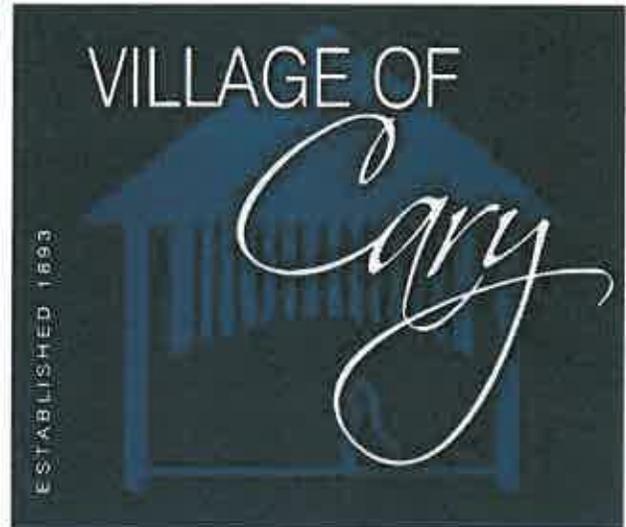


VILLAGE OF CARY, ILLINOIS



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
APRIL 30, 2011**

VILLAGE OF CARY, ILLINOIS

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

List of Principal Officials..... i
Organizational Chart..... ii
Transmittal Letter..... iii - ix
Certificate of Achievement for Excellence in Financial Reporting..... x

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT..... 1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS MD&A1-16

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

Statement of Net Assets 3 - 4
Statement of Activities..... 5 - 6

Fund Financial Statements

Balance Sheet – Governmental Funds 7 - 8
Reconciliation of Total Governmental Fund Balance to the
Statement of Net Assets – Governmental Activities..... 9
Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds 10 - 11
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities – Governmental Activities..... 12
Statement of Net Assets – Proprietary Funds 13 - 14
Statement of Revenues, Expenses and Changes in
Net Assets – Proprietary Funds..... 15
Statement of Cash Flows – Proprietary Funds..... 16
Statement of Net Assets – Fiduciary Funds 17
Statement of Changes in Net Assets – Fiduciary Funds 18

Notes to the Financial Statements..... 19 - 54

VILLAGE OF CARY, ILLINOIS

TABLE OF CONTENTS



PAGE

FINANCIAL SECTION - Continued

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress and Employer Contributions –
Illinois Municipal Retirement Fund..... 55

Schedule of Funding Progress and Employer Contributions –
Police Pension Fund..... 56

Schedule of Funding Progress and Employer Contributions –
Other Post-Employment Benefit Plan..... 57

Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual – General Fund..... 58

OTHER SUPPLEMENTARY INFORMATION

Schedule of Revenues – Budget and Actual – General Fund 59 - 60

Schedule of Expenditures – Budget and Actual – General Fund..... 61 - 69

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Infrastructure Capital Improvements – Capital Projects Fund 70

Schedule of Expenditures – Budget and Actual
Infrastructure Capital Improvements – Capital Projects Fund 71

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Other Capital Projects – Capital Projects Fund 72

Schedule of Expenditures – Budget and Actual
Other Capital Projects – Capital Projects Fund 73

Combining Balance Sheet – Nonmajor Governmental Funds..... 74 - 75

Combining Statement of Revenues, Expenditures and Changes in
Fund Balances – Nonmajor Governmental Funds 76 - 77

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
T.I.F. – Capital Projects Fund..... 78

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Vehicle and Equipment – Capital Projects Fund 79

Schedule of Revenues, Expenses and Changes in Net Assets – Budget and Actual
Water and Sanitation – Enterprise Fund..... 80

Schedule of Changes in Net Assets – Restricted Debt
Water and Sanitation – Enterprise Fund..... 81

Schedule of Operating Revenues – Budget and Actual
Water and Sanitation – Enterprise Fund 82

Schedule of Operating Expenses – Budget and Actual
Water and Sanitation – Enterprise Fund 83 - 87

Schedule of Revenues, Expenses and Changes in Net Assets – Budget and Actual
Parking – Enterprise Fund 88

VILLAGE OF CARY, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION – Continued

OTHER SUPPLEMENTARY INFORMATION – Continued

Schedule of Operating Expenses – Budget and Actual	
Parking – Enterprise Fund	89
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	90 - 91

SUPPLEMENTAL SCHEDULES

Long-Term Debt Requirements	
General Obligation Alternate Revenue Source Bonds of 2009	92
Water and Sanitation Refunding Revenue Bonds of 2002	93
Water and Sanitation Refunding Revenue Bonds of 2003	94
Water and Sanitation Refunding Revenue Bonds of 2005	95
IEPA Waterworks and Sewerage Revenue Bonds of 2002	96
Schedule of Insurance in Force.....	97

STATISTICAL SECTION (Unaudited)

Net Assets by Component – Last Seven Fiscal Years	98 - 99
Changes in Net Assets – Last Seven Fiscal Years.....	100 - 101
Fund Balances of Governmental Funds – Last Ten Fiscal Years.....	102 - 103
General Governmental Revenues by Source – Last Ten Fiscal Years	104 - 105
General Governmental Expenditures by Function – Last Ten Fiscal Years.....	105 - 107
Changes in Fund Balances for Governmental Funds – Last Ten Fiscal Years.....	107 - 108
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years	110 - 111
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years.....	112 - 113
Principal Property Tax Payers – Current Year and Nine Years Ago.....	114
Property Tax Levies and Collections – Last Ten Fiscal Years.....	115
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	116 - 117
Ratio of General Bonded Debt Outstanding to Equalized Assessed Value and Net General Obligation Bonded Debt per Capita -- Last Ten Fiscal Years	118
Schedule of Direct and Overlapping Bonded Debt.....	119
Schedule of Legal Debt Margin.....	120
Pledged-Revenue Coverage – Last Ten Fiscal Years	121
Demographic and Economic Statistics – Last Ten Fiscal Years	122
Principal Employers – Current Fiscal Year and Nine Fiscal Years Ago	123
Full-Time Equivalent Village Government Employees by Function – Last Ten Fiscal Years ..	124 - 125
Operating Indicators by Function/Program – Last Ten Fiscal Years	126 - 127
Capital Asset Statistics by Function/Program.....	128 - 129

INTRODUCTORY SECTION

This section includes:

- **List of Principal Officials**
- **Organizational Chart**
- **Transmittal Letter**
- **Certificate of Achievement for Excellence in Financial Reporting**

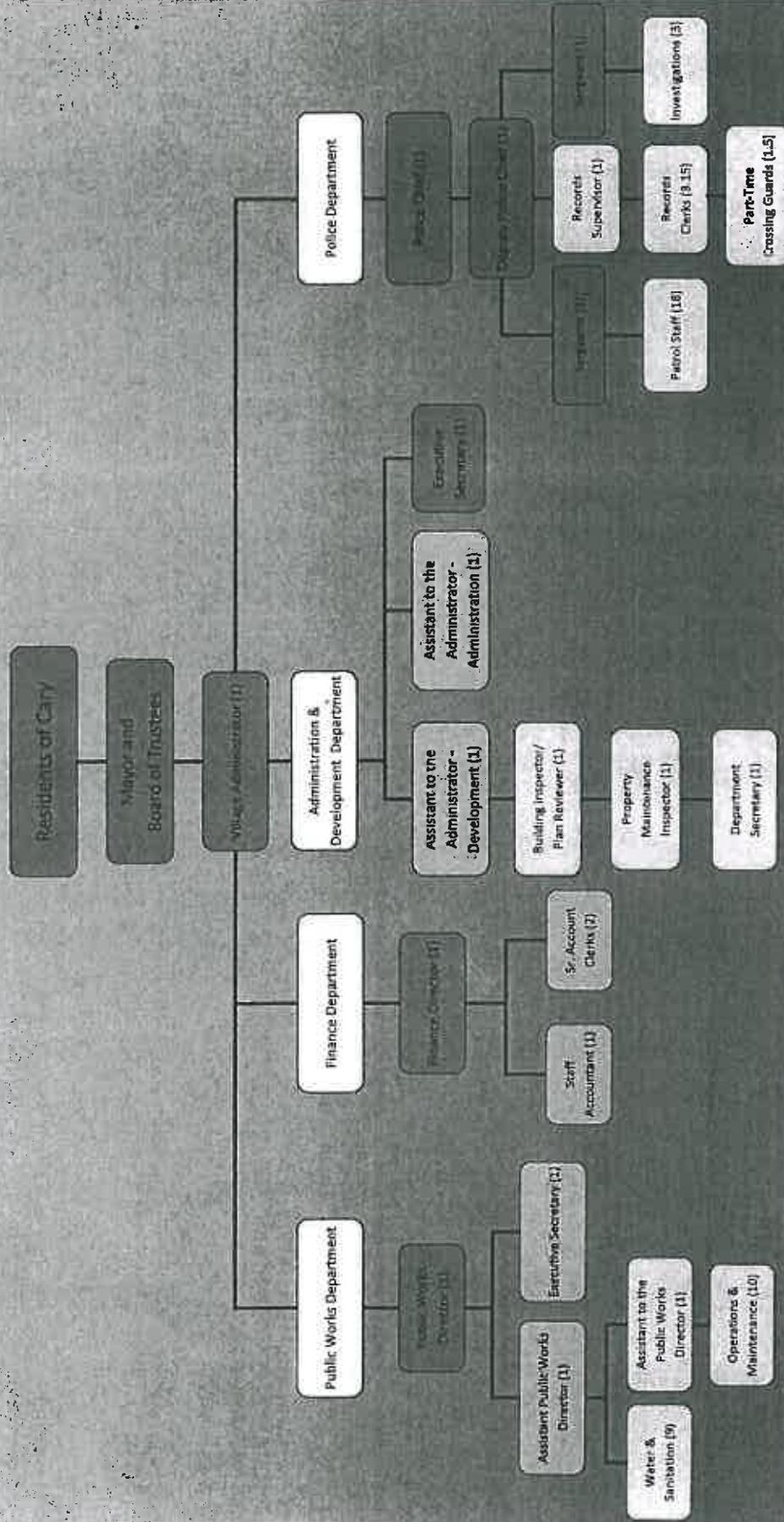
VILLAGE OF CARY, ILLINOIS

List of Principal Officials

April 30, 2011

<u>TITLE</u>	<u>NAME</u>	<u>TERM EXPIRES</u>
Mayor	Thomas S. Kierna	May, 2013
Trustee	Robert Bragg	May, 2015
Trustee	Ray Chisholm	May, 2013
Trustee	D. Rick Dudek	May, 2013
Trustee	Bruce Kaplan	May, 2015
Trustee	Jeffery Kraus	May, 2013
Trustee	Karen Lukasik	May, 2015
Village Clerk	Nancy Bragg	May, 2013
Village Administrator	Vacant	
Village Attorney	Michael Coppedge Cowlin, Curran & Coppedge	

VILLAGE OF CARY
ORGANIZATION CHART
Current Employees as of 03/01/11





August 29, 2011

Re: *Comprehensive Annual Financial Report - Letter of Transmittal*

Dear Residents of the Village of Cary:

The Comprehensive Annual Financial Report (CAFR) for the Village of Cary, for the year ending April 30, 2011, is hereby submitted. The CAFR is the Village's annual financial report to its taxpayers' and governing board.

State statutes require the Village to have an annual audit by an independent Certified Public Accountant. The Village of Cary has utilized the certified public accounting firm of Lauterbach & Amen, LLP to conduct this annual audit. The report of the auditor on the basic financial statements, combined and individual fund statements and schedules, is included in the financial section of this report.

As the Village Finance Director, I am ultimately responsible for all financial transactions of the Village of Cary and for the contents of this Comprehensive Annual Financial Report. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this financial report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to protect the Village's assets from loss, theft, or misuse and to compile necessary reliable data for the preparation of the Village of Cary's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The Village of Cary's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be without material misstatement, since the cost of internal controls should not outweigh the benefits.

I believe the data contained herein, as presented, is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the various Funds of the Village of Cary. All disclosures necessary to enable the reader to gain an understanding of the Village of Cary's financial activities have been included.

Generally Accepted Auditing Principles (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A) document. This **letter of transmittal** is designed to complement the MD&A. The Village's MD&A can be found immediately following the independent auditors' report.

GENERAL VILLAGE INFORMATION

The Village of Cary is located in McHenry County, Illinois and lies approximately 42 miles northwest of the City of Chicago. The Village of Cary covers a broad geographical area and, per the 2010 Census, has a population of 18,271 residents.

The Village of Cary was incorporated in 1893. The Village is a non-home rule community and is governed by a Mayor and a six member Board of Trustees, elected for overlapping four-year terms. The Mayor by and with the advice and consent of the Board of Trustees appoints a Village Administrator, Attorney, Engineer, Finance Director, Police Chief and Public Works Director. The Village Administrator hires other non-sworn staff.

Located within commuting distance of Chicago and its suburbs, the Village of Cary has experienced considerable growth over the past twenty years in both population and in taxable valuation related to new residential, industrial and commercial property. According to the 2010 Census, the Village of Cary had a median household income of \$87,138. This compares to \$77,314 for McHenry County and \$55,222 for the State of Illinois.

The Village of Cary provides a full range of municipal services while, at the same time, maintaining a very small professional staff of only 63 full-time employees. Over the past several years, the Village's staff levels have shrunk from a high of 87 employees (2004-05) to the current number of 66 employees. The Mayor and Village Board have utilized privatization and department consolidation to create a leaner, more cost effective municipal operation.

The Village's extensive services are delivered by staff members from the Administration and Development Department, Finance Department, Public Works Department and Police Department. In addition, the Village of Cary is a founding partner, with City of Crystal Lake and the Village of Algonquin, in the intergovernmental Southeast Emergency Communications (SEECOM) Regional Public Safety Dispatch Center.

The Village maintains a favorable financial position with relevant fund balance reserves.

Major Industry Affecting the Local Economy

Several large employers are located in the Village of Cary. The largest employer is Sage Products. Sage Products currently employs over 600 staff members and is a developer and manufacturer of innovative medical and healthcare products used by professional and retail consumers throughout the world. Sage is the largest property tax payer in the Village and is currently in the process of completing a major building addition. The Village Board's support of this 200,000+ square foot industrial expansion is an example of Cary's ongoing efforts of economic development and tax base diversification.

Another outstanding Cary employer includes Aptar. Aptar, a manufacturer of aerosol valves and non-aerosol pumps, has over 300 people on staff. True Value, a manufacturer of paints, brushes, varnishes and enamels, employs approximately 335 people. Durex International, a manufacturer of electric heaters and temperature sensors, employs over 200 people. This is just a sampling of the large private-sector employers in the Village of Cary.

Most of the workforce that resides in the Village of Cary commutes to the surrounding communities and the City of Chicago. Unemployment rates are not regularly available for the Village of Cary. The unemployment rate for McHenry County is traditionally lower than the unemployment rates at the National level and for the State of Illinois.

Village Organization Awards

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting. I am pleased to say that the GFOA awarded its Certificate of Achievement for Excellence in Financial Reporting to the Village of Cary for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Years Ended April 30, 1999 through April 30, 2010. Our current Comprehensive Annual Financial Report, as of April 30, 2011, should also meet the Certificate of Achievement Program's requirements for the award. The Village has now received the GFOA Certificate of Achievement Award for 12 straight years.

In addition, as was the case this past year, the Village continues to be recognized for its outstanding sanitary treatment and water operations.

The Village was also recognized by the Chamber of Commerce with a special recognition award for being "The Chambers ally and partner in many business and community events".

