

FY 2006 Annual Financial Report

Multi-Purpose Long Form

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SEP 28 2006

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MAKE SURE YOU HAVE CLICKED THE SUBMIT BUTTON IN THE COMPTROLLER CONNECT PROGRAM. THIS WILL PROVIDE THE COMPTROLLER'S OFFICE WITH A COPY OF YOUR ANNUAL FINANCIAL REPORT.

Unit Name: Fisher Village Unit Code: 010/025/32
 County: CHAMPAIGN
 CHAMPAIGN COUNTY CLERK

I attest that, to the best of my knowledge, this report represents a complete and accurate statement of the financial position of Fisher Village as of the end of this fiscal year.

Mary Wier Date: 9/27/06
 Written signature of government official

Mary Wier, Treasurer
 Please Sign

PLEASE CROSS OUT ALL INCORRECT INFORMATION AND PROVIDE CORRECTIONS

STEP 1: ENTER CONTACT INFORMATION

Is the following information correct and complete? Yes No

A. Contact Person (elected or appointed official responsible for filling out this form):	B. Chief Executive Officer (elected or appointed official responsible for the executive administration, i.e. mayor, supervisor, or chairman):		C. Chief Financial Officer (elected or appointed official responsible for maintaining the government's financial records):	
Mary Wier	Ron Adams	Mary Wier		
Treasurer	Mayor	Treasurer		
110 West Front Street P.O. Box 100	P.O. Box 100	110 West Front Street		
Fisher	Fisher	Fisher		
IL	IL	IL		
61843	61843	61843		
Phone: 2178971180	Phone: 2178971180	Phone: 2178971180		
Fax: 217-897-1623	Fax: 217-897-1623	Fax: 217-897-1623		
E-mail: fishervillagehall@mchsi.com	E-mail: fishervillagehall@mchsi.com	E-mail: fishervillagehall@mchsi.com		

If the Chief Executive Officer and the Chief Financial Officer are the same person as the Contact Person, please check this box and skip to Step 2. If not, please do not leave columns B and C blank.

Unit Name: Fisher Village

Unit Code Number: 010/025/32

STEP 2: VERIFY FISCAL YEAR END

FY END DATE: 04/30/2006

If the fiscal year end date, listed above, is incorrect, cross out the incorrect date and provide the correct date. Official documentation of this change must be sent to the Chicago office before the fiscal year end date is officially changed.

STEP 3: GASB 34, ACCOUNTING SYSTEM, DEBT, UTILITY, HOME RULE AND TIF

A. Has your government implemented GASB 34 in FY 2006 reporting or in previous reporting years? X Yes No

- If Yes:
 - o Governments who have implemented GASB 34 and are using "other basis of accounting" (OCBOA) such as "Cash Basis" and "Modified Cash Basis" as their accounting system will now be able to select these types as their accounting system.
 - o Please fill out the Alternative Assts & Liabilities page, located on page F1(b)

B. Which type of accounting system does Fisher Village use:

_____ Cash - with no assets (Cash Basis) _____ Modified Accrual/Accrual

X _____ Cash - with assets (Modified Cash Basis) _____ Combination (explain)

C. Does the government have debt this reporting fiscal year? X Yes No

D. If "Yes", indicate the type(s) of debt.

_____ G.O. Bonds _____ Revenue Bonds

_____ Alternate Revenue Bonds _____ Contractual Commitments

X _____ Other _____

E. Does Fisher Village own a public utility company? X Yes No

F. Is Fisher Village a home rule unit? _____ Yes X No

G. Does Fisher Village have a Tax Increment Finance (TIF) district? X Yes No

STEP 4: POPULATION, EAV AND EMPLOYEES

^What is the total population of Fisher Village?		1,764
What is the total EAV of Fisher Village?	\$	15,033,144
*How many full time employees are paid?		6
*How many part time employees are paid?		17
What is the total salary paid to all employees?	\$	222,829

^Or provide estimated population

*Do not include contractual employees.

STEPS 5 AND 6: COMPONENT UNITS AND APPROPRIATIONS

Provide the appropriation for the primary government listed in the first row of the table below.

In the remaining rows, provide the names of all component units along with their appropriations. Indicate if the component units are blended or discretely presented, its fiscal year end date and if the component unit was funded with governmental fund types or enterprise fund types. If the component units are already indicated, that data is based on forms submitted last year. If you have more component units than the rows provided below, please indicate them on an attachment.

If you need assistance with the terms indicated below, refer to the *Chart of Accounts and Definitions* and the *How to Fill Out An AFR* documents.

Name of Unit/Component	Appropriation	Type of Component Unit	FISCAL YEAR END	Enterprise Fund Type or Governmental Fund Type
FUNDS SHOULD NOT BE LISTED HERE				
Fisher Village	\$353,038		04/30	
Total Appropriations	\$353,038			

STEP 7: AUDITS

Provide CPA's information if Fisher Village is required to submit an audit to the Office of the Comptroller.

Firm Name:	Martin, Hood, Friese and Associates, LLC
CPA's first name:	David
CPA's last name:	Hood
CPA's Title:	Partner
Address:	2507 S. Neil Street
City:	Champaign
State:	IL
ZIP:	61820-
Phone:	2173512000
Fax:	2173517726
Email:	
State Registration Number:	066-0003144

STEP 8: OTHER GOVERNMENTS

Indicate any payments Fisher Village made to other governments for services or programs (include programs performed on a reimbursement, cost-sharing basis or federal payroll taxes).

Intergovernmental agreements - indicate how much was paid	3,070
Federal government payroll taxes	17,046
All other intergovernmental payments	0

STEP 9: FUND LISTING & ACCOUNT GROUPS

A. List all funds and how much was spent in FY 2006 for each fund. Also, indicate the Fund Type (Fund Types are at the top of each column beginning on page F1). If any fund names appear below, the data is based on forms submitted last year. Please make all necessary corrections. If you have more fund names than the rows provided below, please indicate them on an attachment.

Fund Name	Expenditure	Fund Type	FY End
General Fund Fund	315,827	General Fund	04/30
Motor Fuel Tax Fund	42,700	Special Revenue Fund	04/30
Police Fund Fund	117,055	Special Revenue Fund	04/30
Tax Increment Financing District Fund	177,296	Special Revenue Fund	04/30
Water and Sewer Fund	245,275	Enterprise Fund	04/30
Total Expenditures	898,153		

B. Does Fisher Village have assets or liabilities that should be recorded as a part of Account Groups? See *Chart of Accounts and Definitions* and the *How to Fill Out An AFR* documents for more information about Account Groups.

Yes No

STEP 10: GOVERNMENTAL ENTITIES

List of governmental entities that are part of or related to the primary government. Exclude component units detailed in Steps 5 & 6. Most small governments do not have governmental entities.

Entity Name	Relationship

STEP 11: REPORTING

Check any state or local entity where financial reports are filed.

