</b>           | <b><u>8,122</u></b>      | <b><u>12,520</u></b>     | <b><u>20,642</u></b>     |
| <b>NET ASSETS</b>                  |                          |                          |                          |
| Held in Trust for Pension Benefits | <b><u>51,544,889</u></b> | <b><u>40,561,192</u></b> | <b><u>92,106,081</u></b> |

FIDUCIARY FUNDS  
PENSION TRUST FUNDS

Combining Statement Of Changes in Fiduciary Net Assets

For the Year Ended April 30, 2006

|   | Police<br>Pension | Fire<br>Pension   | Totals            |
|---|-------------------|-------------------|-------------------|
| <b>ADDITIONS</b>  |                   |                   |                   |
| <b>Contributions</b>  |                   |                   |                   |
| City-Property Taxes   | 2,752,065         | 2,362,760         | 5,114,825         |
| Plan Participants-Salary Deductions                                 | 1,035,162         | 774,848           | 1,810,010         |
| <b>Total Contributions</b>  | <u>3,787,227</u>  | <u>3,137,608</u>  | <u>6,924,835</u>  |
| <b>Investment Income</b>  |                   |                   |                   |
| Net Appreciation (Depreciation) in the<br>Fair Value of Investments | 4,289,204         | 3,371,739         | 7,660,943         |
| Interest & Dividend Income  | 1,580,241         | 1,134,656         | 2,714,897         |
|   | <u>5,869,445</u>  | <u>4,506,395</u>  | <u>10,375,840</u> |
| Less: Investment Expense  | 152,098           | 132,056           | 284,154           |
| <b>Net Investment Income</b>  | <u>5,717,347</u>  | <u>4,374,339</u>  | <u>10,091,686</u> |
| <b>TOTAL ADDITIONS</b>  | <u>9,504,574</u>  | <u>7,511,947</u>  | <u>17,016,521</u> |
| <b>DEDUCTIONS</b>   |                   |                   |                   |
| <b>Pension Benefits</b>   |                   |                   |                   |
| Retirees  | 2,383,389         | 2,348,489         | 4,731,878         |
| Disability Pensions   | 541,350           | 528,633           | 1,069,983         |
| Survivors Pensions  | 350,154           | 536,519           | 886,673           |
| <b>Total Pension Benefits</b>                                       | <u>3,274,893</u>  | <u>3,413,641</u>  | <u>6,688,534</u>  |
| <b>Other Deductions</b>   |                   |                   |                   |
| Administrative Expense  | 20,410            | 115,442           | 135,852           |
| Depreciation  | -                 | -                 | -                 |
| Employee Contributions Refunded                                     | 3,341             | -                 | 3,341             |
| <b>TOTAL DEDUCTIONS</b>   | <u>3,298,644</u>  | <u>3,529,083</u>  | <u>6,827,727</u>  |
| <b>NET INCREASE (DECREASE)</b>                                      | 6,205,930         | 3,982,864         | 10,188,794        |
| <b>NET ASSETS HELD IN TRUST FOR<br/>PENSION BENEFITS</b>            |                   |                   |                   |
| Beginning of Year, as restated                                      | <u>45,338,959</u> | <u>36,578,328</u> | <u>81,917,287</u> |
| End of Year   | <u>51,544,889</u> | <u>40,561,192</u> | <u>92,106,081</u> |