LONG-TERM FINANCIAL PLANNING and RELEVANT FINANCIAL POLICIES

The Village annually reviews and adapts its Accounting Fund Guidelines to reflect the current financial philosophy of the Village. The unreserved fund balance of the General Fund continues to exceed 25% of the subsequent year's budgeted expenditures which is the policy established by the Village Board to provide available funds for any shortfalls in revenue and/or any unanticipated large expenditures.

The Village has established a Vehicle and Equipment Fund. The main source of support for this fund is from the annual impact fee paid by Meyer Material Company. This impact fee and the establishment of this fund will enable the Village to purchase Public Works trucks and Police patrol vehicles for years to come.

The Village Trustees have discussed and embraced the new fund balance standard, the Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions and the new Statement No. 63, the Net Position Presentation. Implementation is set for FY 2011-2012.

The Village prepares its Capital Improvement Program (CIP) and incorporates it into the budget. The CIP is a multi-year planning tool that identifies the infrastructure improvements that are needed along with other capital projects to other Village property, and to coordinate the timing of these projects with the available financing. The multi-year CIP for road resurfacing is updated annually.

MAJOR INITIATIVES
FOR THE YEAR ENDING APRIL 30, 2011

In Fiscal Year Ended that April 30, 2011, the Village achieved many important goals. Only a few of the many goals achieved are listed in the next several pages. There were so many wonderful accomplishments that it is impossible to list them all in the brief space available.

- 1) Secured a Federally funded grant to help re-pave Crystal Lake Avenue. The Village's securing of the Federal Funding allowed us to complete the repaving of this very important road. Final improvements were completed in this fiscal year.
- 2) Completed the important Cary-Algonquin Road Multi-Use Path, North Fox Trails Drive to West Main Street. This path was paid for by Meyer Material. The Village Board made Meyer Material pay for this path as a part of the negotiation to allow Meyer a conditional use permit to mine gravel within the corporate boundaries. The completion of this important path, a goal of the Village for many years, has significantly improved the safety of children and adults that travel to and from the Village's southwestern most residential subdivisions.
- 3) Created and successfully administering the Home Value Assistance (HVA) Program, by which 130 Fox Trails Subdivision homeowners will receive, in total, approximately \$975,000 from Meyer Material impact fee payments. The Village requires that homeowners use the HVA payments for residential home improvement projects. The Village Board made Meyer Material pay for the Home Value Assistance Program as a part of the negotiation to allow Meyer a conditional use permit to mine gravel within the corporate boundaries.
- 4) Completed a successful neighborhood street resurfacing project amounting to \$2,600,000 in infrastructure improvements.
- 5) In Fiscal Year 2010 issued new Build America Recovery Zone Economic Development Bonds in the amount of \$5,000,000 payable in 15 years with Alternate Source Revenues. These bonds are taxable to the Investors and are subject to a Direct Payment Credit to the Village of Cary of 45% of the interest paid. The bond proceeds will provide the necessary funds to pay for a massive neighborhood road resurfacing program set to occur in fiscal years' 2011, 2012 and 2013. This massive improvement program, the largest in the Village's history, is called "Cary Works".
- 6) Instituted an Early Retirement Incentive Program that will continue the Village's ongoing efforts to streamline operations and reduce personnel costs for Cary taxpayers.
- 7) Facilitated a free, successful Village wide spring clean-up and electronic recycling program that resulted in Cary residents' discarding tons of material ... for free!
- 8) Completed a Village Board initiative to upgrade street lights in various subdivisions around the community. These upgrades provide a brighter and more direct light that improve visibility and, thus, neighborhood safety.

- 9) The Village Board approved the Village becoming the first local government member of the Pension Fairness for Illinois Communities Coalition. The Village of Cary became the first governmental partner of what now is a 78 member organization established to encourage the Illinois General Assembly to reform public safety pension benefits in the State of Illinois.
- 10) The Mayor, Village Board and Development staff worked with local business' to help facilitate the opening of many new Cary businesses including, but not limited to.....

Papa John's Pizza, O'Reilly's Auto Parts, Rack & Roll Pool Hall, The Cary Bakery, Swiss Automation, Accenting Images, Dr. Nick Malooley (chiropractor), Beau Nail Salon and Spa, Fatties Board Shop, Alpine Cleaning Supplies, Wise Guys Automotive Shop, Jade Resale, Fuel Injection Concepts and Jeff's Cary Barber Shop.

- 11) Completed one of the Village's most successful brush collection programs to date. The Village collects brush from the curb once per month from all residents living in the Village. The program runs every year from May through October. This year the Village collected and disposed of a considerable amount of brush...all free of charge for Cary residents.
- 12) During this time of unsettling economic times, the Village has maintained its Moody's Aa3 Credit Rating, which reflects strong credit worthiness. This credit rating was upgraded in fiscal year 2010 from A1.
- 13) The Village secured federal grant funds and developer contribution to complete the major improvement of the Three Oaks Road and Silver Lake Road intersection. The Village received over \$300,000.00 in Federal Grant Funds in addition to the contribution of \$250,000.00 from Spectrum Senior Living development to complete this important project. The taxpayers' of Cary will save \$550,000.00 in relation to this important, much needed intersection improvement because the Mayor and Village Board have worked to secure these important funds from non-Cary taxpayer sources.
- 14) In addition to completing the intersection improvement at Three Oaks Road and Silver Lake Road the Village with federal grant funds will complete the Rte. 14/East Main Street right-turn lane. Every dollar the Village Board secures from Grants and developer contributions is a direct benefit of every Cary resident.

MAJOR INITIATIVES **FOR THE FUTURE**

In Fiscal Year 2012, the Village will continue its aggressive policy toward infrastructure improvement projects and other capital expenditures. In addition, other major Village initiatives will also be facilitated. Major initiatives for the future include, but are not limited to, those listed below.

- 1) Completion of engineering design for improvements to the Route 14 and Jandus Cut-Off intersection, as well as the design to re-build the Jandus Cut-Off road itself, Rte. 14 to the RR tracks. The goal is to complete the design and bidding process for this improvement in FY 2011-12 for construction in FY 2012-13.
- 2) The Village Board has approved the expenditure of approximately \$450,000 in water and sewer system capital project improvements scheduled to occur during the 2011-12 fiscal year.
- 3) The Village Board has planned to continue a very aggressive sidewalk maintenance and gap repair program, thermoplastic marking and crack sealing program and street light repair program by budgeting over \$230,000.00 in improvements during the fiscal year 2011-12.
- 4) The fiscal year 2011-12 will see the completion of \$1,600,000.00 in road resurfacing projects as a part of the "Cary Works" neighborhood improvement program. This second year of a three year improvement project will anchor what will be the largest single roadway improvement program in the Village of Cary's history.
- 5) Village funds have been budgeted for an engineering study for the Cary Algonquin/Silver Lake Road intersection improvement project.
- 6) The Village will purchase three (3) Police vehicles and two (2) Public Works 2.5 ton dump trucks totalling \$330,000.00. These vehicles are replacing older vehicles that are inefficient to operate and costly to repair.
- 7) The Village has budgeted over \$350,000.00 for necessary improvements and repairs to the exterior and interior of village hall and the police department.
- 8) In fiscal year 2011-12 the Village has budgeted over \$230,000.00 to improve the Cimarron Detention Pond, the Fox Trails North Sidewalk Gap and the Cary Cemetery fence.

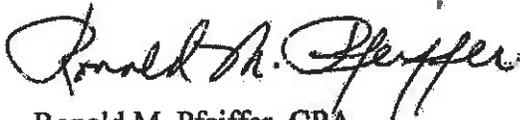
ACKNOWLEDGMENTS

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated services of the entire staff of the Finance Department. The staff of the Finance Department Donna McCarty, Donna Berry and Rhonda Williams have my and the Village's gratitude for their daily contributions to the Village of Cary, its Residents' and the Finance Department. In addition, the Village of Cary wishes to recognize the staff of the firm of Lauterbach & Amen LLP, the Village of Cary auditors'. Their professionalism and cooperation are greatly appreciated by the Village of Cary and, in particular, by me and the staff of the Finance Department. The dedication of the Village of Cary staff, in cooperation with the staff of Lauterbach & Amen, provided the cooperative working relationship necessary for the completion of this document.

In closing, I would like to thank the Mayor and Village Board of Trustees for their significant interest and support in planning and conducting the financial operations of the Village of Cary in a responsible and conservative manner. Without their leadership and ongoing support completion of this report would not have been possible.

Respectfully submitted,

VILLAGE OF CARY



Ronald M. Pfeiffer, CPA
Finance Director/Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Cary
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

FINANCIAL SECTION

This section includes:

- **Independent Auditors' Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining and Individual Fund Statements and Schedules**

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.

INDEPENDENT AUDITORS' REPORT

August 29, 2011

The Honorable Mayor Thomas Kierna
Members of the Board of Trustees
Village of Cary, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the Village of Cary, Illinois as of and for the year ended April 30, 2011, which collectively comprise the Village's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the Village of Cary, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Cary, Illinois as of April 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise the Village of Cary, Illinois' financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis

April 30, 2011

Our discussion and analysis of the Village of Cary's financial performance provides an overview of the Village of Cary's financial activities for the fiscal year ended April 30, 2011. Please read it in conjunction with the transmittal letter beginning on page iv and the Village of Cary's financial statements beginning on page 3.

FINANCIAL HIGHLIGHTS

- The Village of Cary's net assets increased by \$1,806,331 or 4.47 percent as a result of this year's operations. Net assets of governmental activities increased by \$2,154,323 or 9.88 percent, and net assets of the business-type activities decreased by \$347,992, or 1.87 percent.
- During the year, revenues for the governmental programs totaled \$9.9 million and expenses were \$7.8 million resulting in an increase in net assets of \$2.1 million.
- Revenues for business-type activities totaled \$3.7 million while expenses totaled \$4.0 million reflecting a decrease in the net assets of \$0.3 million.
- The General Fund reported a net decrease in fund balance of \$1,392,975 in the current year. The General Fund recognized an increase from operations of \$596,016 and decreased fund balance by the one time transfer of reserve fund balance to other Funds in the net amount of \$1,988,991.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 3 - 6) provide information about the activities of the Village of Cary as a whole and present a longer-term view of the Village of Cary's finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Cary's operations in more detail than the government-wide statements by providing information about the Village of Cary's most significant funds. The remaining statements provide financial information about activities for which the Village of Cary acts solely as a trustee or agent for the benefit of those outside of the government.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village of Cary finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 3 - 6 of this report.

The Statement of Net Assets reports information on all of the Village of Cary assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village of Cary is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village of Cary property tax base and the condition of the Village's roads, is needed to assess the overall health of the Village of Cary.

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

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

The Village of Cary includes one separate legal entity in its report, the Cary Police Pension Fund. Although legally separate, this "component unit" is important because the Village of Cary is financially accountable for the Fund. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

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

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Governmental Funds

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

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

The Village of Cary maintains eight (8) individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the following funds: 1) General Fund, 2) Infrastructure Capital Improvements Fund, and 3) Other Capital Projects Fund. Each of these three (3) funds is considered major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village of Cary adopts an annual appropriation budget for all of the governmental funds, except the Revolving Loan Permanent Fund. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

Proprietary Funds

The Village of Cary maintains two proprietary funds, both of which are enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Cary utilizes enterprise funds to account for its water, sanitation and commuter parking operations.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

Proprietary fund financial statements provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the Water and Sanitation Fund, considered a major fund, and for the Parking Fund, considered a non-major fund of the Village of Cary.

The basic proprietary fund financial statements can be found on pages 13 - 16 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village of Cary's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 17 - 18 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 - 54 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Cary I.M.R.F. pension and police officer pension obligations, as well as the Village's other post-employment benefit plan. Also included is the budgetary comparison schedule for the General Fund. Required supplementary information can be found on pages 55 - 58 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 59 - 97 of this report.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Cary, assets exceeded liabilities by \$42.2 million at April 30, 2011, increasing by \$1,806,331 from the previous year.

	Net Assets					
	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	\$ 19,693,092	19,874,445	11,748,100	11,928,028	31,441,192	31,802,473
Capital Assets	14,648,569	12,054,989	15,716,248	16,722,677	30,364,817	28,777,666
Total Assets	<u>34,341,661</u>	<u>31,929,434</u>	<u>27,464,348</u>	<u>28,650,705</u>	<u>61,806,009</u>	<u>60,580,139</u>
Long-Term Debt Outstanding	5,358,809	5,865,275	8,064,484	8,943,041	13,423,293	14,808,316
Other Liabilities	5,029,549	4,265,179	1,157,083	1,116,891	6,186,632	5,382,070
Total Liabilities	<u>10,388,358</u>	<u>10,130,454</u>	<u>9,221,567</u>	<u>10,059,932</u>	<u>19,609,925</u>	<u>20,190,386</u>
Net Assets						
Invested in Capital Assets, Net of Debt	12,314,335	12,054,989	6,761,060	6,934,536	19,075,395	18,989,525
Restricted	1,695,557	1,176,260	2,277,000	2,365,000	3,972,557	3,541,260
Unrestricted (Deficit)	9,943,411	8,567,731	9,204,721	9,291,237	19,148,132	17,858,968
Total Net Assets	<u>23,953,303</u>	<u>21,798,980</u>	<u>18,242,781</u>	<u>18,590,773</u>	<u>42,196,084</u>	<u>40,389,753</u>

Total assets for the Village of Cary are \$61.8 million allocated between capital assets and current and other assets. The Village uses these capital assets to provide services to Village residents', consequently, these assets are not available for future spending. Although the Village of Cary's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other revenue sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Approximately 45 percent of the Village of Cary's net assets reflect investment in capital assets. Nine percent (9%) of the Village of Cary's net assets represent resources that are subject to external restrictions on how they may be used. The remaining 46 percent, or \$19.1 million, represents unrestricted net assets that may be used to meet the government's ongoing obligations to citizens and creditors.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues						
Charges for Services	\$ 1,765,048	1,824,927	3,389,256	3,224,711	5,154,304	5,049,638
Capital Grants/Contrib.	-	-	-	-	-	-
Operating Grants/Contrib.	619,432	499,837	-	-	619,432	499,837
General Revenues						
Property Taxes	2,680,371	2,648,386	-	-	2,680,371	2,648,386
Sales Taxes	1,140,935	1,128,247	-	-	1,140,935	1,128,247
Utility Taxes	942,638	932,865	-	-	942,638	932,865
Intergovernmental	1,798,882	1,738,782	-	-	1,798,882	1,738,782
Other General Revenues	968,717	752,810	254,238	253,102	1,222,955	1,005,912
Total Revenues	9,916,023	9,525,854	3,643,494	3,477,813	13,559,517	13,003,667
Expenses						
General Government	1,275,089	1,329,254	-	-	1,275,089	1,329,254
Public Safety	3,882,550	3,763,669	-	-	3,882,550	3,763,669
Highways and streets	2,496,961	2,213,257	-	-	2,496,961	2,213,257
Interest on Long Term Debt	107,100	137,652	-	-	107,100	137,652
Water and Sanitation	-	-	3,832,031	3,932,616	3,832,031	3,932,616
Parking	-	-	159,455	145,707	159,455	145,707
Total Expenses	7,761,700	7,443,832	3,991,486	4,078,323	11,753,186	11,522,155
Change in Net Assets						
Before Transfers	2,154,323	2,082,022	(347,992)	(600,510)	1,806,331	1,481,512
Transfers						
Change in Net Assets	2,154,323	2,082,022	(347,992)	(600,510)	1,806,331	1,481,512
Net Assets-Beginning	21,798,980	19,716,958	18,590,773	19,191,283	40,389,753	38,908,241
Net Assets-Ending	23,953,303	21,798,980	18,242,781	18,590,773	42,196,084	40,389,753

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net assets of the Village of Cary governmental activities increased 9.88 percent from fiscal year 2010 to fiscal year 2011 (\$21.8 million in 2010 to \$24.0 million in 2011). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints total \$9.9 million.