STATE AGENCIES	
___ - Board of Education	___ - Board of Higher Education
___ - DCCA	___ - Department of Insurance
OTHER STATE OR LOCAL OFFICES	
<input checked="" type="checkbox"/> - Illinois Comptroller	___ - Secretary of State
___ - General Assembly - House	___ - General Assembly - Senate
<input checked="" type="checkbox"/> - County Clerk	___ - Circuit Clerk
___ - Governor's Office	___ - Other - _____

Assets

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
Current Assets					
101t	Cash and Cash Equivalent	308,586	172,474	0	0
102t	Investments	127,769	166,895	0	0
115t	Receivables	5,250	0	0	0
109t	Inventories	0	0	0	0
112t	Other Assets (Explain)	0	0	0	0
Non-Current Assets					
116t	Capital Assets/Net of Accumulated Depreciation	0	399,812	0	0
117t	Other Capital Assets	0	0	0	0
120t	TOTAL ASSETS	441,605	739,181	0	0

Liabilities

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
Current Liabilities					
122t	All Payables	0	0	0	0
132t	Deferred Revenues	0	0	0	0
128t	Other Liabilities (Explain)	0	0	0	0
Non-Current/Long-Term Liabilities					
129t	Due Within One Year	0	8,000	0	0
130t	Due Beyond One Year	0	126,000	0	0
131t	Other Non-Current/Long Term Liabilities	0	0	0	0
135t	TOTAL LIABILITIES	0	134,000	0	0

Net Assets

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
143t	Investments in Capital Assets/Net of Related Debt	0	265,812	0	0
148t	Net Assets - Restricted	74,944	8,460	0	0
149t	Net Assets - Unrestricted	366,661	330,909	0	0
146t	TOTAL NET ASSETS	441,605	605,181	0	0
147t	TOTAL LIABILITIES & NET ASSETS	441,605	739,181	0	0

Revenues and Receipts

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
Local Taxes									
201t	Property Tax	57,736	10,413	0	0	0	0	0	0
202t	Local Sales Tax	0	0	0	0	0	0	0	0
203t	Utilities Tax	82,191	0	0	0	0	0	0	0
203a	Electric Utilities	33,304	0	0	0	0	0	0	0
203b	Water Utilities	0	0	0	0	0	0	0	0
203c	Communications Utilities	26,582	0	0	0	0	0	0	0
203d	Other Utilities Tax (Explain)	22,305	0	0	0	0	0	0	0
204t	Other Taxes (Explain)	316	188,445	0	0	0	0	0	0

Report in Whole Numbers

Intergovernmental Receipts & State or Federal Grants									
211t	State Income Tax	125,073	0	0	0	0	0	0	0
212t	State Sales Tax	76,620	0	0	0	0	0	0	0
213t	State Motor Fuel Tax	0	47,621	0	0	0	0	0	0
214t	State Replacement Tax	2,954	0	0	0	0	0	0	0
205t	State Gaming Tax(es)	0	0	0	0	0	0	0	0
215t	Other State Sources (Explain)	0	0	0	0	0	0	0	0
215a	General Support	0	0	0	0	0	0	0	0
215b	Public Welfare	0	0	0	0	0	0	0	0
215c	Health and/or Hospitals	0	0	0	0	0	0	0	0
215d	Streets and Highways	0	0	0	0	0	0	0	0
215e	Culture and Recreation	0	0	0	0	0	0	0	0
215f	Housing and Community Dev	0	0	0	0	0	0	0	0
215g	Water Supply System	0	0	0	0	0	0	0	0
215h	Electric/Gas Power System	0	0	0	0	0	0	0	0
215i	Mass Transit	0	0	0	0	0	0	0	0
215j	Other (Explain)	0	0	0	0	0	0	0	0
225t	Federal Sources	0	0	0	0	0	0	0	0
225a	General Support	0	0	0	0	0	0	0	0
225b	Public Welfare	0	0	0	0	0	0	0	0
225c	Health and/or Hospitals	0	0	0	0	0	0	0	0
225d	Streets and Highways	0	0	0	0	0	0	0	0
225e	Culture and Recreation	0	0	0	0	0	0	0	0
225f	Housing and Community Dev	0	0	0	0	0	0	0	0
225g	Water Supply System	0	0	0	0	0	0	0	0

F2

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
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Intergovernmental Receipts & State or Federal Grants

225h	Electric/Gas Power System	0	0	0	0	0	0	0	0
225i	Mass Transit	0	0	0	0	0	0	0	0
225j	Other (Explain)	0	0	0	0	0	0	0	0
226f	Other Intergovernmental (Explain)	0	0	0	0	0	0	0	0

Other Sources

231t	Licenses and Permits	6,800	0	0	0	0	0	0	0
233t	Fines and Forfeitures	0	8,715	0	0	0	0	0	0
234f	Charges for Services	79,529	0	0	0	250,821	0	0	0
234a	Water Utilities	0	0	0	0	250,821	0	0	0
234b	Gas Utilities	0	0	0	0	0	0	0	0
234c	Electric Utilities	0	0	0	0	0	0	0	0
234d	Transit Utilities	0	0	0	0	0	0	0	0
234e	Sewer Utilities	0	0	0	0	0	0	0	0
234f	Refuse and Disposal Charges	79,529	0	0	0	0	0	0	0
234g	Parking	0	0	0	0	0	0	0	0
234h	Housing	0	0	0	0	0	0	0	0
234i	Highway or Bridge Tolls	0	0	0	0	0	0	0	0
234j	Culture and Recreation	0	0	0	0	0	0	0	0
234k	Other (Explain)	0	0	0	0	0	0	0	0
235t	Interest	3,980	2,037	0	0	5,759	0	0	0
236t	Miscellaneous (Explain)	9,110	30	0	0	12,034	0	0	0
240t	Total Receipts and Revenue	444,309	257,261	0	0	268,614	0	0	0

Disbursements, Expenditures and Expenses

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
Report in Whole Numbers									
251t	General Government	74,405	0	0	0	0	0	0	0
251a	Financial Administration	37,373	0	0	0	0	0	0	0
251b	General Administrative Buildings	0	0	0	0	0	0	0	0
251c	Central Administration	10,539	0	0	0	0	0	0	0
251d	Other (Explain)	26,493	0	0	0	0	0	0	0
252t	Public Safety	314	117,055	0	0	0	0	0	0
252a	Police	0	117,055	0	0	0	0	0	0
252b	Fire	0	0	0	0	0	0	0	0
252c	Regulation - Building Inspection	0	0	0	0	0	0	0	0
252d	Other (Explain)	314	0	0	0	0	0	0	0
253t	Corrections	0	0	0	0	0	0	0	0
254t	Judiciary and Legal	0	0	0	0	0	0	0	0
255t	Transportation and Public Works	130,183	42,700	0	0	0	0	0	0
255a	Streets and Highways	130,183	42,700	0	0	0	0	0	0
255b	Airports	0	0	0	0	0	0	0	0
255c	Parking Meters	0	0	0	0	0	0	0	0
255d	Parking Facilities	0	0	0	0	0	0	0	0
255e	Other (Explain)	0	0	0	0	0	0	0	0
256t	Social Services	0	0	0	0	0	0	0	0
256a	Welfare	0	0	0	0	0	0	0	0
256b	Health (Other than hospitals)	0	0	0	0	0	0	0	0
256c	Hospital Operations	0	0	0	0	0	0	0	0
256d	Cemeteries	0	0	0	0	0	0	0	0
256e	Other (Explain)	0	0	0	0	0	0	0	0
257t	Culture and Recreation	26,728	0	0	0	0	0	0	0
257a	Library	0	0	0	0	0	0	0	0
257b	Parks	24,985	0	0	0	0	0	0	0
257c	Other (Explain)	1,743	0	0	0	0	0	0	0
258t	Housing	0	0	0	0	0	0	0	0
275t	Environment	79,529	0	0	0	0	0	0	0
275a	Sewage	0	0	0	0	0	0	0	0

