

FY 2006 Annual Financial Report

Multi-Purpose Long Form

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Unit Name: Sadorus Village

Mark Holloway
CHAMPAIGN COUNTY CLERK
CHAMPAIGN

Unit Code: 010/090/32

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

Written signature of government official: *Sindy Henry*
Sindy Henry, Treasurer
Please Sign
Date: _____

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):	
Sindy	Henry	John	Deedrick	Sindy	Henry
Treasurer		President		Treasurer	
PO Box 109		PO Box 109		PO Box 109	
Sadorus		Sadorus		Sadorus	
IL		IL		IL	
61872		61872		61872	
Phone: (217)598-2587		Phone: (217)369-2630		Phone: (217)598-2587	
Fax:		Fax:		Fax:	
E-mail:		E-mail:		E-mail:	

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.

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 THE

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

If Yes:

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.

Please fill out the Alternative Assets & Liabilities page, located on page F1(b)

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

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

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

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

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

G.O. Bonds Revenue Bonds

Alternate Revenue Bonds Contractual Commitments

Other

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

F. Is Sadorus Village a home rule unit? Yes No

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

Unit Name: Sadorus Village

Unit Code Number: 010/090/32

STEP 4: POPULATION, EAV AND EMPLOYEES

^What is the total population of Sadorus Village?	450
What is the total EAV of Sadorus Village?	\$ 4,628,542
*How many full time employees are paid?	0
*How many part time employees are paid?	13
What is the total salary paid to all employees?	\$ 29,490

^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 <i>FUNDS SHOULD NOT BE LISTED HERE</i>	Appropriation	Type of Component Unit	FISCAL YEAR END	Enterprise Fund Type or Governmental Fund Type
Sadorus Village	\$121,205		04/30	
Total Appropriations	\$121,205			

Unit Name: Sadorus Village
 Unit Code Number: 010/090/32

STEP 7: AUDITS

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

Firm Name:	Martin, Hood, Friese & Associates
CPA's first name:	David
CPA's last name:	Hood
CPA's Title:	Partner
Address:	2507 S. Neil
City:	Champaign
State:	IL
ZIP:	61820
Phone:	217-351-2000
Fax:	217-351-7726
Email:	dave@mhfa.net
State Registration Number:	066-0003144

STEP 8: OTHER GOVERNMENTS

Indicate any payments Sadorus 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	8,000
Federal government payroll taxes	2,148
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	84,699	General Fund	04/30
Motor Fuel Tax Fund Fund	12,585	Special Revenue Fund	04/30
Water Operation and Maintenance Fund Fund	43,734	Enterprise Fund	04/30
Total Expenditures	141,018		

B. Does Sadorus 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

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

Assets

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
Current Assets					
		Report In Whole Numbers			
101t	Cash and Cash Equivalent	53,238	34,707	0	0
102t	Investments	94,451	0	0	0
115t	Receivables	0	0	0	0
109t	Inventories	0	0	0	0
112t	Other Assets (Explain)	1,242	-1,242	0	0
Non-Current Assets					
		Report In Whole Numbers			
116t	Capital Assets/Net of Accumulated Depreciation	0	39,525	0	0
117t	Other Capital Assets	0	0	0	0
120t	TOTAL ASSETS	148,931	72,990	0	0

Liabilities

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
Current Liabilities					
		Report In Whole Numbers			
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					
		Report In Whole Numbers			
129t	Due Within One Year	0	0	0	0
130t	Due Beyond One Year	0	0	0	0
131t	Other Non-Current/Long Term Liabilities	0	0	0	0
135t	TOTAL LIABILITIES	0	0	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	39,525	0	0
148t	Net Assets - Restricted	13,009	0	0	0
149t	Net Assets - Unrestricted	135,922	33,465	0	0
146t	TOTAL NET ASSETS	148,931	72,990	0	0
147t	TOTAL LIABILITIES & NET ASSETS	148,931	72,990	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
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Local Taxes