Net assets of business-type activities decreased by 1.87 percent (\$18.6 million in 2011 compared to \$18.2 million in 2010). The Village of Cary generally can only use these net assets to finance the continuing operations of the water and sanitation systems and the Metra parking operations.

Total revenues in year 2011 were \$13,559,517 while expenses for the year totaled \$11,753,186 reflecting a net increase in net assets of \$1,806,331.

Governmental Activities

Program Revenues for governmental activities totaled \$9.9 million, while program expenses totaled \$7.8 million.

The following are the areas of relevant changes in revenue and expenses:

- Property tax receipts (all governmental funds) increased by approximately 1.21% from \$2,648,386 to \$2,680,371. Based on adjustments in the assessed valuation and the Consumer Price Index (CPI-U) property tax revenues (all governmental funds) are budgeted to increase by approximately \$69,000 in the next fiscal year.
- General Fund Intergovernmental revenue, comprised of State Sales Tax, State Income Tax, Personal Property Replacement Tax, and Local Use Tax increased by 2.5% from \$2.87 million in fiscal 2010 to \$2.94 million in fiscal 2011.
- The General Fund departments' actual expenditures were under budget by \$182,980 or 2.6%, contributing to the overall increase in net assets for the governmental activities.

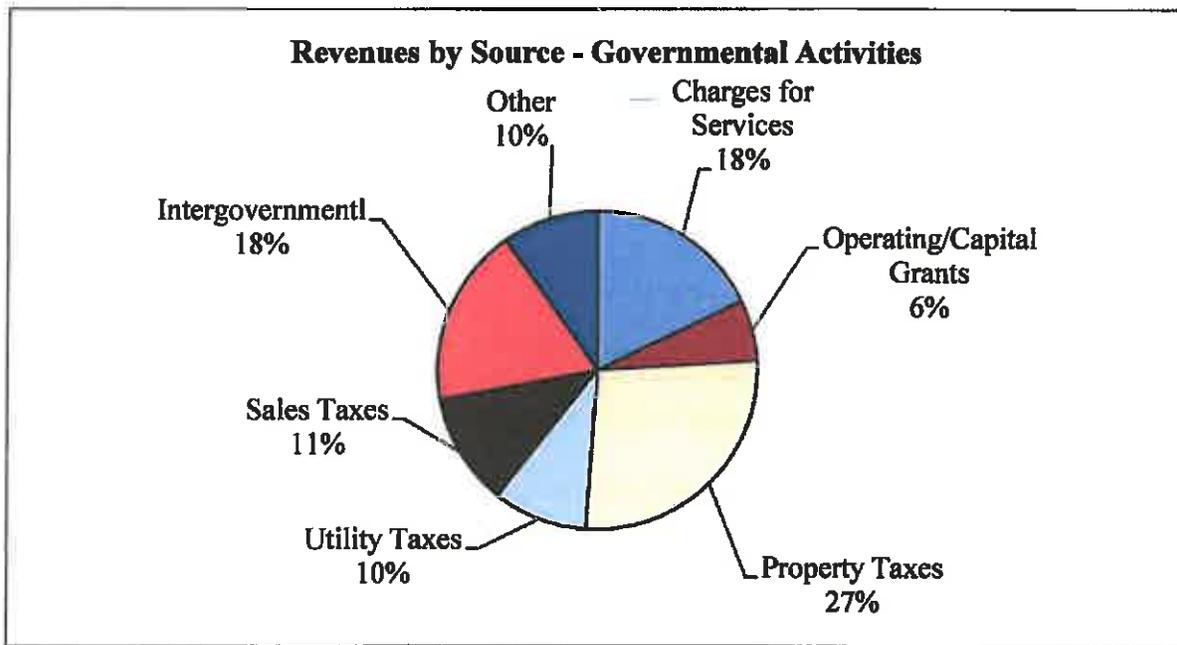
VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

The following chart graphically depicts the major revenue sources of the Village of Cary. The chart identifies Property Taxes, Intergovernmental Revenue and Charges for Services as areas of continued stable revenue production. The remaining revenue sources indicate that the combined Sales Taxes and Utility Taxes are also providing a dependable revenue source during this economic downturn in unemployment and housing. Sales Tax revenue did increase (1.13%) slightly in this fiscal year as compared to last fiscal year. Recent additions to the retail landscape in Cary include the new automotive parts store, a pizza franchise location and other retail sales tax revenue businesses that are expected to generate an increase in the sales tax revenue in the next fiscal year.



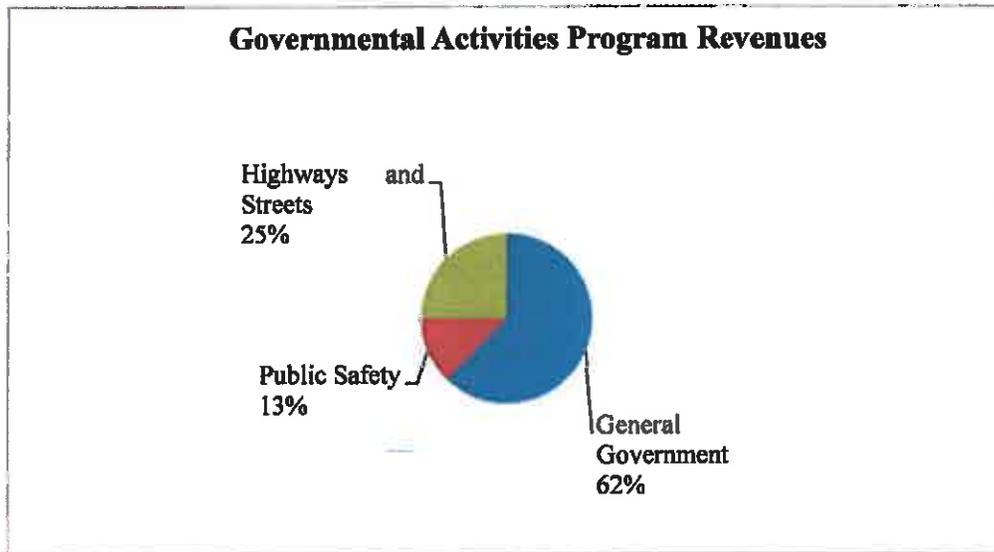
The 'Expenses and Program Revenues' Table on the following page identifies those governmental functions where program expenses greatly exceed revenues. Public Safety (Police) provides for the common good and safety of the residents of Cary and with the exception of Court Fines, which continue to diminish, the future offers no additional revenue sources. Highways and Streets (Public Works) maintains the infrastructure of Cary with no significant revenue source.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued



Business-Type Activities

Program and General Revenues of the Village's business-type activities totaled \$3,643,494 and program expenses totaled \$3,991,486 which resulted in a net decrease in net assets of \$347,992 as compared to a net decrease in net assets of \$600,510 at the end of last fiscal year.

The water and sanitation systems indicated relatively stable revenue and expenses when compared to the prior year. Water and sanitation charges for services showed a 5.29% increase from \$3,039,317 during fiscal 2010 to \$3,199,997 during fiscal 2011. Water connection fees and meter sales revenue reflected an increase of \$165,436 this fiscal year due to the development of an Independent and Assisted Living Facility and the large expansion of the Village's largest employer.

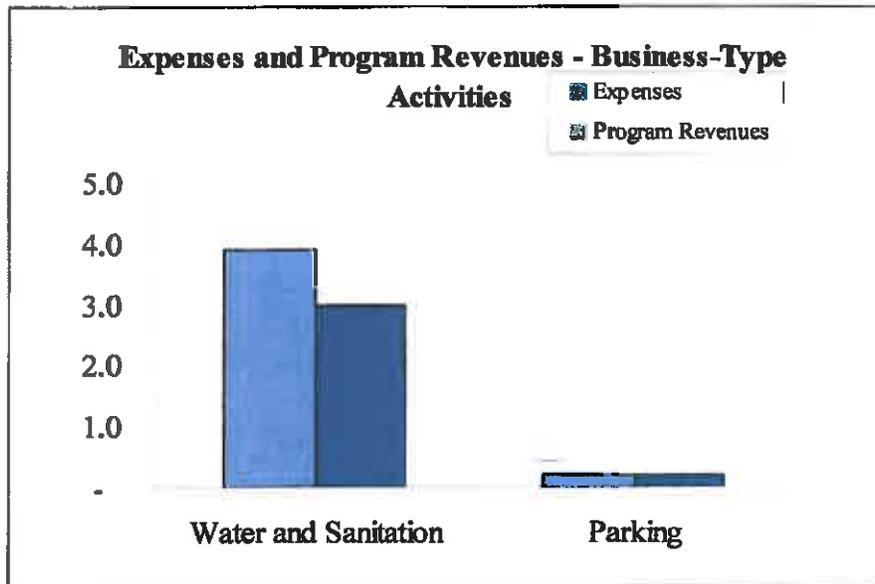
The Parking Fund, which accounts for revenue and expenses related to the commuter parking lots, reflects an increase of 2.1% in operating revenue when comparing fiscal year 2011 to fiscal year 2010. The commuter parking lot fees for fiscal 2011 were \$189,259 as compared to \$185,394 for fiscal year 2010. The daily parking fee increased from \$1.00 per day to \$1.25 per day effective July 1, 2009. The Parking Fund expenses were \$159,455 for fiscal 2011 as compared to \$145,707 for fiscal year 2010.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis
April 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Business-Type Activities – Continued



The above graph compares program revenues to expenses for water and sanitation operations and parking operations. The Water & Sanitation Fund operation reflected a net operating loss of \$546,880 after a charge for depreciation in the amount of \$1,183,010 and the Parking Fund generated a net operating income of \$29,804 after a charge for administration services.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$15,026,318, a decrease of \$686,274 over the prior year fund balance of \$15,712,592.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds - Continued

The major Governmental Funds' changes in fund balance were as follows:

The General Fund reported a surplus of \$596,016 before administrative transfers. The expenditures for the General Fund were 2.6% less than budgeted for this fiscal year 2011. As previously stated, the General Fund made net transfers out of \$1,988,991 to fund current and future capital projects in other funds.

The Infrastructure Capital Improvement Fund, which includes Motor Fuel Tax activity, reported a net decrease of \$1,746,211 for this fiscal year before administrative transfers. The Village, in October, 2009, issued a Fifteen Year General Obligation Build America Recovery Zone Economic Development Alternate Source Revenue Bond in the amount of \$5,000,000 which will be used to resurface Village streets and roads during the three fiscal years, 2011, 2012 and 2013. Also, the Village completed other major budgeted road improvements during fiscal year 2011.

Motor Fuel Tax funds, provided by the State, can only be used to replace, maintain, or improve the Village roads. During this year \$251,490 was expended on the Village neighborhood street maintenance program and the purchase of salt and de-icing materials for use on the Village streets and other areas of need.

The Other Capital Projects Fund reported a net increase of \$68,388 due to the annual receipt of the Meyer Material Company impact fee of \$250,000 and budgeted projects being postponed until the next fiscal year. The actual expenditures were 27.8% of budgeted expenditures.

The Non-Major Governmental Funds reflected an increase in fund balance of \$395,533 before administrative transfers. Revenue received in these funds' is being reserved for future projects and equipment replacement.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Proprietary Funds

The Village of Cary's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Water and Sanitation Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water and sewer systems. Water is pumped from nine Village owned and operated municipal wells. Water is sold to all municipal customers at a current rate of \$3.89 per thousand gallons. In addition, municipal customers are currently charged \$2.68 per thousand gallons of water usage for the maintenance of the Village-wide wastewater sewerage system. Also, each metered customer is currently charged one (1) base fee per month/per meter. The current base fee is \$2.00 per month/per meter effective February 1, 2009.

The Village's intention is to operate the Water & Sanitation Fund on a breakeven basis. However, there was an operating deficit during the current fiscal year of \$546,880 as compared to an operating deficit of \$615,576 in the prior fiscal year, before net non-operating revenue.

The Village operates the Metra commuter parking lots located in downtown Cary. The lots provide approximately 616 parking spaces for residents of Cary and surrounding communities who utilize Metra to commute to the City of Chicago and other points in between. These lots produced an operating net income of \$29,804 in the current fiscal year and an operating net income of \$39,687 in the prior fiscal year, before non-operating revenue. The commuter lots are continually improved and maintained to reflect the Village's commitment to the commuters who use the facilities.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village Board traditionally passes the appropriations ordinance in the first quarter of the fiscal year as required by The Illinois State Statutes. If necessary, the Village Board could change line item appropriations where necessary.

The April 30, 2011 original and final budgeted revenues for the General Fund totaled \$7,287,875, while actual revenues totaled \$7,490,911, due in large part to the increase in Intergovernmental Taxes received from the State of Illinois and an increase in the revenue from the Illinois State Income Tax and building permits and plan review fees. The original and final budgeted expenditures for the General Fund totaled \$7,077,875, while actual expenditures totaled \$6,894,895, due to the General Government departments being under budget for the year. The difference of \$182,980 was attributed to the decrease in insurance costs, legal fees, wages and other personnel costs and a very tight control on the purchase of commodities during the fiscal year 2011 and the general reduced level of spending by all departments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village of Cary investment in capital assets for its governmental and business type activities as of April 30, 2011 was \$30.36 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, and infrastructure. The total increase in the Village of Cary investment in capital assets for the current fiscal year was \$3,272,927.

	Capital Assets, Net of Depreciation (in Millions)					
	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Land	\$ 0.20	0.20	0.36	0.36	0.56	0.56
Land Improvements	-	-	0.15	0.17	0.15	0.17
Buildings and Improvements	3.45	3.55	5.59	5.96	9.04	9.51
Vehicles	0.42	0.57	0.05	0.07	0.47	0.64
Machinery & Equipment	0.05	0.07	0.28	0.21	0.33	0.28
Infrastructure	10.53	7.67	9.28	9.95	19.81	17.62
Total	14.65	12.06	15.71	16.72	30.36	28.78

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Capital Assets - Continued

This year's major projects included:

2010 Residential Roads Improvements	\$ 3,139,190
Water Fund - Wells & Liftstation	133,738

During the fiscal year 2011 the Village spent \$3.3 million on capital improvements included in the budget of \$5.9 million for capital projects, principally for the infrastructure construction projects throughout the Village. Some of the specific projects include the following; The Village Three Year Major Road Construction Project; Three Oaks/Silver Lake Intersection Improvement; Village Hall Improvements; Route 14/East Main Street Turn Lane; Sanitary Sewer Improvements; Cary Algonquin Road All Purpose Path; East Main Street Project and the annual MFT neighborhood Street Maintenance program. The fiscal year 2012 capital budget includes \$5.2 million for capital projects, principally infrastructure improvements, improvements to Village hall and major equipment purchases.