Disbursements, Expenditures and Expenses

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
Report in Whole Numbers									
275b	Solid Waste Management	79,529	0	0	0	0	0	0	0
275c	Other (Explain)	0	0	0	0	0	0	0	0
259t	Debt	0	0	0	0	5,500	0	0	0
259a	Interest	0	0	0	0	5,500	0	0	0
259b	Principal	0	0	0	0	0	0	0	0
271t	Public Utility Company	0	0	0	0	183,321	0	0	0
271a	Water	0	0	0	0	183,321	0	0	0
271b	Electric	0	0	0	0	0	0	0	0
271c	Transit	0	0	0	0	0	0	0	0
271d	Other (Explain)	0	0	0	0	0	0	0	0
272t	Depreciation	0	0	0	0	56,454	0	0	0
280t	Capital Outlay	4,668	0	0	0	0	0	0	0
260t	Other Expenditures (Explain)	0	177,296	0	0	0	0	0	0
270t	Total Expenditures/Expense	315,827	337,051	0	0	245,275	0	0	0

Fund Balances and Other Financing Sources (Uses)

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
Report in Whole Numbers									
301t	Excess of receipts/revenues over (under) expenditures/expenses (240t-270t)	128,482	-79,790	0	0	23,339	0	0	0
302t	Operating transfers in	0	100,000	0	0	0	0	0	0
303t	Operating transfers out	-100,000	0	0	0	0	0	0	0
304t	Bond proceeds	0	0	0	0	0	0	0	0
305t	Other (Explain)	0	0	0	0	0	0	0	0
306t	Net increase(decrease) in fund balance (301t + 302t - 303t + 304t + 305t)	28,482	20,210	0	0	23,339	0	0	0
307t	Previous year fund balance	284,857	108,056	0	0	581,842	0	0	0
308t	Other (Explain)	61,559	-61,559	0	0	0	0	0	0
310t	Current Year Ending Fund Balance (306t + 307t + 308t)	374,898	66,707	0	0	605,181	0	0	0

Statement of Indebtedness

Debt Instruments for All Funds	Code	Outstanding Beginning of Year	Code	Issued Current Fiscal Year	Code	Retired Current Fiscal Year	Code	Outstanding End of Year
Report in Whole Numbers								
General Obligation Bonds	400	0	406	0	412	0	418	0
Water	400a	0	406a	0	412a	0	418a	0
Electric	400b	0	406b	0	412b	0	418b	0
Transportation	400c	0	406c	0	412c	0	418c	0
Housing	400d	0	406d	0	412d	0	418d	0
Other (Explain)	400e	0	406e	0	412e	0	418e	0
Revenue Bonds	401	0	407	0	413	0	419	0
Water	401a	0	407a	0	413a	0	419a	0
Electric	401b	0	407b	0	413b	0	419b	0
Transportation	401c	0	407c	0	413c	0	419c	0
Housing	401d	0	407d	0	413d	0	419d	0
Other (Explain)	401e	0	407e	0	413e	0	419e	0
Alternate Revenue Bonds	402	0	408	0	414	0	420	0
Contractual Commitments	403	0	409	0	415	0	421	0
Other (Explain)	404	142,000	410	0	416	8,000	422	134,000
Total Debt	405	142,000	411	0	417	8,000	423	134,000

- 203d** This line item consists of \$22,305 for gas utility tax
- 204t** This line item consists of \$316 of miscellaneous tax revenue in the General Fund, \$43 of miscellaneous tax revenue in the Police Fund, and \$188,402 of TIF District receipts in the Special Revenue funds.
- 236t** For the General Fund, this line item includes miscellaneous revenue of \$324, reimbursed expenses of \$2,466 and \$6,320 of donations and other revenues to support recreation programs.

- For the Special Revenue funds, this line item includes \$30 for miscellaneous Police Department receipts

- For the Enterprise funds, this line item consists of material reimbursements from other Village Funds of \$3,020, hydrant rentals of \$500, meter payments of \$1,864 and miscellaneous payments of \$6,650
- 251d** This line item consists of \$9,758 in board salaries and benefits, miscellaneous expenditures of \$3,018, and \$13,717 of professional fees
- 252d** This line item consists of \$314 for ESDA expenditures.
- 257c** This line item consists of expenditures for the Village's Community Center
- 260t** This line item consists of \$177,296 for redevelopment expenditures within the TIF District Fund
- 308t** As of May 1, 2005, for financial statement reporting purposes, the Village's General Fund incorporated the cash and fund balance of the following funds, which were previously reported as separate special revenue funds.
Community Center Fund - \$587, ESDA Fund - \$749, Vehicle Replacement Fund - \$9,919, and Revolving Loan Fund - \$50,304, for a total of \$61,559.
- 404t** This line consists of general obligation debt certificates to be repaid by the Water and Sewer Fund
- Gen** As of May 1, 2005, for financial statement reporting purposes, the Village's Water and Sewer Fund incorporated the cash and fund balance of \$11,125 of the Meter Deposit Fund, which was previously reported as separate enterprise fund
- GENexp** The Village does not budget for the garbage expenditure, which totaled \$79,529 in fiscal year 2006, because this expenditure is a direct offset of the garbage fees collected from Village residents. Total actual expenditures of the General Fund, excluding the garbage expenditure, were \$236,298 and the total amended appropriation was \$229,488. Thus, there is an overexpenditure of \$6,810, which was due to greater than expected salaries of \$5,338, benefits of \$553, and other miscellaneous expenditures of \$919

Office of the Comptroller, Daniel W Hynes
 FY 2006 AFR
 Multi-Purpose Form

* Fisher Village Capital Outlay

		These are not funds	
Code	Function	Construction	Land, Structures, and Equipment
601t	General Government	0	0
602t	Law Enforcement	0	0
603t	Corrections	0	0
604t	Fire	0	0
605t	Sewerage	0	0
606t	Sanitation and Wastewater	0	0
607t	Parks and Recreation	0	0
608t	Housing and Community Development	0	0
609t	Highways, Roads and Bridges	0	0
610t	Parking Facilities	0	0
611t	Welfare	0	0
612t	Hospital	0	0
613t	Water	0	0
614t	Nursing Homes	0	0
615t	Conservation and Natural Resources	0	0
616t	Libraries	0	0
617t	Other	0	0

*This page should only be filled out if you have spent funds for capital projects or development.

*The Capital outlay page is requested by the U.S. Census Bureau and is considered optional by the State Comptroller.

*If you complete this page you WILL NOT have to complete the Survey of Government Finances from the U.S. Census Bureau.

*If you do NOT complete this page the U.S. Census Bureau will contact you for further information.

VILLAGE OF FISHER, ILLINOIS

Fisher, Illinois

FILED

SEP 28 2006

Mark Sheldon
CHAMPAIGN COUNTY CLERK

**Financial Statements
and Supplementary Information**

For the Year Ended

April 30, 2006

MARTIN, HOOD, FRIESE & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

Board of Village Trustees
Village of Fisher, Illinois
Fisher, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Fisher, Illinois as of and for the year ended April 30, 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Fisher, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As discussed in Note 1, the Village of Fisher, Illinois, prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed in Note 1, the Village of Fisher, Illinois, has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended and interpreted, as of April 30, 2006.