Report in Whole Numbers

2011	Property Tax	28,192	0	0	0	0	0	0	0
2021	Local Sales Tax	0	0	0	0	0	0	0	0
2031	Utilities Tax	18,999	0	0	0	0	0	0	0
203a	Electric Utilities	18,999	0	0	0	0	0	0	0
203b	Water Utilities	0	0	0	0	0	0	0	0
203c	Communications Utilities	0	0	0	0	0	0	0	0
203d	Other Utilities Tax (Explain)	0	0	0	0	0	0	0	0
2041	Other Taxes (Explain)	395	0	0	0	0	0	0	0

Intergovernmental Receipts & State or Federal Grants

211	State Income Tax	29,367	0	0	0	0	0	0	0
212	State Sales Tax	8,265	0	0	0	0	0	0	0
213	State Motor Fuel Tax	0	12,317	0	0	0	0	0	0
214	State Replacement Tax	1,239	0	0	0	0	0	0	0
205	State Gaming Taxes)	0	0	0	0	0	0	0	0
215	Other State Sources (Explain)	3,668	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)	3,668	0	0	0	0	0	0	0
225	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

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
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)	3,300	0	0	0	0	0	0	0

Other Sources

231i	Licenses and Permits	600	0	0	0	0	0	0	0
233i	Fines and Forfeitures	0	0	0	0	0	0	0	0
234f	Charges for Services	2,233	0	0	0	48,225	0	0	0
234g	Water Utilities	0	0	0	0	48,225	0	0	0
234h	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	0	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	2,233	0	0	0	0	0	0	0
234k	Other (Explain)	0	0	0	0	0	0	0	0
235f	Interest	1,600	308	0	0	87	0	0	0
236f	Miscellaneous (Explain)	1,975	0	0	0	0	0	0	0
240f	Total Receipts and Revenue	99,833	12,625	0	0	48,312	0	0	0

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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							
251f	General Government	49,256	0	0	0	0	0	0	0
251a	Financial Administration	0	0	0	0	0	0	0	0
251b	General Administrative Buildings	0	0	0	0	0	0	0	0
251c	Central Administration	49,256	0	0	0	0	0	0	0
251d	Other (Explain)	0	0	0	0	0	0	0	0
252i	Public Safety	8,000	0	0	0	0	0	0	0
252a	Police	0	0	0	0	0	0	0	0
252b	Fire	8,000	0	0	0	0	0	0	0
252c	Regulation - Building Inspection	0	0	0	0	0	0	0	0
252d	Other (Explain)	0	0	0	0	0	0	0	0
253i	Corrections	0	0	0	0	0	0	0	0
254i	Judiciary and Legal	0	0	0	0	0	0	0	0
255f	Transportation and Public Works	17,259	12,585	0	0	0	0	0	0
255a	Streets and Highways	17,259	12,585	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
256i	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
257i	Culture and Recreation	10,184	0	0	0	0	0	0	0
257a	Library	0	0	0	0	0	0	0	0
257b	Parks	10,184	0	0	0	0	0	0	0
257c	Other (Explain)	0	0	0	0	0	0	0	0
258i	Housing	0	0	0	0	0	0	0	0
275i	Environment	0	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	Report in Whole Numbers				Internal Service	Fiduciary	Discretely Presented Component Units
					Debt Service	Enterprise					
275b	Solid Waste Management	0	0	0	0	0	0	0	0	0	
275c	Other (Explain)	0	0	0	0	0	0	0	0	0	
259f	Debt	0	0	0	0	0	0	0	0	0	
259a	Interest	0	0	0	0	0	0	0	0	0	
259b	Principal	0	0	0	0	0	0	0	0	0	
271c	Public Utility Company	0	0	0	0	36,149	0	0	0	0	
271a	Water	0	0	0	0	36,149	0	0	0	0	
271b	Electric	0	0	0	0	0	0	0	0	0	
271e	Transit	0	0	0	0	0	0	0	0	0	
271d	Other (Explain)	0	0	0	0	0	0	0	0	0	
272e	Depreciation	0	0	0	0	7,585	0	0	0	0	
280f	Capital Outlay	0	0	0	0	0	0	0	0	0	
260f	Other Expenditures (Explain)	0	0	0	0	0	0	0	0	0	
270f	Total Expenditures/Expense	84,699	12,585	0	0	43,734	0	0	0	0	