The Village has issued a \$5 Million Build America Taxable General Obligation Alternate Revenue Bond, Series 2009 (Recovery Zone Economic Development Bond). Moody's Investors Service has assigned an Aa3 rating to the Village of Cary (Illinois) \$5 Million Taxable GO (Alternate Revenue) Bonds, Series 2009 (Recovery Zone Economic Development Bonds). The Series 2009 bonds were issued as taxable Recovery Zone Economic Bonds, allowing the Village to receive a 45% interest reimbursement credit from the U.S. Department of Treasury and thus reducing the overall interest costs. The Aa3 rating reflects the stability of the Village's tax base, strong financial operations with sizeable reserves and a favorable debt position with no additional near term borrowing plans. The bonds are ultimately secured by the Village's general obligation unlimited tax pledge, however, the 15 year term debt service will be serviced by the collections of the electric utility taxes, telecommunication taxes, and the motor fuel taxes. The proceeds of the bond issue will be used to finance Village road infrastructure and street improvements over a three year period.

The Capital Projects and the Vehicle & Equipment Funds will be used to finance other non-infrastructure projects and purchases.

Additional information on the Village of Cary capital assets can be found in note 3 on pages 34 – 35 and 43 of this report.

VILLAGE OF CARY, ILLINOIS

Management's Discussion and Analysis April 30, 2011

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the Village of Cary had total outstanding bonded debt of \$14.1 million. The chart below indicates that \$9.4 million of the outstanding debt is within the business-type activities category (water and sanitation systems). The governmental activities General Obligation fifteen year bonds issued in October, 2009 are to be used for the resurfacing of Village roads and streets during the three fiscal years of 2011, 2012 and 2013.

	Long-Term Debt Outstanding (in Millions)					
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	\$ 4.7	5.0	-	-	4.7	5.0
Revenue Bonds and IEPA Note	-	-	9.4	10.3	9.4	10.3
Total	4.7	5.0	9.4	10.3	14.1	15.3

The Village of Cary has a Aa3 rating from Moody's Investor Services for the Waterworks and Sewerage Revenue bonds. Additional information on the Village of Cary's long-term water and sanitation debt can be found in Note 3 on pages 37 - 41 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village's elected and appointed officials considered many factors when setting the fiscal-year's 2011 budget, tax rates, and fees charged for its governmental and business-type activities.

The Consumer Price Index (CPI), used to determine the extension limit under the Property Tax Extension Limitation Law for the 2010 extension (taxes collected in 2011), was 2.7 percent, as promoted by the State of Illinois, McHenry County. With an increase in the assessed valuation and the capture of revenues from new development projects, the Village of Cary expects to see property tax revenues increase approximately 1.15 percent.

It is anticipated that the Village's contribution to the Intergovernmental Risk Management Agency (IRMA) for workmens' compensation, general liability and property insurance coverage will continue to increase.

The Village Board adopted a balanced General Fund budget for Fiscal 2012 of \$7,048,063 budgeted for both revenues and expenditures. This represents a budget decrease of 0.42 percent in both revenue and expenditures.

Overall, the adopted Fiscal 2012 budget has estimated revenues of \$15.7 million and estimated expenditures of \$21.1 million when all funds are combined.

VILLAGE OF CARY, ILLINOIS

**Management's Discussion and Analysis
April 30, 2011**

REQUESTS FOR INFORMATION

This Comprehensive Annual Financial Report is designed to provide a general overview of the Village of Cary's financial condition for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Village Administrator, Village of Cary, 655 Village Hall Dr., Village of Cary, Illinois, 60013.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The statements include:

- **Government-Wide Financial Statements**
- **Fund Financial Statements**
 - **Governmental Funds**
 - **Proprietary Funds**
 - **Fiduciary Funds**

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF CARY, ILLINOIS

**Statement of Net Assets
April 30, 2011**

See Following Page

VILLAGE OF CARY, ILLINOIS

Statement of Net Assets April 30, 2011

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 14,594,398	7,141,479	21,735,877
Receivables - Net of Allowances	4,127,104	1,069,010	5,196,114
Prepays	246,590	142,838	389,428
Inventory - Land Held for Resale	725,000	-	725,000
Restricted Cash and Investments	-	3,286,258	3,286,258
Total Current Assets	19,693,092	11,639,585	31,332,677
Noncurrent Assets			
Capital Assets			
Nondepreciable Assets	193,642	356,539	550,181
Depreciable Assets	18,475,857	34,957,159	53,433,016
Depreciation	(4,020,930)	(19,597,450)	(23,618,380)
	14,648,569	15,716,248	30,364,817
Other Assets			
Unamortized Bond Costs	-	108,515	108,515
Total Noncurrent Assets	14,648,569	15,824,763	30,473,332
Total Assets	34,341,661	27,464,348	61,806,009

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business- Type Activities	Total
LIABILITIES			
Current liabilities			
Accounts Payable	388,893	108,137	497,030
Accrued Payroll	166,959	31,185	198,144
Benefits Payable	88,538	-	88,538
Deposits Payable	941,937	500	942,437
Accrued Interest Payable	53,076	86,542	139,618
Unearned/Deferred Revenues	3,080,447	-	3,080,447
Compensated Absences Payable	39,699	8,003	47,702
General Obligation Bonds Payable	270,000	-	270,000
Revenue Bonds Payable	-	922,716	922,716
Total Current Liabilities	5,029,549	1,157,083	6,186,632
Noncurrent Liabilities			
Pension Obligation Payable	727,591	-	727,591
Net Other Postemployment Benefit Payable	7,424	-	7,424
Compensated Absences Payable	158,794	32,012	190,806
General Obligation Bonds	4,465,000	-	4,465,000
Revenue Bonds Payable	-	8,439,739	8,439,739
Deferred Loss on Refunding	-	(407,267)	(407,267)
Total Noncurrent Liabilities	5,358,809	8,064,484	13,423,293
Total Liabilities	10,388,358	9,221,567	19,609,925
NET ASSETS			
Invested in Capital Assets -			
Net of Related Debt	12,314,335	6,761,060	19,075,395
Restricted - Special Levies	544,865	-	544,865
Restricted - Land Conservancy	651,686	-	651,686
Restricted - Debt	-	2,277,000	2,277,000
Restricted - Nonexpendable Revolving Loan	499,006	-	499,006
Unrestricted	9,943,411	9,204,721	19,148,132
Total Net Assets	23,953,303	18,242,781	42,196,084

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Statement of Activities
Year Ended April 30, 2011**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 1,275,089	1,535,779	-	-
Public Safety	3,882,550	218,587	45,376	-
Highways and Streets	2,496,961	10,682	574,056	-
Interest on Long-Term Debt	107,100	-	-	-
Total Governmental Activities	7,761,700	1,765,048	619,432	-
Business-Type Activities				
Water and Sanitation	3,832,031	3,199,997	-	-
Parking	159,455	189,259	-	-
Total Business-Type Activities	3,991,486	3,389,256	-	-
	11,753,186	5,154,304	619,432	-

General Revenues
 Taxes
 Property Taxes
 Sales Taxes
 Utility Taxes
 Intergovernmental - Unrestricted
 Income Taxes
 Local Use Taxes
 Replacement Taxes
 Interest Income
 Miscellaneous

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

The notes to the financial statements are an integral part of this statement.

Net Expense/Revenue		
Governmental Activities	Business Type Activities	Total
260,690	-	260,690
(3,618,587)	-	(3,618,587)
(1,912,223)	-	(1,912,223)
(107,100)	-	(107,100)
<u>(5,377,220)</u>	-	<u>(5,377,220)</u>
-	(632,034)	(632,034)
-	29,804	29,804
-	<u>(602,230)</u>	<u>(602,230)</u>
<u>(5,377,220)</u>	<u>(602,230)</u>	<u>(5,979,450)</u>
2,680,371	-	2,680,371
1,140,935	-	1,140,935
942,638	-	942,638
1,448,433	-	1,448,433
269,289	-	269,289
81,160	-	81,160
144,978	102,667	247,645
823,739	151,571	975,310
<u>7,531,543</u>	<u>254,238</u>	<u>7,785,781</u>
2,154,323	(347,992)	1,806,331
<u>21,798,980</u>	<u>18,590,773</u>	<u>40,389,753</u>
<u>23,953,303</u>	<u>18,242,781</u>	<u>42,196,084</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2011**

	<u>General</u>
ASSETS	
Cash and Investments	\$ 3,428,583
Receivables - Net of Allowances	
Taxes	3,437,224
Accounts	172,937
Prepays	246,590
Inventory - Land Held for Resale	<u>725,000</u>
 Total Assets	 <u><u>8,010,334</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	153,487
Accrued Payroll	166,959
Benefits Payable	88,538
Deposits Payable	916,937
Unearned/Deferred Revenues	<u>2,368,303</u>
 Total Liabilities	 <u>3,694,224</u>
Fund Balances	
Reserved - Prepays/Inventory	971,590
Reserved - Special Levies	195,075
Reserved - Land Conservancy	651,686
Reserved - Revolving Loan	-
Unreserved - General Fund	2,497,759
Unreserved - Capital Projects Funds	<u>-</u>
 Total Fund Balances	 <u>4,316,110</u>
 Total Liabilities and Fund Balances	 <u><u>8,010,334</u></u>

The notes to the financial statements are an integral part of this statement.

Infrastructure Capital Improvements	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
5,704,336	3,190,501	2,270,978	14,594,398
314,918	-	173,152	3,925,294
27,883	-	990	201,810
-	-	-	246,590
-	-	-	725,000
6,047,137	3,190,501	2,445,120	19,693,092
220,281	11,555	3,570	388,893
-	-	-	166,959
-	-	-	88,538
-	25,000	-	941,937
538,992	-	173,152	3,080,447
759,273	36,555	176,722	4,666,774
-	-	-	971,590
-	-	349,790	544,865
-	-	-	651,686
-	-	499,006	499,006
-	-	-	2,497,759
5,287,864	3,153,946	1,419,602	9,861,412
5,287,864	3,153,946	2,268,398	15,026,318
6,047,137	3,190,501	2,445,120	19,693,092

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Assets - Governmental Activities**

April 30, 2011

Total Governmental Fund Balances **\$ 15,026,318**

Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Capital assets used in governmental activities are not financial
resources and therefore, are not reported in the funds. 14,648,569

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

Pension Obligation Payable	(727,591)
Net Other Postemployment Benefit Obligation Payable	(7,424)
General Obligation Bonds	(4,735,000)
Compensated Absences Payable	(198,493)
Accrued Interest Payable	<u>(53,076)</u>

Net Assets of Governmental Activities **23,953,303**

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2011**

See Following Page

VILLAGE OF CARY, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2011**

	<u>General</u>
Revenues	
Taxes	\$ 3,442,547
Licenses and Permits	336,015
Intergovernmental	1,839,364
Charges for Services	1,326,234
Fines and Forfeits	207,582
Interest	87,187
Miscellaneous	251,982
Total Revenues	<u>7,490,911</u>
Expenditures	
Current	
General Government	1,558,821
Public Safety	3,805,368
Highways and Streets	1,530,706
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>6,894,895</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>596,016</u>
Other Financing Sources (Uses)	
Transfers In	711,009
Transfers Out	<u>(2,700,000)</u>
	<u>(1,988,991)</u>
Net Change in Fund Balances	(1,392,975)
Fund Balances - Beginning	<u>5,709,085</u>
Fund Balances - Ending	<u><u>4,316,110</u></u>

The notes to the financial statements are an integral part of this statement.

Infrastructure Capital Improvements	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
1,166,101	-	155,296	4,763,944
-	-	-	336,015
578,950	-	-	2,418,314
-	8,000	250,000	1,584,234
-	-	-	207,582
26,762	22,995	8,034	144,978
246,885	250,000	74,872	823,739
2,018,698	280,995	488,202	10,278,806
-	-	-	1,558,821
-	-	-	3,805,368
348,971	-	-	1,879,677
3,041,990	212,607	92,669	3,347,266
265,000	-	-	265,000
108,948	-	-	108,948
3,764,909	212,607	92,669	10,965,080
(1,746,211)	68,388	395,533	(686,274)
1,300,000	1,000,000	400,000	3,411,009
-	-	(711,009)	(3,411,009)
1,300,000	1,000,000	(311,009)	-
(446,211)	1,068,388	84,524	(686,274)
5,734,075	2,085,558	2,183,874	15,712,592
5,287,864	3,153,946	2,268,398	15,026,318

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities**

Year Ended April 30, 2011

Net Change in Fund Balances - Total Governmental Funds \$ (686,274)

Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	3,139,190
Depreciation Expense	(545,610)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Additions to Net Pension Obligation	(60,814)
Additions to Net Other Postemployment Benefit Obligation	(2,532)
Retirement of Compensated Absences Payable	43,515
Retirement of General Obligation Bonds	265,000

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

1,848

Changes in Net Assets of Governmental Activities

2,154,323

VILLAGE OF CARY, ILLINOIS

**Statement of Net Assets - Proprietary Funds
April 30, 2011**

See Following Page

VILLAGE OF CARY, ILLINOIS

Statement of Net Assets - Proprietary Funds
April 30, 2011

	Water and Sanitation	Nonmajor <u>Enterprise</u> Parking	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 6,596,344	545,135	7,141,479
Receivables - Net of Allowances Accounts - Billed	874,010	-	874,010
Due from Other Governments	195,000	-	195,000
Prepays	142,838	-	142,838
Restricted Cash and Investments	3,286,258	-	3,286,258
Total Current Assets	11,094,450	545,135	11,639,585
Noncurrent Assets			
Capital Assets			
Nondepreciable	356,539	-	356,539
Depreciable	34,624,897	332,262	34,957,159
Accumulated Depreciation	(19,457,328)	(140,122)	(19,597,450)
	15,524,108	192,140	15,716,248
Other Assets			
Unamortized Bond Costs	108,515	-	108,515
Total Noncurrent Assets	15,632,623	192,140	15,824,763
Total Assets	26,727,073	737,275	27,464,348

The notes to the financial statements are an integral part of this statement.