In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities, the business-type activities, and each major fund of the Village of Fisher, Illinois as of April 30, 2006, and the respective changes in financial position – modified cash basis and cash flows – modified cash basis, where applicable, thereof, and the respective budgetary comparisons for the General Fund, Motor Fuel Tax Fund, and Police Fund, for the year then ended in conformity with the basis of accounting described in Note 1.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Fisher, Illinois. The supplementary information contained in Schedule 1 and Tables 1 and 2 is presented for purposes of additional analysis and is not a required part of the Village's basic financial statements. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the Village's basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the Village's basic financial statements taken as a whole.

The Village of Fisher, Illinois has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America, as applicable to the modified cash basis of accounting, has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Marta Hood, Frone & Associates, LLC

June 21, 2006
(Except for Exhibit E and Notes 2 and 3,
as to which the date is July 20, 2006)

VILLAGE OF FISHER, ILLINOIS

Statement of Net Assets - Modified Cash Basis

April 30, 2006

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 308,586	\$ 171,686	\$ 480,272
Investments	127,769	159,223	286,992
Notes Receivable	5,250	-	5,250
Property and Equipment, Net of Accumulated Depreciation			
Water and Sewer System and Equipment	-	399,812	399,812
Cash (Set Aside for Debt Reserve Requirements)	-	788	788
Investments (Set Aside for Debt Reserve Requirements)	-	7,672	7,672
	<u>441,605</u>	<u>739,181</u>	<u>1,180,786</u>
Total Assets			
Liabilities			
Non-Current Liabilities			
General Obligation Debt Certificates:			
Due Within One Year	-	8,000	8,000
Due After One Year	-	126,000	126,000
Total Liabilities	<u>-</u>	<u>134,000</u>	<u>134,000</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	-	265,812	265,812
Restricted for:			
Streets and Alleys	74,944	-	74,944
Debt Reserve Requirements	-	8,460	8,460
Unrestricted	<u>366,661</u>	<u>330,909</u>	<u>697,570</u>
	<u>\$ 441,605</u>	<u>\$ 605,181</u>	<u>\$ 1,046,786</u>
Total Net Assets			

The notes following Exhibit H are an integral part of this financial statement.

VILLAGE OF FISHER, ILLINOIS
 Combined Balance Sheet - Modified Cash Basis

Governmental Funds

April 30, 2006

	General Fund	Motor Fuel Tax Fund	Police Fund	Tax Increment Financing District Fund	Total
ASSETS					
Current Assets					
Cash	\$ 178,668	\$ 74,944	\$ 39,189	\$ 15,785	\$ 308,586
Investments	99,948	-	27,821	-	127,769
Notes Receivable	1,500	-	-	-	1,500
Total Current Assets	280,116	74,944	67,010	15,785	437,855
Other Assets					
Notes Receivable, Net of Current	3,750	-	-	-	3,750
Due from TIF District Fund	91,032	-	-	-	91,032
Total Other Assets	94,782	-	-	-	94,782
Total Assets	\$ 374,898	\$ 74,944	\$ 67,010	\$ 15,785	\$ 532,637
LIABILITIES AND FUND BALANCES					
Liabilities					
Due to General Fund	\$ -	\$ -	\$ -	\$ 91,032	\$ 91,032
Fund Balances					
Reserved	65,424	-	-	-	65,424
Unreserved, Reported in:					
General Fund	309,474	-	-	-	309,474
Special Revenue Funds	-	74,944	67,010	(75,247)	66,707
Total Fund Balances	374,898	74,944	67,010	(75,247)	441,605
Total Liabilities and Fund Balances	\$ 374,898	\$ 74,944	\$ 67,010	\$ 15,785	\$ 532,637
Reconciliation to the Statement of Net Assets					
Total Fund Balances					\$ 441,605
Differences					-
Net Assets of Governmental Activities					\$ 441,605

The notes following Exhibit H are an integral part of this financial statement

VILLAGE OF FISHER, ILLINOIS
 Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances - Modified Cash Basis

Governmental Funds

For the Year Ended April 30, 2006

	General Fund	Motor Fuel Tax Fund	Police Fund	Tax Increment Financing District Fund	Total
Revenues					
<i>Local Receipts</i>					
Municipal Utility Tax	\$ 73,844	\$ -	\$ -	\$ -	\$ 73,844
Property Tax	37,465	-	10,413	188,402	236,280
Road & Bridge Allocation	20,271	-	-	-	20,271
Other	316	-	43	-	359
<i>State Receipts</i>					
Income Tax	125,073	-	-	-	125,073
Sales Tax	56,948	-	-	-	56,948
Motor Fuel Tax	-	47,621	-	-	47,621
Use Tax	19,672	-	-	-	19,672
Other Taxes	2,954	-	-	-	2,954
<i>Other Receipts</i>					
Sanitation	79,529	-	-	-	79,529
Cablevision	8,347	-	-	-	8,347
Interest	3,980	510	1,053	474	6,017
Building Permits	6,800	-	-	-	6,800
Fines	-	-	8,715	-	8,715
Parks & Recreation	6,320	-	-	-	6,320
Miscellaneous	2,790	-	30	-	2,820
Total Revenues	<u>444,309</u>	<u>48,131</u>	<u>20,254</u>	<u>188,876</u>	<u>701,570</u>
Expenditures					
<i>Current</i>					
General Government Administration	74,405	-	-	-	74,405
Recreation	26,728	-	-	-	26,728
Public Safety	314	-	117,055	-	117,369
Redevelopment	-	-	-	177,296	177,296
Sanitation	79,529	-	-	-	79,529
Public Works/Transportation	130,183	42,700	-	-	172,883
<i>Capital Outlay</i>					
	4,668	-	-	-	4,668
Total Expenditures	<u>315,827</u>	<u>42,700</u>	<u>117,055</u>	<u>177,296</u>	<u>652,878</u>
Excess (Deficit) of Revenues Over Expenditures	<u>128,482</u>	<u>- 5,431</u>	<u>(96,801)</u>	<u>- 11,580</u>	<u>48,692</u>
Other Financing Sources (Uses)					
Transfers In	-	-	100,000	-	100,000
Transfers Out	(100,000)	-	-	-	(100,000)
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues and Other Sources Over Expenditures and Other Uses	28,482	5,431	3,199	11,580	48,692
Fund Balances, May 1, 2005	<u>346,416</u>	<u>69,513</u>	<u>63,811</u>	<u>(86,827)</u>	<u>392,913</u>
Fund Balances, April 30, 2006	<u>\$ 374,898</u>	<u>\$ 74,944</u>	<u>\$ 67,010</u>	<u>\$ (75,247)</u>	<u>\$ 441,605</u>
Reconciliation to the Statement of Activities					
Excess (Deficit) of Revenues and Other Sources Over Expenditures and Other Uses					\$ 48,692
Differences					-
Change in Net Assets of Governmental Activities					<u>\$ 48,692</u>

The notes following Exhibit H are an integral part of this financial statement.