FIDUCIARY FUNDS  
PENSION TRUST FUNDS  
**POLICE PENSION**

**Schedule Of Changes in Fiduciary Net Assets, Budget and Actual**  
*For the Year Ended April 30, 2006*

|   | <u>ACTUAL</u>     | <u>BUDGET</u>    | <u>VARIANCE</u>  |
|---|-------------------|------------------|------------------|
| <b>ADDITIONS</b>  |                   |                  |                  |
| <b>Contributions</b>  |                   |                  |                  |
| City of Waukegan  | 2,752,065         | 2,632,161        | 119,904          |
| Plan Participants   | 1,035,162         | 972,370          | 62,792           |
| <b>Total Contributions</b>  | <u>3,787,227</u>  | <u>3,604,531</u> | <u>182,696</u>   |
| <b>Investment Income</b>  |                   |                  |                  |
| Net Appreciation (Depreciation) in the<br>Fair Value of Investments | 4,289,204         |                  |                  |
| Interest & Dividend Income  | 1,580,241         |                  |                  |
|   | <u>5,869,445</u>  |                  |                  |
| Less: Investment Expense  | 152,098           |                  |                  |
| <b>Net Investment Income</b>  | <u>5,717,347</u>  | <u>1,260,000</u> | <u>4,457,347</u> |
| <b>TOTAL ADDITIONS</b>  | <u>9,504,574</u>  | <u>4,864,531</u> | <u>4,640,043</u> |
| <b>DEDUCTIONS</b>   |                   |                  |                  |
| <b>Pension Benefits</b>   |                   |                  |                  |
| Retirees  | 2,383,389         |                  |                  |
| Disability Pensions   | 541,350           |                  |                  |
| Survivors Pensions  | 350,154           |                  |                  |
| <b>Total Pension Benefits</b>                                       | <u>3,274,893</u>  | <u>3,276,000</u> | <u>1,107</u>     |
| <b>Other Deductions</b>   |                   |                  |                  |
| Administrative Expense  | 20,410            | 25,000           | 4,590            |
| Employee Contributions Refunded                                     | 3,341             | 50,000           | 46,659           |
| <b>TOTAL DEDUCTIONS</b>   | <u>3,298,644</u>  | <u>3,351,000</u> | <u>52,356</u>    |
| <b>NET INCREASE (DECREASE)</b>                                      | <u>6,205,930</u>  | <u>1,513,531</u> | <u>4,692,399</u> |
| <b>NET ASSETS HELD IN TRUST FOR<br/>PENSION BENEFITS</b>            |                   |                  |                  |
| <b>Beginning of Year</b>  | <u>45,338,959</u> |                  |                  |
| <b>End of Year</b>  | <u>51,544,889</u> |                  |                  |

FIDUCIARY FUNDS  
PENSION TRUST FUNDS  
**FIRE PENSION**

**Schedule Of Changes in Fiduciary Net Assets, Budget and Actual**

*For the Year Ended April 30, 2006*

|   | <u>ACTUAL</u>     | <u>BUDGET</u>    | <u>VARIANCE</u>  |
|---|-------------------|------------------|------------------|
| <b>ADDITIONS</b>  |                   |                  |                  |
| <b>Contributions</b>  |                   |                  |                  |
| City of Waukegan  | 2,362,760         | 2,167,732        | 195,028          |
| Plan Participants   | 774,848           | 636,000          | 138,848          |
| <b>Total Contributions</b>  | <u>3,137,608</u>  | <u>2,803,732</u> | <u>333,876</u>   |
| <b>Investment Income</b>  |                   |                  |                  |
| Net Appreciation (Depreciation) in the<br>Fair Value of Investments | 3,371,739         |                  |                  |
| Interest & Dividend Income  | <u>1,134,656</u>  |                  |                  |
|   | 4,506,395         |                  |                  |
| Less: Investment Expense  | <u>132,056</u>    |                  |                  |
| <b>Net Investment Income</b>  | <u>4,374,339</u>  | <u>1,155,000</u> | <u>3,219,339</u> |
| <b>TOTAL ADDITIONS</b>  | <u>7,511,947</u>  | <u>3,958,732</u> | <u>3,553,215</u> |
| <b>DEDUCTIONS</b>   |                   |                  |                  |
| <b>Pension Benefits</b>   |                   |                  |                  |
| Retirees  | 2,348,489         |                  |                  |
| Disability Pensions   | 528,633           |                  |                  |
| Survivors Pensions  | <u>536,519</u>    |                  |                  |
| <b>Total Pension Benefits</b>                                       | <u>3,413,641</u>  | <u>3,375,744</u> | <u>(37,897)</u>  |
| <b>Other Deductions</b>   |                   |                  |                  |
| Administrative Expense  | 115,442           | 20,000           | (95,442)         |
| Depreciation  | -                 | -                | -                |
| Employee Contributions Refunded                                     | <u>-</u>          | <u>30,000</u>    | <u>30,000</u>    |
| <b>TOTAL DEDUCTIONS</b>   | <u>3,529,083</u>  | <u>3,425,744</u> | <u>(103,339)</u> |
| <b>NET INCREASE (DECREASE)</b>                                      | <u>3,982,864</u>  | <u>532,988</u>   | <u>3,449,876</u> |
| <b>NET ASSETS HELD IN TRUST FOR<br/>PENSION BENEFITS</b>            |                   |                  |                  |
| Beginning of Year   | <u>36,578,328</u> |                  |                  |
| End of Year   | <u>40,561,192</u> |                  |                  |