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Fund Balances and Other Financing Sources (Uses)

Code	Enter all Amounts in Whole Numbers	Report in Whole Numbers							
		General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
3011	Excess of receipts/revenues over (under) expenditures/expenses (2401-2701)	15,134	40	0	0	4,578	0	0	0
3021	Operating transfers in	0	0	0	0	0	0	0	0
3031	Operating transfers out	0	0	0	0	0	0	0	0
3041	Bond proceeds	0	0	0	0	0	0	0	0
3051	Other (Explain)	0	0	0	0	0	0	0	0
3061	Net increase(decrease) in fund balance (3011 + 3021 - 3031 + 3041 + 3051)	15,134	40	0	0	4,578	0	0	0
3071	Previous year fund balance	122,129	11,628	0	0	68,412	0	0	0
3081	Other (Explain)	0	0	0	0	0	0	0	0
3101	Current Year Ending Fund Balance (3061 + 3071 + 3081)	137,263	11,668	0	0	72,990	0	0	0

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Statement of Indebtedness

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

- Explanation or Comments
- 112t This line item includes the interfund due from (due to) from the Water Fund to the General Fund of \$1,242 for utilities expenses.
 - 204t This line includes foreign fire tax of \$395
 - 215j This line includes telecommunication tax of \$3,668
 - 226t This line includes rent received from the Sadorus fire Protection District (\$3,300)
 - 236t This line includes farm income (\$1,439) and other misc (\$536)
 - GENexp The Village of Sadorus only adopts an appropriation ordinance for the General Fund Total appropriation for the General Fund was \$121,205 Total expenditures were \$84,699. The Village underexpended in fiscal year 2006.

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* Sadornus Village Capital Outlay

Code	Function	These are not funds	
		Construction	Land, Structures, and Equipment
6011	General Government	0	0
6021	Law Enforcement	0	0
6031	Corrections	0	0
6041	Fire	0	0
6051	Sewerage	0	0
6061	Sanitation and Wastewater	0	0
6071	Parks and Recreation	0	0
6081	Housing and Community Development	0	0
6091	Highways, Roads and Bridges	0	0
6101	Parking Facilities	0	0
6111	Welfare	0	0
6121	Hospital	0	0
6131	Water	0	0
6141	Nursing Homes	0	0
6151	Conservation and Natural Resources	0	0
6161	Libraries	0	0
6171	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 SADORUS, ILLINOIS

Sadorus, Illinois

FILED
OCT 23 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 Sadorus, Illinois
Sadorus, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Sadorus, 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'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.

As described in Note 1, the Village 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.

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 Sadorus, 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 budgetary comparison for the General Corporate Fund for the year then ended on 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 Village of Sadorus, Illinois' basic financial statements. The supplementary information contained in Table 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Village of Sadorus, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Village of Sadorus, 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.

Martin, Hood, Friese & Associates, LLC

June 19, 2006

VILLAGE OF SADORUS, ILLINOIS

Statement of Net Assets - Modified Cash Basis

April 30, 2006

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 53,238	\$ 34,707	\$ 87,945
Investments	94,451	-	94,451
Interfund Due From / (Due To)	1,242	(1,242)	-
Property and Equipment, Net of Accumulated Depreciation: Water System and Equipment	-	39,525	39,525
Total Assets	<u>148,931</u>	<u>72,990</u>	<u>221,921</u>
Liabilities			
	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets			
Invested in Capital Assets	-	39,525	39,525
Restricted for:			
Unspent Levy Allocations	1,341	-	1,341
Streets and Alleys	11,668	-	11,668
Unrestricted	<u>135,922</u>	<u>33,465</u>	<u>169,387</u>
Total Net Assets	<u>\$ 148,931</u>	<u>\$ 72,990</u>	<u>\$ 221,921</u>