	Water and Sanitation	Nonmajor <u>Enterprise</u> Parking	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	102,093	6,044	108,137
Accrued Payroll	31,185	-	31,185
Deposits Payable	500	-	500
Compensated Absences Payable	8,003	-	8,003
Payable from Restricted Assets			
Accrued Interest Payable	86,542	-	86,542
Revenue Bonds Payable	922,716	-	922,716
Total Current Liabilities	<u>1,151,039</u>	<u>6,044</u>	<u>1,157,083</u>
Noncurrent Liabilities			
Compensated Absences Payable	32,012	-	32,012
Revenue Bonds Payable	8,439,739	-	8,439,739
Deferred Loss on Refunding	(407,267)	-	(407,267)
Total Noncurrent Liabilities	<u>8,064,484</u>	<u>-</u>	<u>8,064,484</u>
Total Liabilities	<u>9,215,523</u>	<u>6,044</u>	<u>9,221,567</u>
NET ASSETS			
Invested in Capital Assets - Net of Related Debt			
	6,568,920	192,140	6,761,060
Restricted - Debt	2,277,000	-	2,277,000
Unrestricted	<u>8,665,630</u>	<u>539,091</u>	<u>9,204,721</u>
Total Net Assets	<u>17,511,550</u>	<u>731,231</u>	<u>18,242,781</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds
Year Ended April 30, 2011**

	Water and Sanitation	Nonmajor Enterprise Parking	Totals
Operating Revenues			
Charges for Services	\$ 2,972,601	189,259	3,161,860
Operating Expenses			
Administration	425,617	50,000	475,617
Operations	1,910,854	69,481	1,980,335
Depreciation and Amortization	1,183,010	39,974	1,222,984
Total Operating Expenses	3,519,481	159,455	3,678,936
Operating Income (Loss)	(546,880)	29,804	(517,076)
Nonoperating Revenues (Expenses)			
Other Income	151,571	-	151,571
Connection Fees	227,396	-	227,396
Interest Income	102,317	350	102,667
Interest Expense	(312,550)	-	(312,550)
	168,734	350	169,084
Change in Net Assets	(378,146)	30,154	(347,992)
Net Assets - Beginning	17,889,696	701,077	18,590,773
Net Assets - Ending	17,511,550	731,231	18,242,781

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
Year Ended April 30, 2011**

	Business-Type Activities - Enterprise Funds		
	Water and Sanitation	Nonmajor Enterprise Parking	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 3,525,012	189,259	3,714,271
Payments to Employees	(840,244)	-	(840,244)
Payments to Suppliers	(1,519,893)	(119,282)	(1,639,175)
	<u>1,164,875</u>	<u>69,977</u>	<u>1,234,852</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(133,737)	-	(133,737)
Principal Paid on Debt	(897,716)	-	(897,716)
Interest Paid on Debt	(312,550)	-	(312,550)
	<u>(1,344,003)</u>	<u>-</u>	<u>(1,344,003)</u>
Cash Flows from Investing Activities			
Interest Received	102,317	350	102,667
	<u>102,317</u>	<u>350</u>	<u>102,667</u>
Net Change in Cash and Cash Equivalents	<u>(76,811)</u>	<u>70,327</u>	<u>(6,484)</u>
Cash and Cash Equivalents - Beginning	<u>9,959,413</u>	<u>474,808</u>	<u>10,434,221</u>
Cash and Cash Equivalents - Ending	<u>9,882,602</u>	<u>545,135</u>	<u>10,427,737</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities Operating Income (Loss)	<u>(546,880)</u>	<u>29,804</u>	<u>(517,076)</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:			
Other Income	378,967	-	378,967
Depreciation and Amortization	1,183,010	39,974	1,222,984
(Increase) Decrease in Current Assets	173,444	-	173,444
Increase (Decrease) in Current Liabilities	(23,666)	199	(23,467)
	<u>1,164,875</u>	<u>69,977</u>	<u>1,234,852</u>
Net Cash Provided by Operating Activities	<u>1,164,875</u>	<u>69,977</u>	<u>1,234,852</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Statement of Net Assets - Fiduciary Funds
April 30, 2011**

	<u>Police Pension Trust</u>	<u>Agency</u>
ASSETS		
Cash and Cash Equivalents	\$ 142,097	2,413,625
Investments		
U.S. Government and Agency Securities	4,538,480	-
Mutual Funds	1,701,734	-
Receivables		
Taxes	-	1,310,005
Due from Others	-	-
Accrued Interest	47,558	-
Total Assets	<u>6,429,869</u>	<u>3,723,630</u>
LIABILITIES		
Accounts Payable	19,417	-
Due to Other Governments	-	324,717
Due to Bondholders	-	3,398,913
Total Liabilities	<u>19,417</u>	<u>3,723,630</u>
NET ASSETS		
Net Plan Assets Held in Trust for Pension Benefits	<u>6,410,452</u>	<u>-</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

**Statement of Changes in Net Assets - Fiduciary Funds
Year Ended April 30, 2011**

	<u>Police Pension Trust</u>
Additions	
Contributions - Employer	\$ 393,493
Contributions - Plan Members	<u>239,840</u>
Total Contributions	<u>633,333</u>
Investment Income	
Interest Earned	215,801
Net Change in Fair Value	<u>269,178</u>
	484,979
Less Investment Expenses	<u>(17,482)</u>
	<u>467,497</u>
Total Additions	<u>1,100,830</u>
Deductions	
Administration	18,390
Benefits and Refunds	
Benefits	216,477
Refunds	<u>63,994</u>
Total Deductions	<u>298,861</u>
Change in Net Assets	801,969
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>5,608,483</u>
Ending	<u>6,410,452</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements

April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Cary, Illinois, incorporated in 1897, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, water, sanitation and parking services, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Cary
Blended Component Unit:	Police Pension Employees Retirement System

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statement No. 14," and includes all component units that have a significant operational or financial relationship with the Village.

Blended Component Units – Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Village Board or the Component unit provides services entirely to the Village. These component units' funds are blended into those of the Village's by appropriate activity type to compose the primary government presentation.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Blended Component Unit

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water, sanitation and parking services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, streets and roads, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net assets resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

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 various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains two major capital projects funds, the Infrastructure Capital Improvements, and Other Capital Projects. The Infrastructure Capital Improvements Fund is used to account for the acquisition and improvements of Village infrastructure. The Other Capital Projects Fund is used to account for the acquisition and improvement of Village property including general capital assets. The Village also maintains three nonmajor capital project funds – the TIF Capital Project Fund, the Route 14 Redevelopment Capital Project Fund, and the Vehicle and Equipment Capital Project Fund.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs. The Village maintains two nonmajor permanent funds.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the Village:

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

The Village maintains one major enterprise fund, the Water and Sanitation Fund which is used to account for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection. The Village also maintains one nonmajor enterprise fund the Parking Fund.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan.

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The Special Service Area #1 Fund is used to account for the collection of property taxes within special service area #1 and payments of related special service area debt. The Special Service Area #2 Fund is used to account for the collection of property taxes within special service area #2 and payment of related special service area debt. The Home Value Assistance Program Fund is used to account for the disbursement of \$1,000,000 to be received from Meyer Material Company to 130 property owners as identified in the Conditional Use Permit dated February 19, 2008. The Fund will reimburse up to \$7,500 to each of the 130 property owner program participants for qualified reimbursable home improvement costs.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

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

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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.

All proprietary and pension trust funds utilize 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) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70.

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds, are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Assets are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Prepays /Inventories – Land Held for Resale

Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Capital Assets – Continued

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	10 – 45 Years
Vehicles	2 – 12 Years
Machinery and Equipment	3 – 7 Years
Infrastructure	10 – 40 Years

GASB Statement No. 34 required the Village to report and depreciate new infrastructure assets effective with the beginning of April 30, 2005 fiscal year. Infrastructure assets include roads, sidewalks, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements. Under GASB Statement No. 34, the Village is not required to retroactively restate infrastructure assets.

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

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

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Long-Term Obligations – Continued

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

Unearned/Deferred Revenue

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Fund Equity

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriations are adopted for the general, capital projects, permanent and enterprise funds, except for the Route 14 Redevelopment Fund, the Cemetery Fund, and the Revolving Loan Permanent Fund. All annual appropriations lapse at fiscal year end.

All departments of the Village submit requests for appropriation to the Village's Administrator so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, one supplementary appropriation was necessary.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the Village's funds.

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, life insurance company contracts, money market mutual funds and common and preferred stocks.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets.

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits and Investments. At year-end, the carrying amount of the Village's deposits for governmental, business-type and agency activities totaled \$15,701,959 and the bank balances totaled \$13,707,498. Additionally, at year-end the Village has \$2,821,422 invested in the Illinois Funds and \$8,912,379 invested in the Illinois Metropolitan Investment Fund.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that there should be maintenance of sufficient liquidity to meet operating requirements. Furthermore, to the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than two years from the date of purchase. Reserve funds may be invested in securities exceeding two years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds. The maturity of the Village's investments in the Illinois Funds and the Illinois Metropolitan Investment Fund is less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, the Village's investment policy does not further limit investment choices. At year-end, the Village's investments in the Illinois Funds and the Illinois Metropolitan Investment Fund were rated AAAM by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this 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 states funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral in the name of the Village. At year-end, \$2,016,542 of the bank balance of deposits was not covered by federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy states that the Chief Financial Officer will have the responsibility for selecting safekeeping agents for securities unless physically held by the Chief Financial Officer. At year-end, the Village's investments in the Illinois Funds and Illinois Metropolitan Investment Fund are not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that investments shall be diversified to the best of the Village's ability based on the type of funds invested and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity. At year-end, the Village's investments in the Illinois Funds and Illinois Metropolitan Investment Fund represent more than 5% of the total cash and investments portfolio.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Police Pension Fund’s deposits totaled \$142,097 and the bank balances totaled \$142,097.

Investments. The fair value and maturities of the Fund’s investments at year-end are as follows:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Bonds	\$ 219,571	-	-	219,571	-
U.S. Treasury Notes	2,264,853	108,563	1,556,324	599,966	-
U.S. Treasury Strips	86,233	-	-	86,233	-
GNMA	97,741	-	-	6,678	91,063
Federal Home Loan Mortgage Corp.	620,467	75,535	55,975	124,453	364,504
Federal Farm Credit Banks	84,795	-	-	84,795	-
Federal Home Loan Banks	107,488	-	50,805	56,683	-
Federal National Mortgage Assoc.	1,057,332	-	290,939	136,022	630,371
	<u>4,538,480</u>	<u>184,098</u>	<u>1,954,043</u>	<u>1,314,401</u>	<u>1,085,938</u>

Interest Rate Risk. Besides investing primarily in U.S. Government and Agency securities, the Fund’s investment policy does not further mitigate interest rate risk.

Credit Risk. The Fund’s investment policy helps limit exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. Other than attempting to invest in securities implicitly guaranteed by the United States Government and investment instruments authorized by State Statute, the Village’s investment policy does not further limit investment choices. The Fund’s investment in the U.S. Government and Agency securities were all triple A rated by Standard & Poor’s.

Custodial Credit Risk. The Fund’s investment policy does not limit custodial credit risk for deposits. For investments, the Fund’s investment policy requires a custodial to accept possession of securities for safekeeping. At year-end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance, and the balance of the government securities were covered by federal depository or equivalent insurance.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Credit Risk. Additionally at year-end, the Fund has \$1,701,734 invested in mutual funds. The Fund's investment policy states that assets shall be diversified in order to minimize the risk of losses. Furthermore, the Fund's investment policy states the following asset classifications and acceptable minimum and maximum holding ranges:

	<u>Maximum</u>	<u>Minimum</u>
Mutual Funds	35%	30%
Fixed Income	75%	55%
Cash Equivalents	5%	0%

At year-end, the Fund's investment in JP Morgan mutual funds represents more than 5% of the total cash and investment portfolio of the Fund.

PROPERTY TAXES

Property taxes for 2010 attach as an enforceable lien on January 1, 2010, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by McHenry County and are payable in two installments, on or about June 1, 2011 and September 1, 2011. The County collects such taxes and remits them periodically.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets- Not Being Depreciated				
Land	\$ 193,642	-	-	193,642
Other Capital Assets				
Buildings and Improvements	4,980,266	-	-	4,980,266
Vehicles	1,716,988	-	-	1,716,988
Machinery and Equipment	258,850	-	-	258,850
Infrastructure	8,380,563	3,139,190	-	11,519,753
	<u>15,336,667</u>	<u>3,139,190</u>	-	<u>18,475,857</u>
Less Accumulated Depreciation				
Buildings and Improvements	1,420,711	110,414	-	1,531,125
Vehicles	1,148,823	146,070	-	1,294,893
Machinery and Equipment	191,409	18,120	-	209,529
Infrastructure	714,377	271,006	-	985,383
	<u>3,475,320</u>	<u>545,610</u>	-	<u>4,020,930</u>
Total Other Capital Assets	<u>11,861,347</u>	<u>2,593,580</u>	-	<u>14,454,927</u>
Total Capital Assets	<u>12,054,989</u>	<u>2,593,580</u>	-	<u>14,648,569</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 120,034
Public Safety	16,368
Highways and Streets	<u>409,208</u>
	<u>545,610</u>

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases/ Transfers	Ending Balances
Capital Assets - Not Being Depreciated				
Land	\$ 356,539	-	-	356,539
Other Capital Assets				
Land Improvements	193,497	-	-	193,497
Buildings and Improvements	12,987,139	-	-	12,987,139
Vehicles	224,766	-	-	224,766
Machinery and Equipment	3,286,862	133,737	-	3,420,599
Infrastructure	18,131,158	-	-	18,131,158
	<u>34,823,422</u>	<u>133,737</u>	<u>-</u>	<u>34,957,159</u>
Less Accumulated Depreciation				
Land Improvements	23,059	15,403	-	38,462
Buildings and Improvements	7,026,294	367,129	-	7,393,423
Vehicles	104,663	38,433	-	143,096
Machinery and Equipment	3,128,117	37,905	-	3,166,022
Infrastructure	8,175,151	681,296	-	8,856,447
	<u>18,457,284</u>	<u>1,140,166</u>	<u>-</u>	<u>19,597,450</u>
Total Other Capital Assets	<u>16,366,138</u>	<u>(1,006,429)</u>	<u>-</u>	<u>15,359,709</u>
Total Capital Assets	<u>16,722,677</u>	<u>(1,006,429)</u>	<u>-</u>	<u>15,716,248</u>

Depreciation expense was charged to business-type as follows:

Water and Sanitation	\$ 1,100,192
Parking	<u>39,974</u>
	<u>1,140,166</u>

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Transfers

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 59,033
General	Nonmajor Governmental	651,976
Infrastructure Capital Improvements	General	1,300,000
Other Capital Projects	General	1,000,000
Nonmajor Governmental	General	<u>400,000</u>
		<u>3,411,009</u>

The transfers into the Infrastructure Capital Improvements Fund and the Other Capital Projects Fund were to fund budget capital purchases for the year.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Alternate Revenue Source Bonds of 2009, due in annual installments of \$265,000 to \$440,000 plus interest at 1.3% to 5.2% through November 1, 2024	Infrastructure Capital Improvements	\$ 5,000,000	-	265,000	4,735,000

Revenue Bonds

The Village issues bonds for which the Village pledges income derived from the acquired or constructed assets to pay debt service Revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Water and Sanitation Refunding Revenue Bonds of 2002, due in annual installments of \$155,000 to \$250,000 plus interest at 2.0% to 4.8% through May 1, 2017	Water and Sanitation	\$ 1,730,000	-	195,000	1,535,000
Water and Sanitation Refunding Revenue Bonds of 2003, due in annual installments of \$25,000 to \$175,000 plus interest at 2.0% to 3.65% through May 1, 2015	Water and Sanitation	970,000	-	150,000	820,000
Water and Sanitation Refunding Revenue Bonds of 2005, due in annual installments of \$30,000 to \$305,000 plus interest at 2.10% to 4.50% through May 1, 2017	Water and Sanitation	2,115,000	-	225,000	1,890,000
		<u>4,815,000</u>	<u>-</u>	<u>570,000</u>	<u>4,245,000</u>

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Revenue Bonds

The Village has entered into an agreement with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 2002, due in annual installments of \$465,565, including interest at 2.57% through May 1, 2024	Water and Sanitation	\$ 5,445,171	-	327,716	5,117,455

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Obligation	\$ 666,777	60,814	-	727,591	-
Compensated Absences	242,008	43,515	87,030	198,493	39,699
General Obligation Bonds	5,000,000	-	265,000	4,735,000	270,000
Net Other Post-Employment Benefit Obligation	4,892	2,532	-	7,424	-
	<u>5,913,677</u>	<u>106,861</u>	<u>352,030</u>	<u>5,668,508</u>	<u>309,699</u>
Business-Type Activities					
Compensated Absences	55,443	15,428	30,856	40,015	8,003
Revenue Bonds	4,815,000	-	570,000	4,245,000	595,000
IEPA Revenue Bonds	5,445,171	-	327,716	5,117,455	336,193
	<u>10,315,614</u>	<u>15,428</u>	<u>928,572</u>	<u>9,402,470</u>	<u>939,196</u>

The General Fund makes payments on the net pension obligation, compensated absences, and net other post-employment benefit obligation for governmental activities. The Infrastructure Capital Improvements makes payments on the general obligation bonds. The Water and Sanitation Fund makes payments on the revenue bonds, IEPA revenue bonds and compensated absences for the business-type activities.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Noncommitment Debt

Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$18,221,000. These bonds are not an obligation of the government and are secured by the levy of annual tax on the real property within the special service area. The government is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending April 30	Governmental Activities		Business-Type Activities			
	General Obligation Bonds		Revenue Bonds		IEPA Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ -	-	595,000	173,084	-	-
2012	270,000	193,005	625,000	151,296	336,193	129,372
2013	275,000	188,550	635,000	127,822	344,888	120,676
2014	280,000	182,363	665,000	100,790	353,809	111,756
2015	290,000	175,363	695,000	71,943	362,960	102,605
2016	300,000	166,083	540,000	43,796	372,349	93,217
2017	310,000	155,732	490,000	20,776	381,979	83,586
2018	320,000	144,107	-	-	391,859	73,706
2019	335,000	130,907	-	-	401,995	63,570
2020	350,000	116,000	-	-	412,392	53,173
2021	365,000	100,075	-	-	423,059	42,507
2022	380,000	82,920	-	-	434,001	31,564
2023	400,000	64,300	-	-	445,227	20,338
2024	420,000	44,300	-	-	456,744	8,822
2025	440,000	22,880	-	-	-	-
Total	4,735,000	1,766,585	4,245,000	689,507	5,117,455	934,892

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2010	<u>\$ 581,493,046</u>
Legal Debt Limit - 8.625% of Assessed Value	50,153,775
Amount of Debt Applicable to Limit	<u>4,735,000</u>
Legal Debt Margin	<u>45,418,775</u>

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements

April 30, 2011

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Revenue Bond Ordinance Disclosures

Water and Sanitation Fund - The revenue bond ordinance requires that all monies held in the Water and Sanitation Fund be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

Operations and Maintenance – an amount sufficient to pay one month of operating expenses of the system. Amounts may be expended on operating, maintaining and repairing the system.