VILLAGE OF FISHER, ILLINOIS

Statement of Expenditures - Budget and Actual - Modified Cash Basis

Major Governmental Funds (Except the TIF District Fund)

For the Year Ended April 30, 2006

	Budget		Actual	Variance
	Original	Final		
General Fund				
<i>Current</i>				
General Government Administration				
Salaries	\$ 14,000	\$ 15,230	\$ 15,965	\$ (735)
Professional Fees	15,000	19,917	19,917	-
Board Fees	16,000	12,085	12,085	-
Insurance	12,000	11,690	11,690	-
Office Expense	6,000	10,686	9,231	1,455
Benefits	2,370	2,445	2,499	(54)
Miscellaneous	1,800	1,563	3,018	(1,455)
Total General Government Administration	<u>67,170</u>	<u>73,616</u>	<u>74,405</u>	<u>(789)</u>
Recreation				
Salaries - Community Center	2,000	-	1,138	(1,138)
Miscellaneous - Community Center	-	-	605	(605)
Parks and Recreation	3,000	24,985	24,985	-
Total Recreation	<u>5,000</u>	<u>24,985</u>	<u>26,728</u>	<u>(1,743)</u>
Public Safety				
Miscellaneous - ESDA	-	-	314	(314)
Sanitation				
Hauling Fees	-	-	79,529	(79,529)
Public Works/Transportation				
Salaries	66,000	72,025	75,490	(3,465)
Benefits	22,130	22,871	23,370	(499)
Maintenance	6,000	6,346	6,346	-
Street Lighting	10,000	11,119	11,119	-
Sidewalk and Drainage	9,000	6,269	6,269	-
Fuel	6,000	7,589	7,589	-
Total Public Works/Transportation	<u>119,130</u>	<u>126,219</u>	<u>130,183</u>	<u>(3,964)</u>
<i>Capital Outlays</i>				
Public Works/Transportation				
Equipment	4,000	4,668	4,668	-
Total Expenditures	<u>195,300</u>	<u>229,488</u>	<u>315,827</u>	<u>(86,339)</u>
<i>Operating Transfers Out to Police Fund</i>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total General Fund Expenditures	<u>\$ 295,300</u>	<u>\$ 329,488</u>	<u>\$ 415,827</u>	<u>\$ (86,339)</u>
Motor Fuel Tax Fund				
<i>Current</i>				
Public Works/Transportation				
Street Maintenance	\$ 65,000	\$ 65,000	\$ 38,544	\$ 26,456
Professional Fees	-	-	4,156	(4,156)
Total Motor Fuel Tax Fund Expenditures	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 42,700</u>	<u>\$ 22,300</u>
Police Fund				
<i>Current</i>				
Public Safety				
Salaries	\$ 74,000	\$ 81,030	\$ 81,580	\$ (550)
Benefits	16,500	16,398	17,353	(955)
Operating	9,000	7,452	7,417	35
Equipment	15,000	11,126	6,162	4,964
Dispatch	5,500	3,070	3,070	-
Professional Fees	3,500	920	920	-
Training	1,000	-	-	-
Miscellaneous	2,200	553	553	-
Total Police Fund Expenditures	<u>\$ 126,700</u>	<u>\$ 120,549</u>	<u>\$ 117,055</u>	<u>\$ 3,494</u>

The notes following Exhibit H are an integral part of this financial statement

VILLAGE OF FISHER, ILLINOIS

Statement of Net Assets - Modified Cash Basis

Proprietary Fund

April 30, 2006

	Enterprise Fund
	<u>Water and Sewer Fund</u>
ASSETS	
Current Assets	
Cash	\$ 171,686
Investments	159,223
Total Current Assets	<u>330,909</u>
Property and Equipment, Net	<u>399,812</u>
Other Assets	
Cash (Set Aside for Debt Reserve Requirements)	788
Investments (Set Aside for Debt Reserve Requirements)	7,672
Total Other Assets	<u>8,460</u>
Total Assets	<u>\$ 739,181</u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
General Obligation Debt Certificates Payable, Current Maturities	\$ 8,000
Long-Term Liabilities	
General Obligation Debt Certificates Payable, Net of Current Maturities	126,000
Total Liabilities	<u>134,000</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	265,812
Restricted for Debt Reserve Requirements	8,460
Unrestricted	330,909
Total Net Assets	<u>605,181</u>
Total Liabilities and Net Assets	<u>\$ 739,181</u>

The notes following Exhibit H are an integral part of this financial statement.

VILLAGE OF FISHER, ILLINOIS

Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Modified Cash Basis*Proprietary Fund*

For the Year Ended April 30, 2006

	Enterprise Fund <hr/> Water and Sewer Fund <hr/>
Operating Revenue	
Service Fees	\$ 250,821
Miscellaneous	12,034
Total Operating Revenue	<hr/> 262,855 <hr/>
Operating Expenses	
General Operating Expenses	183,321
Depreciation	56,454
Total Operating Expenses	<hr/> 239,775 <hr/>
Operating Income	<hr/> 23,080 <hr/>
Non-Operating Revenue (Expenses)	
Interest Income	5,759
Interest Expense	(5,500)
Total Non-Operating Revenue (Expenses)	<hr/> 259 <hr/>
Change in Net Assets	23,339
Net Assets, May 1, 2005	<hr/> 581,842 <hr/>
Net Assets, April 30, 2006	<hr/> \$ 605,181 <hr/>

The notes following Exhibit H are an integral part of this financial statement.

VILLAGE OF FISHER, ILLINOIS

Statement of Cash Flows - Modified Cash Basis

Proprietary Fund

For the Year Ended April 30, 2006

	Enterprise Fund <u>Water and Sewer Fund</u>
Cash Flows from Operating Activities	
Receipts from Customers	\$ 262,855
Payments to Vendors	(130,785)
Payments to Employees	<u>(52,536)</u>
Net Cash Provided by Operating Activities	<u>79,534</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Property and Equipment	(19,474)
Debt Certificate Principal Payments	(8,000)
Debt Certificate Interest Payments	<u>(5,500)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(32,974)</u>
Cash Flows from Investing Activities	
Receipts of Interest	5,759
Purchases of Investments, Net	<u>(22,188)</u>
Net Cash Used In Investing Activities	<u>(16,429)</u>
Net Increase in Cash	30,131
Cash, May 1, 2005	<u>142,343</u>
Cash, April 30, 2006	<u>\$ 172,474</u>
Reported in the Statement of Net Assets as Follows:	
Current Assets - Cash	\$ 171,686
Other Assets - Cash (Set Aside for Debt Reserve Requirements)	<u>788</u>
Cash, April 30, 2006	<u>\$ 172,474</u>
Cash Flows from Operating Activities	
Operating Income	\$ 23,080
Adjustment to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Depreciation	<u>56,454</u>
Net Cash Provided by Operating Activities	<u>\$ 79,534</u>

The notes following this exhibit are an integral part of this financial statement.