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

VILLAGE OF SADORUS, ILLINOIS

Statement of Activities - Modified Cash Basis

For the Year Ended April 30, 2006

	Business-type Activities			Governmental Activities			
	Total	Water	Total	General	Public Safety	Public Works	Recreation
		Operations		Government			
Expenses							
Contractual Services	\$ 73,680	\$ 6,764	\$ 66,916	\$ 18,888	\$ 8,000	\$ 29,844	\$ 10,184
Salaries and Wages	31,638	12,745	18,893	18,893	-	-	-
Materials and Supplies	17,868	13,242	4,626	4,626	-	-	-
Depreciation	7,585	7,585	-	-	-	-	-
Other	10,247	3,398	6,849	6,849	-	-	-
Total Expenses	141,018	43,734	97,284	49,256	8,000	29,844	10,184
Program Revenues							
User Fees	50,458	48,225	2,233	-	-	-	2,233
Net Program Expense (Revenue)	90,560	(4,491)	95,051	\$ 49,256	\$ 8,000	\$ 29,844	\$ 7,951
General Revenues							
Taxes							
Income Tax	29,367	-	29,367				
Municipal Utility Tax	18,999	-	18,999				
Property Taxes	14,862	-	14,862				
Road and Bridge Allocation	13,330	-	13,330				
Motor Fuel Tax	12,317	-	12,317				
Sales Tax	3,177	-	3,177				
Use Tax	5,088	-	5,088				
Telecommunications Tax	3,668	-	3,668				
Other Taxes	1,634	-	1,634				
Rent Income	3,300	-	3,300				
Interest Income	1,995	87	1,908				
Licenses and Permits	600	-	600				
Other	1,975	-	1,975				
Total General Revenues	110,312	87	110,225				
Change in Net Assets	19,752	4,578	15,174				
Net Assets, May 1, 2005	202,169	68,412	133,757				
Net Assets, April 30, 2006	\$ 221,921	\$ 72,990	\$ 148,931				

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

VILLAGE OF SADORUS, ILLINOIS

Combined Balance Sheet - Modified Cash Basis

Governmental Funds

April 30, 2006

	General Corporate Fund	Motor Fuel Tax Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 41,570	\$ 11,668	\$ 53,238
Investments	94,451	-	94,451
Due from Water Operations and Maintenance Fund	1,242	-	1,242
Total Assets	<u>\$ 137,263</u>	<u>\$ 11,668</u>	<u>\$ 148,931</u>
LIABILITIES AND FUND BALANCES			
Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances			
Reserved	1,341	-	1,341
Unreserved	135,922	11,668	147,590
Total Fund Balances	<u>137,263</u>	<u>11,668</u>	<u>148,931</u>
Total Liabilities and Fund Balances	<u>\$ 137,263</u>	<u>\$ 11,668</u>	<u>\$ 148,931</u>
Reconciliation to Statement of Net Assets:			
Total Fund Balance			\$ 148,931
Difference			-
Net Assets of Governmental Activities			<u>\$ 148,931</u>

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

VILLAGE OF SADORUS, ILLINOIS

Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - Modified Cash Basis*Governmental Funds*