Bond and Interest – an amount sufficient to pay the current portion of principal and interest maturities. Amounts may be expended for principal and interest on the bonds.

Bond Reserve – the amount of \$560,000 upon delivery of the bonds and \$10,000 per month until the account aggregates to maximum annual principal and interest still outstanding. Amounts may be expended for principal and interest on the bonds should sufficient funds not be available in the bond and interest account.

Depreciation, Improvement and Extention – the amount of \$3,000 per month until the account aggregates 4.75% of the value of the system. Amounts may be expended on the costs of extraordinary repairs and replacements to the system.

Surplus – the amount remaining after payment of the previous four accounts. Amounts may be expended for any lawful corporate purpose.

Supplemental information required under bond ordinance provision, not subject to audit:

	<u>Water</u>	<u>Sewer</u>
Water and Sewer Rates per 1,000 Gallons	\$3.89	\$2.68
User Fee per Month	\$2.00	\$2.00
Number of Metered Water and Sewer Customers	6,223	
Quantity of Water Pumped (Gallons)	591,539,000	
Quantity of Water Billed (Gallons)	477,241,000	

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET ASSET RESTRICTIONS

The following is a schedule of net asset restrictions as of the date of this report:

	Beginning Balances	Increases	Decreases	Ending Balances
Special Levies				
General				
Police Protection	\$ (11,002,211)	610,095	2,231,190	(12,623,306)
School Crossing	81,501	12,000	22,688	70,813
FICA/Medicare	(1,112,069)	223,293	330,921	(1,219,697)
Audit	84,688	4,472	16,233	72,927
Illinois Municipal Retirement	(854,785)	156,307	274,249	(972,727)
Liability Insurance	(68,388)	232,228	263,412	(99,572)
Unemployment Insurance	35,565	2,000	5,032	32,533
ESDA	18,710	92	-	18,802
	(12,816,989)	<u>1,240,487</u>	<u>3,143,725</u>	(14,720,227)
Amount of Negative Reserves Allocated to Unreserved Fund Balance	<u>13,037,453</u> 220,464			<u>14,915,302</u> 195,075
T.I.F. Fund	<u>193,957</u>	<u>156,870</u>	<u>1,037</u>	<u>349,790</u>
Total Special Levies	<u>414,421</u>			<u>544,865</u>
General Fund - Land Conservancy	<u>414,215</u>	207,471	-	<u>621,686</u>
Revolving Loan	<u>497,802</u>	1,204	-	<u>499,006</u>

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

Net Assets Classifications

Investment in capital assets – net of related debt, was comprised of the following as of April 30, 2011:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 14,648,569
Plus: Unspent Bond Proceeds	2,400,766
Less Capital Related Debt:	
General Obligation Bonds	<u>(4,735,000)</u>
Investment in Capital Assets - Net of Related Debt	<u>12,314,335</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	15,716,248
Plus: Deferred Loss on Refunding	407,267
Less Capital Related Debt:	
Revenue Bonds	(4,245,000)
IEPA Revenue Bonds	<u>(5,117,455)</u>
Investment in Capital Assets - Net of Related Debt	<u>6,761,060</u>

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through participation in the Intergovernmental Risk Management Agency and private insurance coverage. The Village has purchased insurance from private insurance companies, covered risks included medical, dental, life, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverage's from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

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

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$10,000 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors. Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

CONTINGENT LIABILITIES

Litigation

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

Grants

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

VILLAGE OF CARY, ILLINOIS

Notes to the Financial Statements
April 30, 2011

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; and the Police Pension Plan that is a single-employer pension plan. Separate, audited GAAP-basis financial statements for the Police Pension Plan can be obtained by writing the Village at 655 Village Hall Drive, Cary, Illinois 60013. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees (other than those covered by the Police Pension plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011 who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2010 was 11.49 percent.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At fiscal year end the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	6
Current Employees Vested and Nonvested	<u>28</u>
	<u>34</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan – Continued

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2040 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price.

Significant Investments

There are no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in the police pension fund that represent 5 percent or more of net assets available for benefits for the Police Pension Fund.

Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation

The Village's annual required contribution for the current year and related plan information is as follows:

	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>
Contribution Rates		
Employer	11.49%	14.69%
Employee	4.50%	9.91%
Actuarial Valuation Date	12/31/10	4/30/10
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Opened Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	23 Years
Asset Valuation Method	5-Year Smoothed Market	Market
Actuarial Assumptions		
Investment Rate of Return	7.50% Compounded Annually	8.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.00%
Inflation Rate Included	4.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The pension liability was determined in accordance with GASB Statement No. 27, “Accounting for Pensions by State and Local Governmental Employers.” There is no net pension obligation for the IMRF plan. The pension liability (asset) for the Police Pension Plan is as follows:

Annual Required Contribution	\$ 450,806
Interest on the NPO	52,475
Adjustment to the ARC	<u>(48,974)</u>
Annual Pension Cost	454,307
Actual Contribution	<u>(393,493)</u>
Increase to the NPO	60,814
NPO - Beginning of Year	<u>666,777</u>
NPO - End of Year	<u><u>727,591</u></u>

Trend Information

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

	Fiscal Year	Illinois Municipal Retirement	Police Pension
Annual Pension cost (APC)	2009	\$ 356,383	\$ 367,701
	2010	375,235	464,174
	2011	279,927	454,307
Actual Contributions	2009	356,383	267,557
	2010	375,235	299,229
	2011	279,927	393,493
Percentage of APC Contributed	2009	100.00%	72.76%
	2010	100.00%	64.46%
	2011	100.00%	86.61%
Net Pension Obligation	2009	-	501,832
	2010	-	666,777
	2011	-	727,591

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The Village's funded status for the current year and related information for each plan is as follows:

	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>
Actuarial Valuation Date	12/31/10	4/30/2010
Percent Funded	61.50%	51.10%
Actuarial Accrued Liability for Benefits	\$6,700,253	\$10,243,356
Actuarial Value of Assets	\$4,120,889	\$5,643,663
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$2,579,364)	(\$4,599,693)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$2,436,263	\$2,036,971
Ratio of UAAL to Covered Payroll	105.87%	225.81%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's General Fund.

The Village provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

All health care benefits are provided through the Village's insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending April 30, 2011, retirees contributed \$5,458. Active employees do not contribute to the plan until retirement.

At April 30, 2011, membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	1
Active Employees	<u>72</u>
Total	<u>73</u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2011, was calculated as follows:

Annual Required Contribution	\$ 4,642
Interest on the NPO	241
Adjustment to the ARC	<u>(81)</u>
Annual OPEB Cost	4,802
Actual Contribution	<u>(2,270)</u>
Increase in the NPO	2,532
NPO - Beginning of Year	<u>4,892</u>
NPO - End of Year	<u><u>7,424</u></u>

Trend Information

The District's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 4,670	\$ 2,270	48.60 %	\$ 2,400
2010	4,762	2,270	47.67	4,892
2011	4,802	2,270	0.00%	7,424

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation – Continued

Funded Status and Funding Progress

The funded status of the plan as of April 30, 2009, the date of the latest valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$	59,752
Actuarial Value of Plan Assets		-
Unfunded Actuarial Accrued Liability (UAAL)		59,752
Funded Ratio (Actuarial Value of Plan Assets/AAL)		0.00%
Covered Payroll (Active Plan Members)		4,608,963
UAAL as a Percentage of Covered Payroll		1.30%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2009 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses and an annual healthcare cost trend rate of 8.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2011, was 30 years.

VILLAGE OF CARY, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

SUBSEQUENT EVENT

On May 1, 2011, the Village paid the scheduled \$200,000 and then the remaining \$1,335,000 of the outstanding principal on the Water and Sanitation Refunding Revenue Bonds of 2002, thereby fully extinguishing the outstanding obligation on these bonds.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- **Illinois Municipal Retirement Fund**
 - **Schedule of Funding Progress and Employer Contributions**

- **Police Pension Fund**
 - **Schedule of Funding Progress and Employer Contributions**

- **Other Post-Employment Benefit Plan**
 - **Schedule of Funding Progress and Employer Contributions**

- **Budgetary Comparison Schedule – General Fund**

Notes to the Required Supplementary Information

- **Budgetary information – budgets are adopted on a basis consistent with generally accepted accounting principles.**

VILLAGE OF CARY, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2011**

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2005	\$ 5,023,522	\$ 5,993,963	83.81%	\$ 970,441	\$ 2,537,779	38.24%
2006	5,678,638	6,581,634	86.28%	902,996	2,440,039	37.01%
2007	6,153,932	7,064,252	87.11%	910,320	2,616,641	34.79%
2008	6,108,571	7,584,387	80.54%	1,475,816	2,645,754	55.78%
2009	4,391,333	6,854,533	64.06%	2,463,200	2,721,064	90.52%
2010	4,120,889	6,700,253	61.50%	2,579,364	2,436,263	105.87%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2006	\$ 330,672	\$ 330,672	100.00%
2007	329,893	329,893	100.00%
2008	353,508	353,508	100.00%
2009	356,383	356,383	100.00%
2010	375,235	375,235	100.00%
2011	279,927	279,927	100.00%

VILLAGE OF CARY, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2011**

Funding Progress

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
2005	\$ 3,653,875	\$ 6,133,278	59.57%	\$ 2,479,403	\$ 1,454,697	170.44%
2006	4,084,081	6,980,096	58.51%	2,896,015	1,600,467	180.95%
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	5,244,457	8,790,312	59.66%	3,545,855	2,123,676	166.97%
2009	4,824,389	9,364,324	51.52%	4,539,935	1,963,209	231.25%
2010	5,643,663	10,243,356	55.10%	4,599,693	2,036,971	225.81%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2006	\$ 171,734	\$ 230,561	74.49%
2007	204,794	312,918	65.45%
2008	232,113	312,918	74.18%
2009	267,557	393,431	68.01%
2010	299,229	442,092	67.68%
2011	393,493	450,806	87.29%

N/A - Information is presented for as many of the six prior years as information according to the disclosure parameters is available. Information for these years is not available.

VILLAGE OF CARY, ILLINOIS

Other Post-Employment Benefit Plan

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2011**

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
April 30						
2006	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	-	59,752	0.00%	59,752	4,608,963	1.30%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2006	\$ N/A	\$ N/A	N/A
2007	N/A	N/A	N/A
2008	N/A	N/A	N/A
2009	2,270	4,670	48.61%
2010	2,270	4,642	48.90%
2011	2,270	4,642	48.90%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available. The Village is required to have the actuarial valuation performed triennially.

VILLAGE OF CARY, ILLINOIS

General Fund

**Required Supplementary Information
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 3,408,241	3,408,241	3,442,547
Licenses and Permits	174,400	174,400	336,015
Intergovernmental	1,597,853	1,597,853	1,839,364
Charges for Services	1,349,140	1,349,140	1,326,234
Fines and Forfeitures	263,500	263,500	207,582
Interest	50,000	50,000	87,187
Miscellaneous	444,741	444,741	251,982
Total Revenues	7,287,875	7,287,875	7,490,911
Expenditures			
General Government	1,688,094	1,688,094	1,558,821
Public Safety	3,842,968	3,842,968	3,805,368
Highways and Streets	1,546,813	1,546,813	1,530,706
Total Expenditures	7,077,875	7,077,875	6,894,895
Excess (Deficiency) of Revenues Over (Under) Expenditures	210,000	210,000	596,016
Other Financing Sources (Uses)			
Transfers In	-	-	711,009
Transfers Out	-	-	(2,700,000)
Net Change in Fund Balance	210,000	210,000	(1,392,975)
Fund Balance - Beginning			5,709,085
Fund Balance - Ending			4,316,110

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- **Budgetary Comparison Schedules – Major Governmental Funds**
General, Infrastructure Capital Improvements, and Other Capital Projects
- **Combining Statements – Nonmajor Governmental Funds**
- **Budgetary Comparison Schedules – Nonmajor Governmental Funds**
T.I.F. Capital Projects and Vehicle and Equipment Capital Projects Funds
- **Budgetary Comparison Schedules – Enterprise Funds**
Water and Sanitation and Parking Funds
- **Combining Statement of Changes in Assets and Liabilities – Agency Funds**
Special Services Area #1, Special Service Area #2 Funds and Home Value Assistance Program

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds accounts for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

Infrastructure Capital Improvements Fund

The Infrastructure Capital Improvements Fund is used to account for purchases of capital assets.

Other Capital Projects Fund

The Other Capital Projects Fund is used to account for capital projects not accounted for in the Infrastructure Capital Improvements Fund.

TIF Fund

The TIF Fund is used to account for activities associated with improvements within the Tax Increment Financing District.

Route 14 Redevelopment Fund

The Route 14 Redevelopment Fund is used to account for infrastructure projects not accounted for in the Infrastructure Capital Improvements Fund or the Other Capital Projects Fund.

Vehicle and Equipment Fund

The Vehicle and Equipment Fund is used to account for the acquisition and the replacement of Village vehicles and heavy equipment, as approved by the Village Board.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

PERMANENT FUNDS

Cemetery Fund

The Cemetery Fund is set up for the purpose of accounting for the collection of the perpetual care payments for lifetime cemetery lot maintenance, and for the revenues and expenses of operating the cemetery.

Revolving Loan Fund

The Revolving Loan Fund is set up for the purpose of accounting for money received from the CDAP grant used for business loans and the money received from the General Fund for residential loans.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water and Sanitation Fund

The Water and Sanitation Fund is used to account for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

Parking Fund

The Parking Fund is used to account for the provision of public parking services for commuters. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund

Pension Trust Funds are set up for the purpose of accounting for money received from nonenterprise fund sources and held by a governmental unit in the capacity of trustee for individuals, entities and nonpublic organizations.