# **Component Unit - Waukegan Public Library**

COMPONENT UNIT  
**WAUKEGAN PUBLIC LIBRARY**

**Governmental Funds Balance Sheet  
and  
Statement of Net Assets**

*April 30, 2006*

|   | <u>General<br/>Fund</u> | <u>Adjustments</u>      | <u>Statement<br/>of Net Assets</u> |
|---|-------------------------|-------------------------|------------------------------------|
| <b>Assets</b>                                   |                         |                         |                                    |
| Cash and Cash Equivalents                       | \$ 80,650               | -                       | 80,650                             |
| Investments                                     | 84,919                  | -                       | 84,919                             |
| Receivables                                     |                         |                         |                                    |
| Property Taxes                                  | 3,351,552               | -                       | 3,351,552                          |
| Other   | 2,150                   | -                       | 2,150                              |
| Deposits - Insurance Risk Pool                  | 20,976                  | -                       | 20,976                             |
| Capital Assets Not Being Depreciated            |                         |                         |                                    |
| Land  | -                       | 71,486                  | 71,486                             |
| Capital Assets, Net of Depreciation             |                         |                         |                                    |
| Building & Improvements                         | -                       | 1,806,862               | 1,806,862                          |
| Furnishings & Equipment                         | -                       | 626,403                 | 626,403                            |
| Library Materials                               | -                       | 1,913,776               | 1,913,776                          |
| <b>Total Assets</b>                             | <u><b>3,540,247</b></u> | <u><b>4,418,527</b></u> | <u><b>7,958,774</b></u>            |
| <b>Liabilities</b>                              |                         |                         |                                    |
| Accounts Payable                                | 24,665                  | -                       | 24,665                             |
| Accrued Interest Payable                        | -                       | 35,548                  | 35,548                             |
| Accrued Salaries                                | 17,152                  | -                       | 17,152                             |
| Deferred Revenue                                |                         |                         |                                    |
| Property Taxes                                  | 3,351,552               | -                       | 3,351,552                          |
| Other   | 55,579                  | -                       | 55,579                             |
| Noncurrent Liabilities                          |                         |                         |                                    |
| Due within one year                             | -                       | 125,000                 | 125,000                            |
| Due in more than one year                       | -                       | 1,843,699               | 1,843,699                          |
| <b>Total Liabilities</b>                        | <u><b>3,448,948</b></u> | <u><b>2,004,247</b></u> | <u><b>5,453,195</b></u>            |
| <b>Fund Balance / Net Assets</b>                |                         |                         |                                    |
| <b>Fund Balance</b>                             |                         |                         |                                    |
| Reserved - Insurance Risk Pool Deposit          | 20,976                  | (20,976)                | -                                  |
| Unreserved, Undesignated                        | 70,323                  | (70,323)                | -                                  |
| <b>Total Fund Balance</b>                       | <u><b>91,299</b></u>    | <u><b>(91,299)</b></u>  | <u><b>-</b></u>                    |
| <b>Total Liabilities and Fund Balance</b>       | <u><b>3,540,247</b></u> |                         |                                    |
| <b>Net Assets</b>                               |                         |                         |                                    |
| Invested in Capital Assets, Net of Related Debt |                         | 2,583,527               | 2,583,527                          |
| Unrestricted                                    |                         | (77,948)                | (77,948)                           |
| <b>Total Net Assets</b>                         |                         | <u><b>2,505,579</b></u> | <u><b>2,505,579</b></u>            |

COMPONENT UNIT  
WAUKEGAN PUBLIC LIBRARY

*Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
and  
Statement of Activities  
For the Year Ended April 30, 2006*