For the Year Ended April 30, 2006

Revenue	<u>General Corporate Fund</u>	<u>Motor Fuel Tax Fund</u>	<u>Total</u>
<i>Local Taxes</i>			
Municipal Utility Tax	\$ 18,999	\$ -	\$ 18,999
Property Tax	14,862	-	14,862
Road and Bridge Allocation	13,330	-	13,330
Other Taxes	395	-	395
<i>State Taxes</i>			
Income Tax	29,367	-	29,367
Motor Fuel Tax	-	12,317	12,317
Sales Tax	3,177	-	3,177
Use Tax	5,088	-	5,088
Telecommunications Tax	3,668	-	3,668
Other Taxes	1,239	-	1,239
<i>Intergovernmental Revenue</i>			
Rent from Sadorus Fire Protection District	3,300	-	3,300
<i>Other</i>			
Charges for Service	2,233	-	2,233
Licenses and Permits	600	-	600
Interest Income	1,600	308	1,908
Miscellaneous	1,975	-	1,975
Total Revenue	<u>99,833</u>	<u>12,625</u>	<u>112,458</u>
Expenditures			
<i>Current</i>			
Public Works	17,259	12,585	29,844
General Government	49,256	-	49,256
Recreation	10,184	-	10,184
Public Safety	8,000	-	8,000
Total Expenditures	<u>84,699</u>	<u>12,585</u>	<u>97,284</u>
Excess of Revenue Over Expenditures	15,134	40	15,174
Fund Balances, May 1, 2005	<u>122,129</u>	<u>11,628</u>	<u>133,757</u>
Fund Balances, April 30, 2006	<u>\$ 137,263</u>	<u>\$ 11,668</u>	<u>\$ 148,931</u>
Reconciliation to the Statement of Activities:			
Excess of Revenue over Expenditures			\$ 15,174
Differences			-
Change in Net Assets of Governmental Activities			<u>\$ 15,174</u>

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

VILLAGE OF SADORUS, ILLINOIS

Statement of Expenditures - Budget and Actual - Modified Cash Basis

General Corporate Fund

For the Year Ended April 30, 2006

Expenditures	Budget		Actual	Variance
	Original	Final		
<i>Current</i>				
General Government:				
Salaries and Wages	\$ 14,785	\$ 14,785	\$ 18,893	\$ (4,108)
Materials and Supplies	3,250	3,250	4,626	(1,376)
Contractual Services	29,500	29,500	18,888	10,612
Other	5,220	5,220	6,849	(1,629)
Total General Government	<u>52,755</u>	<u>52,755</u>	<u>49,256</u>	<u>3,499</u>
Public Works:				
Salaries and Wages	7,000	7,000	-	7,000
Materials and Supplies	950	950	-	950
Contractual Services	23,000	23,000	17,259	5,741
Total Public Works	<u>30,950</u>	<u>30,950</u>	<u>17,259</u>	<u>13,691</u>
Recreation:				
Materials and Supplies	5,500	5,500	-	5,500
Contractual Services	10,000	10,000	10,184	(184)
Total Recreation	<u>15,500</u>	<u>15,500</u>	<u>10,184</u>	<u>5,316</u>
Public Safety	<u>2,000</u>	<u>2,000</u>	<u>8,000</u>	<u>(6,000)</u>
Capital Outlay	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenditures	<u>\$ 121,205</u>	<u>\$ 121,205</u>	<u>\$ 84,699</u>	<u>\$ 36,506</u>

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

VILLAGE OF SADORUS, ILLINOIS

Statement of Net Assets - Modified Cash Basis

Proprietary Fund

April 30, 2006

	<u>Enterprise Fund</u> <u>Water Operations</u> <u>and Maintenance</u> <u>Fund</u>
ASSETS	
Current Assets	
Cash	\$ 34,707
Property and Equipment, Net of Accumulated Depreciation	
Water System and Equipment	<u>39,525</u>
Total Assets	<u>\$ 74,232</u>
LIABILITIES AND NET ASSETS	
Liabilities	
Due to General Corporate Fund	<u>\$ 1,242</u>
Net Assets	
Invested in Capital Assets	39,525
Unrestricted	<u>33,465</u>
Total Net Assets	<u>72,990</u>
Total Liabilities and Net Assets	<u>\$ 74,232</u>

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

VILLAGE OF SADORUS, ILLINOIS

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

For the Year Ended April 30, 2006

	<u>Enterprise Fund</u> <u>Water Operations</u> <u>and Maintenance</u> <u>Fund</u>
Operating Revenue	
User Fees	\$ 48,225
Operating Expenses	
Salaries and Wages	12,745
Materials and Supplies	13,242
Contractual Services	6,764
Depreciation	7,585
Other	3,398
Total Operating Expenses	<u>43,734</u>
Operating Income	4,491
Nonoperating Revenue	
Interest Income	<u>87</u>
Change in Net Assets	4,578
Net Assets, May 1, 2005	<u>68,412</u>
Net Assets, April 30, 2006	<u>\$ 72,990</u>