VILLAGE OF FISHER, ILLINOIS

Notes to Financial Statements

April 30, 2006

1. Summary of Significant Accounting Policies

As discussed further in Note 1(c), these financial statements are presented on a modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the financial statements for the proprietary fund, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the modified cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

In June 1999, GASB unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments* (GASB-34). This Statement includes a significant change in the fund financial statements to focus on the major funds. This and other changes are reflected in the accompanying financial statements (including notes to financial statements). The Village has implemented the provisions of the Statement beginning in the current year.

a. Financial Reporting Entity

The Village's financial reporting entity is composed of the following:

Primary Government: Village of Fisher, Illinois

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*. The Village does not have a component unit that should be reported as part of the reporting entity.

b. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The 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 for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The Village presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type.
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund – The General Fund is the primary operating fund of the Village and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds. As of May 1, 2005, for financial statement reporting purposes, the Village’s General Fund incorporated the cash and fund balance of the following funds, which were previously reported as separate special revenue funds:

Fund	Fund Balance Moved to the General Fund
Community Center Fund	\$ 587
ESDA Fund	749
Vehicle Replacement Fund	9,919
Revolving Loan Fund	50,304
Total	<u>\$ 61,559</u>

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the Village. The reporting entity includes the following special revenue funds, which are major funds:

Fund	Brief Description
Police Fund	Accounts for the operations of the Village's Police Department, which is mostly funded by funds transferred from the General Fund and partially funded by property taxes received, as outlined in the annual tax levy
Motor Fuel Tax Fund	Accounts for motor fuel tax provided by the State of Illinois and expenditures paid for road repair and replacement
Tax Increment Financing District Fund	Accounts for property taxes received from the incremental increase in the assessed value of real property in the Village's TIF District and expenditures paid for redevelopment projects in the TIF District and administration of the TIF District

Proprietary Funds

Enterprise Fund – An Enterprise fund is used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise fund that is reported as a major fund:

Fund	Brief Description
Water and Sewer	Accounts for the operations of the Village's water and sewer systems. This fund is financed through fees charged to residents and businesses that use the water and sewer services

As of May 1, 2005, for financial statement reporting purposes, the Village's Water and Sewer Fund incorporated the cash and fund balance of \$11,125 of the Meter Deposit Fund, which was previously reported as separate enterprise fund.

c. Measurement Focus and Basis of Accounting

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

Measurement Focus

In the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-type activities are presented using the “economic resources” measurement focus. These activities are presented within the limitations of the modified cash basis of accounting, as defined below:

1. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available, spendable financial resources during a given period. These funds use fund balance as their measure of available, spendable financial resources at the end of the period.
2. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in equity (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial or non-financial) associated with their activities are reported. Proprietary fund equity is classified as net assets.

Basis of Accounting

The financial statements are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for investments and receivables in the governmental activities and governmental funds and investments, property and equipment, and long-term debt in the business-type activities and proprietary fund. This basis measures and reports cash and changes in cash resulting from cash receipts and disbursements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in the financial statements.

If the Village utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for the governmental funds would use the modified accrual basis of accounting and the government-wide financial statements and proprietary fund financial statements would be presented on the accrual basis of accounting.

d. Cash

Cash includes deposits at financial institutions and certificates of deposit with original maturities at issuance of three months or less.

e. Property and Equipment

Proprietary fund property and equipment is valued at historical cost or estimated historical cost, if actual historical cost is not available. Donated property and equipment is valued at estimated fair value at the date of donation. Depreciation is computed using the straight-line method over estimated useful lives of five or ten years for equipment and a range of twenty-six to thirty years for the water and sewer systems.

The governmental activities do not capitalize or depreciate property and equipment, including infrastructure.

f. Restricted Net Assets

Assets that are not available to finance general operations of the Village are reported as restricted on the statement of net assets. The Village's policy is to apply restricted resources first when an expense is incurred for a purpose for which restricted and unrestricted net assets are available.

g. Program Revenues

Program Revenues on the statement of activities include the following:

Governmental Activities

Charges for Services:

Rental Fees

Fees paid by the public for the rental of the Fisher Community Center. These fees are reported in the Recreation function.

Garbage Fees

Fees paid by the public for garbage collection services provided by Area Disposal. These fees are entirely remitted to Area Disposal and are reported in the Sanitation function.

Operating Contributions:

Donations Donations made to the Village restricted for recreation activities expenditures. These donations are reported in the Recreation function.

Business-Type Activities

Charges for Services:

User Fees Fees paid by the public for water and sewer usage

h. Operating and Non-Operating Revenues and Expenses of Proprietary Funds

Operating revenues and expenses for proprietary funds are those that result from providing services. It also includes all revenue and expenses not related to capital and related financing, non-capital financing, or investing activities.

i. Estimates

These financial statements include estimates and assumptions made by the Village's management that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Legal Budgets

Legal budgets are prepared in the form of an appropriations ordinance for Village funds using the same accounting basis and practices as are used to account for and prepare financial reports. Unexpended appropriations lapse at the end of the fiscal year. Once a budget is approved, it can be amended at the function and fund level by approval of a majority of the members of the Board of Village Trustees after a public notice and hearing. Appropriations transfers between budget line items may be presented to the Board at their regular meetings. Each transfer must have Board approval. Such transfers are made before the fact and are reflected in the official meeting minutes of the Board. The appropriations ordinance for the year ended April 30, 2006 was amended by the Board of Village Trustees on July 13, 2006.

A comparison of budget to actual expenditures is provided for the major governmental funds at Exhibit E. The Tax Increment Financing District Fund does not have an appropriated budget and its expenditure activity is not presented on Exhibit E.

3. Budget Overexpenditure

The Village overexpended the General Fund appropriations budget for fiscal year 2006 by \$86,339, mainly due to salaries (\$5,338 over the appropriation) and sanitary hauling fees (\$79,529) that are not budgeted for by the Village because this expenditure is directly offset by an equivalent revenue received, which is also not budgeted for by the Village.

4. Property Taxes

The Village's property tax is levied each year on all taxable real property located in the Village on or before the last Tuesday in December. The 2005 tax levy was passed by the Board of Village Trustees on November 10, 2005. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1. The Village receives significant distributions of tax receipts approximately one month after these due dates. Property tax receipts in these financial statements are from the 2004 tax levy.

5. Cash and Investments

The Village is authorized to invest excess funds in instruments outlined under Chapter 30, Section 235 of the Illinois Compiled Statutes. Such instruments include obligations of the U.S. Treasury, savings accounts, certificates of deposit, and money market mutual funds.

The Village's investments consist of certificates of deposit with original maturities in excess of three months. Investments are carried at cost, which equals the bank deposit value at April 30, 2006.

Custodial Credit Risk – Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits, including amounts in checking, savings, and certificate of deposit accounts, may not be returned to it. The Village's investment policy addresses custodial credit risk by requiring collateral pledges from financial institutions holding deposits in excess of Federal Depository Insurance Corporation limits. At April 30, 2006, \$608,725 of the Village's bank deposits of \$808,725 was exposed to custodial credit risk. The entire balance exposed to custodial credit risk was collateralized by securities pledged by the Village's financial institution. The pledged securities, which had a fair value of \$971,848 at April 30, 2006, are held by the financial institution's trust department, but are not held in the Village's name.

6. Notes Receivable

The Village has initiated a program known as Totally Improved Fisher to encourage improvements to the residences and business structures within the TIF District. The program includes making zero-interest loans to property owners to finance improvements. The loans are made from the Village's Revolving Loan Fund, which is a subfund reported within the General Fund. During fiscal year 2006, there were no advances and \$8,750 was repaid. Required future principal receipts on the notes receivable as of April 30, 2006 consist of the following:

Fiscal Year Ended April 30	
2007	\$ 1,500
2008	1,500
2009	1,500
2010	<u>750</u>
Total	<u>\$ 5,250</u>

7. Property and Equipment, Net

The following is a summary of the changes in the property and equipment of the proprietary fund and business-type activities for the year ended April 30, 2006:

	April 30, 2005	Additions	Retirements	April 30, 2006
Depreciable Property and Equipment:				
Water System and Equipment	\$ 965,350	\$ 17,566	\$ -	\$ 982,916
Sewer System and Equipment	1,309,882	1,908	-	1,311,790
Less: Accumulated Depreciation	<u>(1,838,440)</u>	<u>(56,454)</u>	<u>-</u>	<u>(1,894,894)</u>
Property and Equipment, Net	<u>\$ 436,792</u>	<u>\$ (36,980)</u>	<u>\$ -</u>	<u>\$ 399,812</u>

Depreciation expense for 2006 was charged to the Water and Sewer activity in the amount of \$56,454.