AGENCY FUNDS

Special Services Area #1 Fund

To account for the collection of property taxes within special service area #1 and payments of related special service area debt.

Special Services Area #2 Fund

To account for the collection of property taxes within special service area #2 and payments of related special service area debt.

Home Value Assistance Program Fund

To account for the disbursement of \$1,000,000 to be received from Meyer Material Company to 130 property owners as identified in the Conditional Use Permit dated February 19, 2008. The Fund will reimburse up to \$7,500 to each of the 130 property owner program participants for qualified reimbursable home improvement costs.

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 2,301,241	2,301,241	2,301,612
Sales Taxes	1,107,000	1,107,000	1,140,935
	<u>3,408,241</u>	<u>3,408,241</u>	<u>3,442,547</u>
Licenses and Permits			
Licenses			
Liquor	34,000	34,000	33,900
Amusement	4,000	4,000	4,747
Other	2,400	2,400	6,270
Permits			
Building	65,000	65,000	156,309
Plumbing	5,000	5,000	6,070
Electric	1,500	1,500	1,545
Other	30,000	30,000	34,411
Plan Review	25,000	25,000	80,940
Driveway	7,500	7,500	11,823
	<u>174,400</u>	<u>174,400</u>	<u>336,015</u>
Intergovernmental			
Illinois State Income Tax	1,300,000	1,300,000	1,448,433
Personal Property Replacement Tax	65,000	65,000	76,266
Local Use Tax	225,000	225,000	269,289
Grants	7,853	7,853	45,376
	<u>1,597,853</u>	<u>1,597,853</u>	<u>1,839,364</u>
Charges for Services			
Administrative Service Charges	362,500	362,500	362,783
Planning and Zoning Hearings	4,000	4,000	3,000
Subdivision Fee	-	-	750
Right of Way Lease	890	890	788
Certificate of Occupancy	1,250	1,250	900
Contractor Registration	14,500	14,500	19,748

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Charges for Services - Continued			
Miscellaneous B/Z Revenues	\$ 1,000	1,000	870
Building Code Fees	800	800	500
Reimbursements for Services	12,500	12,500	4,707
Miscellaneous Police Revenue	5,000	5,000	6,298
Miscellaneous Public Works Revenue	5,000	5,000	2,682
Infrastructure Maintenance Fees	475,000	475,000	460,250
Franchise Fees	195,000	195,000	204,472
Communications Tower Rental	257,700	257,700	256,409
Recycling Fees	1,000	1,000	1,227
Tree Replacement Fees	1,000	1,000	850
AT&T Lightspeed Project	12,000	12,000	-
	<u>1,349,140</u>	<u>1,349,140</u>	<u>1,326,234</u>
Fines and Forfeitures			
Court Fines	220,000	220,000	180,245
Prosecution Fees	2,500	2,500	3,462
Parking Fines	40,000	40,000	21,375
Liquor License Fines	1,000	1,000	2,500
	<u>263,500</u>	<u>263,500</u>	<u>207,582</u>
Interest	<u>50,000</u>	<u>50,000</u>	<u>87,187</u>
Miscellaneous			
High School Reimbursement	20,000	20,000	18,000
Other	224,741	224,741	33,982
Land Conservancy Donation	200,000	200,000	200,000
	<u>444,741</u>	<u>444,741</u>	<u>251,982</u>
Total Revenues	<u><u>7,287,875</u></u>	<u><u>7,287,875</u></u>	<u><u>7,490,911</u></u>

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Actual	
General Government			
Boards and Commissions	\$ 63,630	63,630	51,905
Central Services	530,094	530,094	401,629
Administration	338,772	338,772	399,930
Legal Department	111,250	111,250	58,945
Administration and Financial Services	319,266	319,266	314,839
Building, Planning and Zoning	325,082	325,082	331,573
	<u>1,688,094</u>	<u>1,688,094</u>	<u>1,558,821</u>
Public Safety			
Police	<u>3,842,968</u>	<u>3,842,968</u>	<u>3,805,368</u>
Highways and Streets	<u>1,546,813</u>	<u>1,546,813</u>	<u>1,530,706</u>
Total Expenditures	<u><u>7,077,875</u></u>	<u><u>7,077,875</u></u>	<u><u>6,894,895</u></u>

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
General Government			
Boards and Commissions			
Personnel Services			
Village Board Salaries	\$ 28,980	28,980	27,350
Personnel Benefits			
FICA	2,250	2,250	2,092
Village Board Activities	3,600	3,600	3,002
Village Historical Collection	-	-	4,989
	<u>5,850</u>	<u>5,850</u>	<u>10,083</u>
Commodities			
Other Commodities	1,000	1,000	836
Contractual Services			
Printing	500	500	13
Dues and Memberships	12,500	12,500	11,016
	<u>13,000</u>	<u>13,000</u>	<u>11,029</u>
General Government			
Police Commission	100	100	-
Village Newsletter	5,000	5,000	384
Merry Cary Holiday Event	1,000	1,000	894
Community Showcase	700	700	1,329
General Website	8,000	8,000	-
	<u>14,800</u>	<u>14,800</u>	<u>2,607</u>
Total Boards and Commissions	<u>63,630</u>	<u>63,630</u>	<u>51,905</u>
Central Services			
Personnel Benefits			
Unemployment Compensation	6,000	6,000	5,032
Employee Activities	3,000	3,000	2,989
Employee Assistance Program	400	400	-
	<u>9,400</u>	<u>9,400</u>	<u>8,021</u>

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
General Government - Continued			
Central Services - Continued			
Contractual Services			
Post Employment Test Services	\$ 1,000	1,000	1,219
Telephones	30,000	30,000	26,663
Postage	12,500	12,500	10,003
Office Equipment Repair & Maintenance	17,500	17,500	17,096
Information Technology	39,500	39,500	30,522
Operating Supplies Central VH	12,000	12,000	11,878
IRMA Insurance	340,000	340,000	250,975
	<u>452,500</u>	<u>452,500</u>	<u>348,356</u>
General Government			
Retirement Benefit - Interest	-	-	5,429
Reserve for Pay Adjustments	23,000	23,000	23,000
Contingencies	45,194	45,194	16,823
	<u>68,194</u>	<u>68,194</u>	<u>45,252</u>
Total Central Services	<u>530,094</u>	<u>530,094</u>	<u>401,629</u>
Village Administrator's Office			
Personnel Services			
Salaries	251,556	251,556	300,306
Overtime	-	-	276
	<u>251,556</u>	<u>251,556</u>	<u>300,582</u>
Personnel Benefits			
IMRF	32,565	32,565	37,739
FICA	20,040	20,040	21,256
Life Insurance Premiums	454	454	302
Health Insurance Premiums	21,815	21,815	29,999
Dental Insurance Premiums	1,571	1,571	1,487
Vision Insurance Premiums	521	521	522
	<u>76,966</u>	<u>76,966</u>	<u>91,305</u>

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Administrator's Office - Continued			
Commodities			
Gasoline - Oil	\$ 1,750	1,750	1,300
Operating Supplies	-	-	77
Books and Publications	500	500	431
	<u>2,250</u>	<u>2,250</u>	<u>1,808</u>
Contractual Services			
Printing	1,500	1,500	630
Dues and Subscriptions	2,250	2,250	2,434
Training - Seminars	3,500	3,500	2,323
Repairs and Maintenance			
Vehicles	750	750	848
	<u>8,000</u>	<u>8,000</u>	<u>6,235</u>
Total Village Administrator's Office	<u><u>338,772</u></u>	<u><u>338,772</u></u>	<u><u>399,930</u></u>
Legal Department			
Contractual Services			
Legal Fees	85,000	85,000	51,754
Legal Notices and Filing Fees	1,250	1,250	871
Legal Fees - Other	25,000	25,000	6,320
	<u>111,250</u>	<u>111,250</u>	<u>58,945</u>
Total Legal	<u><u>111,250</u></u>	<u><u>111,250</u></u>	<u><u>58,945</u></u>
Administration and Financial Services			
Personnel Services			
Salaries	208,592	208,592	205,553
Personnel Benefits			
IMRF	27,118	27,118	25,716
FICA	16,688	16,688	15,185
Life Insurance Premiums	325	325	263
Health Insurance Premiums	25,504	25,504	34,602
Dental Insurance Premiums	1,744	1,744	1,770
Vision Insurance Premiums	510	510	499
	<u>71,889</u>	<u>71,889</u>	<u>78,035</u>

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration and Financial Services - Continued			
Commodities			
Gasoline - Oil	\$ 750	750	667
Books and Publications	250	250	300
	<u>1,000</u>	<u>1,000</u>	<u>967</u>
Contractual Services			
Printing	1,000	1,000	934
Dues and Subscriptions	985	985	966
Training - Meetings	2,000	2,000	1,569
Bank Charges	5,000	5,000	952
Audit	16,500	16,500	14,483
Data Processing	8,500	8,500	8,350
Other Professional Services	3,800	3,800	3,030
	<u>37,785</u>	<u>37,785</u>	<u>30,284</u>
Total Administration and Financial Services			
	<u>319,266</u>	<u>319,266</u>	<u>314,839</u>
Building, Planning and Zoning			
Personnel Services			
Salaries	<u>197,080</u>	<u>197,080</u>	<u>191,672</u>
Personnel Benefits			
IMRF	25,623	25,623	24,295
FICA	15,768	15,768	14,639
Life Insurance Premiums	389	389	241
Health Insurance Premiums	31,640	31,640	35,039
Dental Insurance Premiums	2,152	2,152	1,020
Vision Insurance Premiums	530	530	466
	<u>76,102</u>	<u>76,102</u>	<u>75,700</u>
Commodities			
Gasoline - Oil	2,750	2,750	2,963
Operating Supplies	-	-	9
Uniforms	500	500	-
Books and Publications	1,000	1,000	746
	<u>4,250</u>	<u>4,250</u>	<u>3,718</u>

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
General Government - Continued			
Building, Planning and Zoning - Continued			
Contractual Services			
Utilities	\$ 1,400	1,400	1,248
Printing	2,000	2,000	1,563
Dues and Subscriptions	750	750	467
Training - Meetings	2,000	2,000	2,378
Plan Review	15,000	15,000	28,831
Mowing Services	1,000	1,000	430
Repairs and Maintenance			
Vehicle	1,500	1,500	1,085
Consultants	1,000	1,000	-
Geo Info System (GIS) Consultant	7,000	7,000	8,780
Outside Inspections	5,000	5,000	4,676
Plumbing Inspections	11,000	11,000	11,025
	<u>47,650</u>	<u>47,650</u>	<u>60,483</u>
Total Building, Planning and Zoning	<u>325,082</u>	<u>325,082</u>	<u>331,573</u>
Total General Government	<u>1,688,094</u>	<u>1,688,094</u>	<u>1,558,821</u>
Public Safety			
Police			
Personnel Services			
Sworn Officers	2,124,108	2,124,108	2,120,743
Grant Wages	-	-	2,879
Overtime - Sworn	98,200	98,200	93,747
Overtime - Special Events	22,000	22,000	13,821
Dispatchers	157,709	157,709	148,999
Overtime - Dispatchers	10,000	10,000	196
Crossing Guards	31,511	31,511	22,688
W/C Insurance Receipts	-	-	(32,550)
	<u>2,443,528</u>	<u>2,443,528</u>	<u>2,370,523</u>
Personnel Benefits			
Pre Employment Test Services	12,000	12,000	9,331
IMRF	22,100	22,100	18,342
FICA	193,584	193,584	177,114

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police - Continued			
Personnel Benefits - Continued			
Life Insurance Premiums	\$ 3,320	3,320	2,135
Health Insurance Premiums	271,350	271,350	361,164
Dental Insurance Premiums	21,930	21,930	19,284
Vision Insurance Premiums	6,630	6,630	5,862
Police Pension	393,430	393,430	393,493
	<u>924,344</u>	<u>924,344</u>	<u>986,725</u>
Commodities			
Gasoline - Oil	63,000	63,000	59,576
Operating Supplies	12,500	12,500	9,987
Uniforms	23,000	23,000	18,392
Ammunition	2,250	2,250	2,219
Books and Publications	1,000	1,000	480
Community Policing Materials	2,060	2,060	2,248
Computer Lexis/Nexus Software	2,100	2,100	1,926
Peers Grant Educational Costs	3,186	3,186	2,201
All-In-One GPS Equipment Prg	4,300	4,300	4,290
Computer Equipment	6,000	6,000	4,312
	<u>119,396</u>	<u>119,396</u>	<u>105,631</u>
Contractual Services			
Utilities	3,600	3,600	3,407
Alerts	12,500	12,500	11,555
Printing	3,000	3,000	3,308
Dues and Subscriptions	2,100	2,100	2,347
Training - Meetings	24,000	24,000	15,256
Police Training Institute	8,000	8,000	5,449
Investigations	500	500	156
Repairs and Maintenance			
Equipment	25,000	25,000	23,147
Vehicles	25,000	25,000	25,909
Data Processing	2,000	2,000	1,955
Seccom Operations	250,000	250,000	250,000
	<u>355,700</u>	<u>355,700</u>	<u>342,489</u>
Total Public Safety	<u><u>3,842,968</u></u>	<u><u>3,842,968</u></u>	<u><u>3,805,368</u></u>

VILLAGE OF CARY, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011

	Budget		Actual
	Original	Final	
Highways and Streets			
Public Works - Operations and Maintenance			
Personnel Services			
Salaries	\$ 748,038	748,038	774,646
Overtime	80,000	80,000	69,033
	<u>828,038</u>	<u>828,038</u>	<u>843,679</u>
Personnel Benefits			
IMRF	107,950	107,950	103,660
FICA	66,600	66,600	61,937
Life Insurance Premiums	1,440	1,440	901
Health Insurance Premiums	122,400	122,400	163,494
Dental Insurance Premiums	8,670	8,670	8,491
Vision Insurance Premiums	2,754	2,754	2,100
	<u>309,814</u>	<u>309,814</u>	<u>340,583</u>
Commodities			
Gasoline - Oil	48,000	48,000	51,195
Uniforms	7,500	7,500	7,882
Books and Subscriptions	500	500	18
Trees	1,000	1,000	-
Operating Supplies	22,000	22,000	22,622
Other	9,961	9,961	9,400
	<u>88,961</u>	<u>88,961</u>	<u>91,117</u>
Contractual Services			
Utilities	102,500	102,500	80,490
Printing	1,000	1,000	711
Dues and Subscriptions	650	650	1,004
Training - Seminars	3,000	3,000	1,007
Tree Removal	4,000	4,000	-
Grass Mowing	35,000	35,000	23,470
Cemetery	4,000	4,000	3,072

VILLAGE OF CARY, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	<u>Budget</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Highways and Streets - Continued			
Public Works - Operations and Maintenance - Continued			
Contractual Services - Continued			
Repairs and Maintenance			
Equipment	\$ 22,000	22,000	24,259
Vehicles	40,000	40,000	34,391
Buildings	44,000	44,000	43,323
Other	3,800	3,800	1,475
Data Processing	1,000	1,000	-
Other Professional Services	59,050	59,050	42,125
	<u>320,000</u>	<u>320,000</u>	<u>255,327</u>
Total Highways and Streets	<u>1,546,813</u>	<u>1,546,813</u>	<u>1,530,706</u>
Total Expenditures	<u>7,077,875</u>	<u>7,077,875</u>	<u>6,894,895</u>