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

VILLAGE OF SADORUS, ILLINOIS

Statement of Cash Flows - Modified Cash Basis

Proprietary Fund

For the Year Ended April 30, 2006

	<u>Enterprise Fund</u> <u>Water Operations</u> <u>and Maintenance</u> <u>Fund</u>
Cash Flows from Operating Activities	
Receipts from Customers	\$ 48,225
Payments to Vendors	(22,162)
Payments to Employees	(12,745)
Net Cash Provided by Operating Activities	<u>13,318</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Water Plant Equipment	(1,988)
Cash Flows from Investing Activities	
Receipts of Interest	<u>87</u>
Net Increase in Cash	11,417
Cash, May 1, 2005	<u>23,290</u>
Cash, April 30, 2006	<u>\$ 34,707</u>
Reconciliation of Operating Income	
to Net Cash Provided by Operating Activities	
Operating Income	\$ 4,491
Adjustment to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation	7,585
Increase in Due to General Corporate Fund	1,242
Net Cash Provided by Operating Activities	<u>\$ 13,318</u>

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

VILLAGE OF SADORUS, 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 the 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 include all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, 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.

a. Financial Reporting Entity

The Village's financial reporting entity is composed of a single primary government and no component units. In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, *The Financial 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 Corporate Fund – The General Corporate Fund is the primary operating fund of the Village and is 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.

Special Revenue Fund – A Special Revenue Fund is 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 fund which is reported as a major fund:

Fund	Brief Description
Motor Fuel Tax Fund	Accounts for motor fuel tax received and expenditures paid for road repair and replacement provided by the State of Illinois

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:

<u>Fund</u>	<u>Brief Description</u>
Water Operations and Maintenance Fund	Accounts for the activities of providing water service to the residents of the Village

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, within the limitations of the modified cash basis of accounting, as defined in item “b” below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- a. 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.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (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

In the government-wide Statement of Net Assets and Statement of Activities and the fund financial statements, governmental and business-type activities and all funds are presented using a 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 depreciation in the government-wide statements for business-type activities and proprietary fund statements and a provision for investments in the government-wide statements for governmental activities and governmental fund statements. 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 these 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 governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

d. Cash and Cash Equivalents

Cash and cash equivalents includes deposits at financial institutions, certificates of deposit with original maturities at issuance of three months or less, and deposits in money market funds.

e. Property and Equipment

Proprietary fund property and equipment are valued at historical cost or estimated historical cost, if actual historical cost is not available. Donated property and equipment are valued at estimated fair value at the date of donation. Depreciation is computed using the straight-line method over estimated useful lives ranging from five to twenty-two years.

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 obligations 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

User Fees	Fees paid by the public for activities related to the ballpark and miscellaneous food and beverage vending
-----------	--

Business-Type Activities

User Fees	Fees paid by the public for water 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 appropriations 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 minutes of the Board. There were no transfers made after fiscal year-end.

A comparison of budget to actual expenditures is provided for only the General Corporate Fund. The major Special Revenue Fund, the Motor Fuel Tax Fund, is not required to adopt a legal budget. Therefore, the budget to actual comparison is omitted for this major fund.

3. 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 Board of Trustees passed the 2005 tax levy on November 7, 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.

4. Cash and Cash Equivalents 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 may not be returned to it. The Village's investment policy addresses custodial credit risk by requiring collateral pledges from financial institution holding deposits in excess of Federal Depository Insurance Corporation limits. At April 30, 2006, none of the Village's bank balance of \$172,072 was exposed to custodial credit risk.

At April 30, 2006, the Village held \$11,668 in the Illinois Funds Money Market Fund. The fair value of the Village's position in the fund is equal to the value of the Village's fund shares. The portfolio is regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. The portfolio has a AAA rating from Standard and Poor's. The assets of the fund are mainly invested in securities issued by the United

States government or agencies related to the United States. Assets of the fund not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year.