8. General Obligation Debt Certificates Payable

On August 29, 2003, the Village issued \$150,000 of general obligation debt certificates to defray the cost of extending its sewer system. The Village's Treasurer is the paying agent and registrar for the issue known as the General Obligation (Limited Tax) Debt Certificates, Series 2003. Although these certificates are a general obligation of the Village, they have been accounted for in the Water and Sewer Fund enterprise fund because this fund benefited from the proceeds, and management intends to repay the debt and interest from the future receipts of this fund. These debt certificates mature serially on July 15 of each of the years 2005 – 2019 in amounts ranging from \$8,000 to \$12,000 and bearing interest from 3 percent to 5 percent, payable July 15 and January 15 annually. The certificates are subject to early redemption at any time at the Village's discretion.

Aggregate future principal maturities required on these certificates are as follows:

Fiscal Year Ended April 30	Principal	Interest	Total
2007	\$ 8,000	\$ 5,260	\$ 13,260
2008	8,000	5,020	13,020
2009	8,000	4,780	12,780
2010	10,000	4,510	14,510
2011	10,000	4,160	14,160
2012-2016	54,000	14,640	68,640
2017-2019	36,000	2,700	38,700
Total	<u>\$ 134,000</u>	<u>\$ 41,070</u>	<u>\$ 175,070</u>

Proceeds Surplus

As part of the debt certificate issuance, the Village is required to reserve excess cash that was not used for the prescribed project, in order to facilitate the eventual repayment of the debt. As of April 30, 2006, \$788 of the proceeds of the debt certificate issuance remains and this amount has been earmarked in the Water and Sewer Fund, the fund that will be responsible for repayment.

The debt ordinance requires the following funded reserve:

Bond and Interest – Each month one-sixth of the next interest payment plus one-twelfth of the next principal payment due must be deposited into the account. The money in this account is to be used only for the annual principal and semi-annual interest payments. As of April 30, 2006, the required balance in the bond and interest reserve was \$8,460. \$788 of this balance comes from the proceeds surplus account and the remaining \$7,672 was held in a certificate of deposit owned by the Water and Sewer Fund.

Legal Debt Margin

At April 30, 2006, the estimated legal debt margin was determined as follows:

Assessed Valuation (Tax Year 2005)	<u>\$ 15,033,144</u>
Statutory Debt Limitation (2.875 percent of Assessed Valuation)	\$ 432,203
Total General Obligation Bond Indebtedness at April 30, 2006	<u>134,000</u>
Legal Debt Margin	<u>\$ 298,203</u>

Note: The certified assessed valuation for tax year 2006 is not yet available.

9. Changes in Long-Term Debt

The following is a summary of changes in long-term debt of the business-type activities (and proprietary fund) for the year ended April 30, 2006:

	April 30, 2005	Issued	Retired	April 30, 2006	Due Within One Year
General Obligation Debt Certificate	<u>\$142,000</u>	<u>\$ -</u>	<u>\$ 8,000</u>	<u>\$134,000</u>	<u>\$ 8,000</u>

10. Restricted Net Assets

As of April 30, 2006, the Village's governmental activities had \$74,944 restricted for future street and alley maintenance expenditures and the Village's business-type activities (and proprietary fund) had \$8,460 restricted for future debt service payments.

11. Unrestricted Net Assets and Reserved Fund Balance

Unrestricted net assets of the governmental activities consist of the following at April 30, 2006:

Board Designated:	
Community Center	\$ 854
ESDA	918
Vehicle Replacement	13,059
Revolving Loan Fund	<u>50,593</u>
Total Board Designated	65,424
Undesignated	<u>301,207</u>
Total Unrestricted Net Assets	<u><u>\$366,631</u></u>

At April 30, 2006, the General Fund had a reserved fund balance of \$65,424 held for the purposes noted above.

Unrestricted net assets of the business-type activities (and proprietary fund) consist of the following at April 30, 2006:

Board Designated:	
Meter Deposits	\$ 11,434
Undesignated	<u>319,475</u>
Total Unrestricted Net Assets	<u><u>\$330,909</u></u>

12. Deficit Fund Balance

As of April 30, 2006, the Village had a fund balance deficit of \$75,247 in the Tax Increment Financing District Fund.

13. Interfund Transfers

The following is a schedule of interfund transfers made during the fiscal year:

	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General Fund	\$ -	\$ 100,000
Police Fund	100,000	-
Total Governmental Funds	<u>\$ 100,000</u>	<u>\$ 100,000</u>

The purpose of the transfer from the General Fund to the Police Fund was to cover necessary expenditures in the Police Fund as deemed appropriate by the Village Board.

14. Risk of Loss

Significant losses are covered by commercial insurance for property, liability, and workers compensation. During the year ended April 30, 2006, there were no significant reductions in coverage. Also, there have been no settlement amounts that have exceeded insurance coverage in the past three years.

15. Tax Increment Financing District

In May 2000, the Village established a Tax Increment Financing (TIF) District. This District is an area within the Village designated as a redevelopment project area. The Village redevelops, improves, and maintains the designated area in order to increase the assessed value, which drives up property tax levies and generates more property tax receipts from that District. The activities of the TIF District are accounted for in the TIF District Fund, a special revenue fund.

For the year ended April 30, 2006, property tax receipts of \$188,402 were received from the TIF District. Prior to fiscal year 2003, the Village initiated the process of redeveloping and improving the TIF District with the General Fund paying all the expenditures directly and through transfers to the TIF Fund. The General Fund maintains the right to reimbursement from the TIF District Fund once sufficient funds are accumulated. The total due the General Fund from prior years' expenditures amounts to \$91,032, at April 30, 2006. The Village's management does not expect the General Fund to be repaid within the next fiscal year.

16. Redevelopment Commitments

The Village has entered into an agreement to terminate a redevelopment contract for the Village's TIF District zone. Concurrent with the termination agreement, the Village committed to pay a third party \$70,000 owed by the terminated developer. This amount is to be paid in 14 annual installments of \$5,000, which began July 1, 2004, and will be paid from the TIF District Fund. These financial statements do not include a liability for this commitment; however the redevelopment function for the TIF District Fund includes a disbursement of \$5,000 for fiscal year 2006 related to this commitment. The remaining amount to be paid over the next 12 fiscal years is \$60,000.

The Village has entered into a number of redevelopment agreements with outside parties to encourage residential development within the Village's TIF District. As an incentive to developers, the Village has committed to reimburse certain project expenses to developers from the TIF District's receipts over periods ranging from three years to the life of the TIF District. As of April 30, 2006, the maximum amount committed to developers was \$4,779,900 and the total paid to developers (through the end of fiscal year 2006) was \$174,993. The timing of future payments for these commitments and the amounts of those payments cannot be estimated as they are dependent on the actual costs incurred by the developers and the attainment of agreed upon development milestones. These financial statements do not include a liability related to these redevelopment commitments.