|   | <u>General<br/>Fund</u> | <u>Adjustments</u>      | <u>Statement<br/>of Activities</u> |
|---|-------------------------|-------------------------|------------------------------------|
| <b>Expenditures</b>   |                         |                         |                                    |
| Library Services-Operation  |                         |                         |                                    |
| Personnel Services  | \$ 1,836,940            | (15,516)                | 1,821,424                          |
| Personnel Related   | 520,280                 | -                       | 520,280                            |
| Contractual Services  | 405,072                 | -                       | 405,072                            |
| Commodities   | 94,885                  | -                       | 94,885                             |
| Depreciation  | -                       | 245,580                 | 245,580                            |
| Capital Outlay  | 340,449                 | (340,449)               | -                                  |
| Debt Service  |                         |                         |                                    |
| Principal   | 115,000                 | (115,000)               | -                                  |
| Interest & Fiscal Charges   | 114,106                 | (2,147)                 | 111,959                            |
| <b>Total Expenditures</b>   | <b><u>3,426,732</u></b> | <b><u>(227,532)</u></b> | <b><u>3,199,200</u></b>            |
| <b>Program Revenues</b>   |                         |                         |                                    |
| Charges for Services  |                         |                         |                                    |
| Licenses, Permits & Fees  | 69,609                  | -                       | 69,609                             |
| Fines   | 74,029                  | -                       | 74,029                             |
| Operating Grants & Contributions  |                         |                         |                                    |
| Intergovernmental   | 245,665                 | -                       | 245,665                            |
| Private Sources   | 83,506                  | -                       | 83,506                             |
| <b>Total Program Revenues</b>   | <b><u>472,809</u></b>   | <b><u>-</u></b>         | <b><u>472,809</u></b>              |
| <b>Net Program Expense</b>  |                         |                         | <b><u>2,726,391</u></b>            |
| <b>General Revenues</b>   |                         |                         |                                    |
| Property Taxes  | 3,187,151               | -                       | 3,187,151                          |
| Interest Income   | 34,079                  | -                       | 34,079                             |
| Sale of Equipment   | -                       | (9,513)                 | (9,513)                            |
| Other   | 2,086                   | -                       | 2,086                              |
| <b>Total General Revenues</b>   | <b><u>3,223,316</u></b> | <b><u>(9,513)</u></b>   | <b><u>3,213,803</u></b>            |
| <b>Excess (Deficiency) of Revenues &amp;<br/>Transfers In Over Expenditures &amp;<br/>Transfers Out</b> | <b>269,393</b>          | <b>(269,393)</b>        | <b>-</b>                           |
| <b>Change in Net Assets</b>   | <b>-</b>                | <b>487,412</b>          | <b>487,412</b>                     |
| <b>Fund Balances/Net Assets</b>   |                         |                         |                                    |
| Beginning of Year   | <u>(178,094)</u>        | <u>2,196,261</u>        | <u>2,018,167</u>                   |
| End of Year   | <u>91,299</u>           | <u>2,414,280</u>        | <u>2,505,579</u>                   |

COMPONENT UNIT  
WAUKEGAN PUBLIC LIBRARY

*Schedule of Revenues, Expenditures and Changes in Fund Balances, Budget & Actual*  
*For the Year Ended April 30, 2006*

|  | <u>Actual</u>    | <u>Budget</u>    | <u>Variance</u> |
|--|------------------|------------------|-----------------|
| <b>Revenues</b>  |                  |                  |                 |
| Property Taxes   | 3,187,151        | 3,190,777        | (3,626)         |
| Licenses, Permits & Fees   | 143,638          | 135,000          | 8,638           |
| Intergovernmental  | 245,665          | 215,788          | 29,877          |
| Interest Income  | 34,079           | 8,312            | 25,767          |
| Private Source Grants  | 83,506           | 21,900           | 61,606          |
| Other  | 2,086            | -                | 2,086           |
| <b>Total Revenues</b>  | <u>3,696,125</u> | <u>3,571,777</u> | <u>124,348</u>  |
| <b>Expenditures</b>  |                  |                  |                 |
| Current  |                  |                  |                 |
| Personnel Services   | 1,836,940        | 1,910,000        | 73,060          |
| Personnel Related  | 520,280          | 569,152          | 48,872          |
| Contractual Services   | 405,072          | 395,150          | (9,922)         |
| Commodities  | 94,885           | 71,590           | (23,295)        |
| Capital Outlay   | 340,449          | 325,000          | (15,449)        |
| Debt Service   |                  |                  | -               |
| Principal  | 115,000          | 115,000          | -               |
| Interest & Fiscal Charges  | 114,106          | 115,245          | 1,139           |
| <b>Total Expenditures</b>  | <u>3,426,732</u> | <u>3,501,137</u> | <u>74,405</u>   |
| <b>Excess of Revenues Over Expenditures</b>  | <u>269,393</u>   | <u>70,640</u>    | <u>198,753</u>  |
| <b>Other Financing Sources (Uses)</b>  |                  |                  |                 |
| Operating Transfers In   | -                | -                | -               |
| Operating Transfers Out  | -                | -                | -               |
| <b>Total Other Financing Sources (Uses)</b>  | <u>-</u>         | <u>-</u>         | <u>-</u>        |
| <b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b> | <u>269,393</u>   | <u>70,640</u>    | <u>198,753</u>  |
| <b>Fund Balance - Beginning of Year</b>  | <u>(178,094)</u> |                  |                 |
| <b>Fund Balance - End of Year</b>  | <u>91,299</u>    |                  |                 |