5. Property and Equipment

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

	<u>April 30,</u> <u>2005</u>	<u>Additions</u>	<u>Retirements</u>	<u>April 30,</u> <u>2006</u>
Depreciable Property and Equipment:				
Water System and Equipment	\$ 344,633	\$ 1,988	\$ -	\$ 346,621
Less: Accumulated Depreciation	<u>(299,511)</u>	<u>(7,585)</u>	<u>-</u>	<u>(307,096)</u>
Property and Equipment, Net	<u>\$ 45,122</u>	<u>\$ (5,597)</u>	<u>\$ -</u>	<u>\$ 39,525</u>

Depreciation expense for 2006 was charged to the Water Operations activity in the amount of \$7,585.

6. Restricted Net Assets and Reserved Fund Balance

At April 30, 2006, the Village's General Corporate Fund had \$1,341 reserved for future liability insurance and ESDA expenditures. The funds are from property taxes levied by the Village and are legally restricted for use for these purposes. The Village also had \$11,668 restricted at April 30, 2006 for future street and alley maintenance expenses. These funds are from the motor fuel taxes provided by the State of Illinois and restricted for that purpose.

7. 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.

8. Interfund Activity

At April 30, 2006, the Village's Water Operations and Maintenance Fund has a balance due to the General Corporate Fund of \$1,242 for payroll reimbursements not paid as of April 30, 2006.

9. Commitments

During the year ended April 30, 2006, the Village accepted a bid to replace a softener valve at a cost of \$7,480 to be paid for by the Water Fund. Subsequent to April 30, 2006, the Village entered into a contract for street and alley maintenance for \$21,758 to be paid for by the Motor Fuel Tax Fund. The Village also entered into a contract for landscaping projects for up to \$6,500 to be paid for by the General Corporate Fund. All of these projects are to be completed and paid for in the fiscal year end April 30, 2007. These financial statements do not include a liability or expenditure related to these commitments.

VILLAGE OF SADORUS, ILLINOIS

Property Tax Levies, Rates, Extensions, and Collections

For the Four Years Ended April 30

Fiscal Year of Receipt <i>Levy Year</i>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Assessed Valuations	<u>\$ 4,628,542</u>	<u>\$ 4,120,690</u>	<u>\$ 4,114,380</u>	<u>\$ 3,663,653</u>
Tax Levies				
General	\$ 7,800	\$ 8,157	\$ 7,942	\$ 7,580
Liability Insurance	3,700	3,900	3,900	3,900
ESDA	102	104	105	107
Audit	3,800	4,000	2,200	2,100
Total Tax Levies	<u>\$ 15,402</u>	<u>\$ 16,161</u>	<u>\$ 14,147</u>	<u>\$ 13,687</u>
Tax Rates				
General Fund	0.1685	0.1834	0.1890	0.2033
Liability Insurance	0.0799	0.0876	0.0928	0.1046
ESDA	0.0022	0.0023	0.0025	0.0028
Audit	0.0821	0.0899	0.0524	0.0563
Total Tax Rates	<u>0.3327</u>	<u>0.3632</u>	<u>0.3367</u>	<u>0.3670</u>
Tax Extensions				
General Fund	\$ 7,799	\$ 7,557	\$ 7,776	\$ 7,448
Liability Insurance	3,698	3,610	3,818	3,832
ESDA	102	95	103	103
Audit	3,800	3,704	2,156	2,063
Total Tax Extensions	<u>\$ 15,399</u>	<u>\$ 14,966</u>	<u>\$ 13,853</u>	<u>\$ 13,446</u>
Tax Collections				
General Fund		\$ 7,521	\$ 7,590	\$ 7,460
Liability Insurance		3,583	3,723	3,835
ESDA		94	101	102
Audit		3,664	2,102	2,064
Total Tax Collections		<u>\$ 14,862</u>	<u>\$ 13,516</u>	<u>\$ 13,461</u>
Percentage of Extension Collected		<u>99.31%</u>	<u>97.57%</u>	<u>100.11%</u>