17. Employee Separation Pay Commitment

At separation, employees are eligible to receive compensation for all unused vacation days and three quarters of their unused sick leave days remaining from the employee's balance of unused sick days on December 9, 1999. By action of the Village Board of Trustees, the policy of compensating employees for unused sick days at separation was discontinued as of December 9, 1999 for days earned after that date. At April 30, 2006, the Village's potential liability for employee separation pay was \$52,698. These financial statements do not include a liability or expenditure/expense for this amount. As of April 30, 2006, the Village maintains various certificate of deposit accounts in the amount of \$15,993 for the future payment of this commitment.

18. Other Commitments

Through the date of the independent auditors' report (June 21, 2006), the Village has entered into contracts for the following:

<u>Purpose</u>	<u>Responsible Fund</u>	<u>Total Commitment</u>	<u>Fiscal Year of Expenditure</u>
Painting the 50,000 Gallon Watertower	Water and Sewer	\$ 23,980	2007
Painting the 100,000 Gallon Watertower	Water and Sewer	32,211	2008
Annual Watertower Maintenance	Water and Sewer	15,000	*
Oil and Chip Projects	Motor Fuel Tax	27,183	2007
Sidewalks	General	6,336	2007

* - Paid in annual installments of \$1,500 through fiscal year 2016.

These financial statements do not include any expenditure or liability related to these commitments.

VILLAGE OF FISHER, ILLINOIS

Statement of Cash Receipts and Disbursements - Modified Cash Basis

Water and Sewer Fund

For the Year Ended April 30, 2006

	<u>Water</u>	<u>Sewer</u>	<u>Meter</u>	<u>Total</u>
Receipts				
Service Fees	\$ 127,345	\$ 123,476	\$ -	\$ 250,821
Interest	5,529	145	85	5,759
Miscellaneous	7,570	2,600	1,864	12,034
Total Receipts	<u>140,444</u>	<u>126,221</u>	<u>1,949</u>	<u>268,614</u>
Disbursements				
Salaries	18,768	33,768	-	52,536
Utilities	10,930	21,162	-	32,092
Equipment	10,646	12,235	-	22,881
Chemicals	16,967	3,091	-	20,058
Capitalized Expenditures	17,566	1,908	-	19,474
Insurance	5,845	5,845	-	11,690
Sewer Tank Maintenance	-	10,107	-	10,107
Benefits	4,925	4,925	-	9,850
Bond Principal	-	8,000	-	8,000
Sludge Removal	-	7,505	-	7,505
Bond Interest	-	5,500	-	5,500
Office Expense	2,092	2,466	-	4,558
System Improvement	1,914	655	-	2,569
NPDES Permit	-	2,500	-	2,500
Deposit Refunds	-	-	1,640	1,640
Contingency	441	1,129	-	1,570
Water Tower Maintenance	1,500	-	-	1,500
Lab Fees	1,448	-	-	1,448
Professional Services	585	232	-	817
Total Disbursements	<u>93,627</u>	<u>121,028</u>	<u>1,640</u>	<u>216,295</u>
Net Increase in Cash and Investments	<u>\$ 46,817</u>	<u>\$ 5,193</u>	<u>\$ 309</u>	52,319
Cash and Investments, May 1, 2005				<u>287,050</u>
Cash and Investments, April 30, 2006				<u>\$ 339,369</u>

VILLAGE OF FISHER, ILLINOIS

Property Tax Levies, Rates, Extensions, and Collections

For the Four Years Ended April 30, 2006

Fiscal Year Received Levy Year	2007 <u>2005</u>	2006 <u>2004</u>	2005 <u>2003</u>	2004 <u>2002</u>
Assessed Valuations	<u>\$ 15,033,144</u>	<u>\$ 14,278,556</u>	<u>\$ 14,499,676</u>	<u>\$ 13,707,034</u>
Tax Levies				
General	\$ 32,457	\$ 32,124	\$ 31,503	\$ 30,061
Police	10,810	10,982	10,773	10,323
Audit	1,900	1,886	1,854	1,854
Insurance	4,125	4,091	4,017	4,017
ESDA	410	410	400	400
Total Tax Levies	<u>\$ 49,702</u>	<u>\$ 49,493</u>	<u>\$ 48,547</u>	<u>\$ 46,655</u>
Tax Rates				
General	0.2159	0.2207	0.2112	0.2162
Police	0.0719	0.0735	0.0722	0.0739
Audit	0.0126	0.0129	0.0124	0.0133
Insurance	0.0274	0.0281	0.0269	0.0289
ESDA	0.0027	0.0028	0.0027	0.0029
Total Tax Rates	<u>0.3305</u>	<u>0.3380</u>	<u>0.3254</u>	<u>0.3352</u>
Tax Extensions				
General	\$ 32,457	\$ 31,513	\$ 30,623	\$ 29,635
Police	10,809	10,495	10,469	10,129
Audit	1,894	1,842	1,798	1,823
Insurance	4,119	4,012	3,900	3,961
ESDA	406	400	391	398
Total Tax Extensions	<u>\$ 49,685</u>	<u>\$ 48,262</u>	<u>\$ 47,181</u>	<u>\$ 45,946</u>
Tax Collections				
General		\$ 31,264	\$ 28,972	\$ 28,987
Police		10,413	9,969	9,957
Audit		1,829	1,712	1,793
Insurance		3,897	3,715	3,892
ESDA		475	373	388
Total Tax Collections		<u>\$ 47,878</u>	<u>\$ 44,741</u>	<u>\$ 45,017</u>
Percentage of Extension Collected		<u>99.20%</u>	<u>94.83%</u>	<u>97.98%</u>

VILLAGE OF FISHER, ILLINOIS
 Unaudited Schedule of Insurance Coverage
 April 30, 2006

<u>Type of Coverage</u>	<u>Name of Insurer</u>	<u>Amount of Coverage</u>	<u>Policy Expiration Date</u>
Property, Inland Marine and Auto Physical Damage	IMLRMA	\$ 2,000,000	12/31/06
Workers' Compensation	IMLRMA	Statutory	12/31/06
Employer's Liability	Safety National	\$ 3,000,000	12/31/06
General and Automobile Liability	IMLRMA	\$ 8,000,000	12/31/06
Reinsurance	General Reinsurance Corp.	\$ 28,000,000	12/31/06
	Lloyd's of London	\$ 220,000,000	12/31/06

The above summary of insurance protection is presented on the basis of unaudited information obtained from policies on file in the Village's office. The amount and adequacy of the coverage were not investigated by the auditors.

INDEPENDENT AUDITORS' REPORT
ON TAX INCREMENT FINANCING

Board of Village Trustees
Village of Fisher, Illinois
Fisher, Illinois

We have audited the accompanying financial statements of the Village of Fisher, Illinois as of and for the year ended April 30, 2006, as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on the financial statements based on our audit.

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

The management of the Village of Fisher, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with the State of Illinois Public Act 85-1142, "An Act in Relation to Increment Financing".

The results of our tests indicate that for the items tested, the Village of Fisher, Illinois complied with Subsection (q) of Section 11-74.4-3 of Public Act 85-1142. Nothing came to our attention that caused us to believe that for the items not tested, the Village of Fisher, Illinois was not in compliance with Subsection (q) Section 11-74.4-3 of Public Act 85-1142.

Martin, Hood, Friesse & Associates, LLC

June 21, 2006