VILLAGE OF CARY, ILLINOIS

Infrastructure Capital Improvements - Capital Projects Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 223,737	223,737	223,463
Utility Tax - Electric	600,000	600,000	661,041
Utility Tax - Telecommunication	325,000	325,000	281,597
Intergovernmental			
Motor Fuel Tax Allotment	480,000	480,000	492,791
Motor Fuel Tax Jobs Now Allotment	-	-	81,265
Personal Property Replacement Tax	5,000	5,000	4,894
Interest	22,000	22,000	26,762
Miscellaneous	857,533	857,533	246,885
Total Revenues	<u>2,513,270</u>	<u>2,513,270</u>	<u>2,018,698</u>
Expenditures			
Highway and Streets			
Repairs and Maintenance	388,000	388,000	348,971
Capital Outlay	3,658,520	3,658,520	3,041,990
Debt Service			
Principal Retirement	265,000	265,000	265,000
Interest and Fiscal Charges	108,948	108,948	108,948
Total Expenditures	<u>4,420,468</u>	<u>4,420,468</u>	<u>3,764,909</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,907,198)	(1,907,198)	(1,746,211)
Other Financing Sources			
Transfers In	-	-	1,300,000
Net Change in Fund Balance	<u>(1,907,198)</u>	<u>(1,907,198)</u>	(446,211)
Fund Balance - Beginning			<u>5,734,075</u>
Fund Balance - Ending			<u>5,287,864</u>

VILLAGE OF CARY, ILLINOIS

Infrastructure Capital Improvements - Capital Projects Fund

**Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2011**

	Budget		Final
	Original	Actual	
Highway and Streets			
Repairs and Maintenance			
Salt	\$ 100,000	100,000	98,416
De-Icing Solution	10,000	10,000	4,278
Street Repairs	20,000	20,000	22,249
Sidewalk Repairs & Maintenance	50,000	50,000	66,460
Bike Path Repair & Maintenance	15,000	15,000	1,103
Thermoplastic Pave Mark Program	35,000	35,000	34,748
Crack Sealing Program	40,000	40,000	-
Curb and Gutter Repairs	20,000	20,000	13,565
Street Lights Repair & Maintenance	14,000	14,000	18,644
Street Light Electricity	19,000	19,000	36,439
Traffic Signals Maintenance	19,000	19,000	15,173
Traffic Signs Repair & Maintenance	20,000	20,000	17,271
Professional Services	26,000	26,000	20,625
	<u>388,000</u>	<u>388,000</u>	<u>348,971</u>
Capital Outlay			
Route 14/East Main Turn Lane	125,678	125,678	99,156
Engineering 3 Oaks/Silver Lake	957,211	957,211	307,438
Enclave of Fox Trails Improvement	30,131	30,131	18,626
Crystal Lake Road Improvements	45,500	45,500	17,536
BAB Bond - Road Repaving	2,500,000	2,500,000	2,599,234
	<u>3,658,520</u>	<u>3,658,520</u>	<u>3,041,990</u>
Debt Service			
Principal Retirement	265,000	265,000	265,000
Interest and Fiscal Charges	108,948	108,948	108,948
	<u>373,948</u>	<u>373,948</u>	<u>373,948</u>
Total Expenditures	<u>4,420,468</u>	<u>4,420,468</u>	<u>3,764,909</u>

VILLAGE OF CARY, ILLINOIS

Other Capital Projects - Capital Projects Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Annexation Fees	\$ 16,000	16,000	8,000
Interest	7,500	7,500	22,995
Miscellaneous			
Sale of Lots	350,000	350,000	-
Meyer Mt'l Infrastructure Donation	250,000	250,000	250,000
Total Revenues	623,500	623,500	280,995
Expenditures			
Capital Outlay	765,500	765,500	212,607
Excess (Deficiency) of Revenues Over (Under) Expenditures	(142,000)	(142,000)	68,388
Other Financing Sources			
Transfers In	-	-	1,000,000
Net Change in Fund Balance	<u>(142,000)</u>	<u>(142,000)</u>	1,068,388
Fund Balance - Beginning			<u>2,085,558</u>
Fund Balance - Ending			<u>3,153,946</u>

VILLAGE OF CARY, ILLINOIS

Other Capital Projects - Capital Projects Fund

**Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Capital Outlay			
Village Hall Improvements	\$ 7,000	7,000	665
Furniture - Refurbished	1,000	1,000	881
Building Repairs and Maintenance	10,000	10,000	8,330
Fox Trails Detention Pond	10,000	10,000	8,595
Professional Services	31,000	31,000	4,148
Village Hall Tuckpointing/Paint	25,000	25,000	-
Village Hall Carpeting	65,000	65,000	3,181
Cary Algonquin Ped/Bike Path	286,000	286,000	97,201
119 Pearl Street Costs	-	-	2,016
VH Parking Improvement & Landscape	5,000	5,000	-
VH Mech Temperature Controls	-	-	656
HVAC PW Pressure Stabilization	7,500	7,500	2,575
Cimarron Sidewalk	15,000	15,000	-
Cimarron Detention Improvement	200,000	200,000	-
Cemetery Fence	10,000	10,000	-
Cemetery Roadway	8,000	8,000	8,305
Replacement Banners	-	-	186
Computer Equipment	25,000	25,000	13,143
SEECOM Service Share	60,000	60,000	62,725
Total Expenditures	765,500	765,500	212,607

VILLAGE OF CARY, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2011

	<u>T.I.F.</u>
ASSETS	
Cash and Investments	\$ 349,790
Receivables - Net of Allowances	
Taxes	173,152
Accounts	<u>-</u>
Total Assets	<u>522,942</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	-
Unearned/Deferred Revenues	173,152
Total Liabilities	<u>173,152</u>
Fund Balances	
Reserved - Special Levies	349,790
Reserved - Revolving Loan	-
Unreserved	<u>-</u>
Total Fund Balances	<u>349,790</u>
Total Liabilities and Fund Balances	<u>522,942</u>

Capital Projects		Permanent		Total
Route 14 Redevelopment	Vehicle & Equipment	Cemetery	Revolving Loan	
-	1,423,172	-	498,016	2,270,978
-	-	-	-	173,152
-	-	-	990	990
-	1,423,172	-	499,006	2,445,120
-	3,570	-	-	3,570
-	-	-	-	173,152
-	3,570	-	-	176,722
-	-	-	-	349,790
-	-	-	499,006	499,006
-	1,419,602	-	-	1,419,602
-	1,419,602	-	499,006	2,268,398
-	1,423,172	-	499,006	2,445,120

VILLAGE OF CARY, ILLINOIS

Nonmajor Governmental Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2011**

	<u>T.I.F.</u>
Revenues	
Taxes	\$ 155,296
Charges for Services	-
Interest	1,574
Miscellaneous	-
Total Revenues	<u>156,870</u>
Expenditures	
Capital Outlay	<u>1,037</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>155,833</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	<u>-</u>
Net Change in Fund Balances	155,833
Fund Balances - Beginning	<u>193,957</u>
Fund Balances - Ending	<u>349,790</u>

Capital Projects		Permanent		Total
Route 14 Redevelopment	Vehicle & Equipment	Cemetery	Revolving Loan	
-	-	-	-	155,296
-	250,000	-	-	250,000
-	5,256	-	1,204	8,034
-	74,872	-	-	74,872
-	330,128	-	1,204	488,202
-	91,632	-	-	92,669
-	238,496	-	1,204	395,533
-	400,000	-	-	400,000
(651,976)	-	(59,033)	-	(711,009)
(651,976)	400,000	(59,033)	-	(311,009)
(651,976)	638,496	(59,033)	1,204	84,524
651,976	781,106	59,033	497,802	2,183,874
-	1,419,602	-	499,006	2,268,398

VILLAGE OF CARY, ILLINOIS

T.I.F. - Capital Projects Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 161,590	161,590	155,296
Interest	3,050	3,050	1,574
Miscellaneous	500,000	500,000	-
Total Revenues	<u>664,640</u>	<u>664,640</u>	<u>156,870</u>
Expenditures			
Capital Outlay			
Engineering	3,000	3,000	1,037
Professional Services	8,000	8,000	-
Rt 14 & Jandus Cutoff Turn Lane	1,346,000	1,346,000	-
Capital Improvements	2,500	2,500	-
Total Expenditures	<u>1,359,500</u>	<u>1,359,500</u>	<u>1,037</u>
Net Change in Fund Balance	<u>(694,860)</u>	<u>(694,860)</u>	<u>155,833</u>
Fund Balance - Beginning			<u>193,957</u>
Fund Balance - Ending			<u>349,790</u>

VILLAGE OF CARY, ILLINOIS

Vehicle and Equipment - Capital Projects Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Impact Fees	\$ 50,000	250,000	250,000
Interest	3,000	3,000	5,256
Miscellaneous			
Police Vehicle Fund - MCC	47,603	47,603	45,266
Auction Sale of Vehicles/Equipment	26,135	26,135	29,606
Total Revenues	<u>126,738</u>	<u>326,738</u>	<u>330,128</u>
Expenditures			
Capital Outlay			
Vehicle Refurbishment	12,000	12,000	9,462
PD Vehicles - #10-6-2-12-7-1	90,000	90,000	82,170
Total Expenditures	<u>102,000</u>	<u>102,000</u>	<u>91,632</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,738	224,738	238,496
Other Financing Sources			
Transfers In	-	-	400,000
Net Change in Fund Balance	<u>24,738</u>	<u>224,738</u>	638,496
Fund Balance - Beginning			<u>781,106</u>
Fund Balance - Ending			<u>1,419,602</u>

VILLAGE OF CARY, ILLINOIS

Water and Sanitation - Enterprise Fund

**Schedule of Revenues, Expenses and
Changes in Net Assets - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 3,016,580	3,016,580	2,972,601
Operating Expenses			
Administration	430,000	430,000	425,617
Water Operations	1,216,707	1,216,707	1,132,832
Sewer Operations	876,821	876,821	778,022
Depreciation and Amortization	1,150,000	1,150,000	1,183,010
Total Operating Expenses	3,673,528	3,673,528	3,519,481
Operating Income (Loss)	(656,948)	(656,948)	(546,880)
Nonoperating Revenues (Expenses)			
Other Income	152,112	152,112	151,571
Connection Fees	60,000	60,000	227,396
Interest Income	80,000	80,000	102,317
Interest and Fiscal Charges	(323,637)	(323,637)	(312,550)
	(31,525)	(31,525)	168,734
Change in Net Assets	(688,473)	(688,473)	(378,146)
Net Assets - Beginning			17,889,696
Net Assets - Ending			17,511,550

VILLAGE OF CARY, ILLINOIS

Water and Sanitation - Enterprise Fund

**Schedule of Changes in Net Assets - Restricted Debt
Year Ended April 30, 2011**

	Operations and Maintenance	Bond and Interest	Bond Reserve	Depreciation, Improvement and Extension	Totals
Increases					
Intrafund Transfers In	\$ 47,000	1,218,753	-	-	1,265,753
Decreases					
Intrafund Transfer Out	-	-	-	135,000	135,000
Bond Principal	-	897,716	-	-	897,716
Bond Interest	-	321,037	-	-	321,037
	-	1,218,753	-	135,000	1,353,753
Net Increase (Decrease)	47,000	-	-	(135,000)	(88,000)
Account Balances					
Beginning of Year	240,000	-	1,250,000	875,000	2,365,000
End of Year	287,000	-	1,250,000	740,000	2,277,000

VILLAGE OF CARY, ILLINOIS

Water and Sanitation - Enterprise Fund

**Schedule of Operating Revenues - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Charges for Services			
Water and Sewer Charges	\$ 3,011,580	3,011,580	2,944,401
Construction Water	500	500	110
Water Meter Sales	4,000	4,000	4,669
Miscellaneous	500	500	23,421
Total Operating Revenues	3,016,580	3,016,580	2,972,601

VILLAGE OF CARY, ILLINOIS

Water and Sanitation - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Administration			
General Government			
Operating Insurance	\$ 130,000	130,000	125,617
Administrative Services	300,000	300,000	300,000
Total Administration	430,000	430,000	425,617
Water Operations			
Personnel Services			
Salaries	494,473	494,473	463,359
Overtime	20,000	20,000	17,603
	514,473	514,473	480,962
Personnel Benefits			
Employee Insurance Premiums	80,961	80,961	109,698
IMRF	68,791	68,791	59,584
FICA	43,717	43,717	36,169
	193,469	193,469	205,451
Commodities			
Gasoline - Oil	10,000	10,000	12,871
Laboratory Supplies	6,700	6,700	4,409
Chemicals	74,000	74,000	96,466
Uniforms	3,300	3,300	4,174
Books and Publications	200	200	(13)
Tool - Operating Supplies	4,900	4,900	3,702
Meters	12,000	12,000	8,379
Computer Equipment	1,000	1,000	-
Other	2,900	2,900	-
	115,000	115,000	129,988
Contractual Services			
Utilities	225,195	225,195	222,860
Postage	6,000	6,000	7,587
Printing	2,900	2,900	2,914
Dues and Subscriptions	525	525	434

VILLAGE OF CARY, ILLINOIS

Water and Sanitation - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Water Operations - Continued			
Contractual Services - Continued			
Travel - Seminar	\$ 900	900	1,085
Bank Charges	50	50	63
Repairs and Maintenance			
Equipment	24,995	24,995	23,989
Vehicle	6,000	6,000	8,542
Building	5,500	5,500	2,509
Water Mains	8,500	8,500	2,902
Fire Hydrant	3,800	3,800	5,379
Valve Rehabilitation	7,900	7,900	534
Compound Water Meter Testing	7,700	7,700	5,761
Water Tower	5,500	5,500	3,400
Other Repairs and Maintenance	-	-	1,527
Audit	3,500	3,500	3,500
Data Processing	3,900	3,900	3,874
Water Analysis	12,000	12,000	13,372
Other Professional Services	17,000	17,000	6,199
	<u>341,865</u>	<u>341,865</u>	<u>316,431</u>
Capital Outlay			
Shallow Well Maintenance	161,000	161,000	133,737
Well Façade Maintenance	7,000	7,000	-
NPDES Phase II Stormwater NOI	900	900	-
Fox Trails Lift Station #1	44,000	44,000	-
	<u>212,900</u>	<u>212,900</u>	<u>133,737</u>
Less Nonoperating Items			
Capital Assets Capitalized	(161,000)	(161,000)	(133,737)
	<u>51,900</u>	<u>51,900</u>	<u>-</u>
Total Capital Outlay			

VILLAGE OF CARY, ILLINOIS

Water and Sanitation - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Water Operations - Continued			
Debt Service			
Principal Retirement	\$ 342,000	342,000	345,000
Interest and Fiscal Charges	111,534	111,534	105,061
Total	453,534	453,534	450,061
Less Nonoperating Items			
Debt Service	(453,534)	(453,534)	(450,061)
Total Debt Service	-	-	-
Total Water Operations	1,216,707	1,216,707	1,132,832
Sanitation Operations			
Personnel Services			
Salaries	322,108	322,108	311,252
Overtime	37,500	37,500	29,562
	<u>359,608</u>	<u>359,608</u>	<u>340,814</u>
Personnel Benefits			
Employee Insurance Premiums	32,814	32,814	55,634
IMRF	47,200	47,200	42,653
FICA	29,200	29,200	25,878
	<u>109,214</u>	<u>109,214</u>	<u>124,165</u>
Commodities			
Gasoline - Oil	7,000	7,000	8,581
Office Supplies	-	-	88
Laboratory Supplies	4,500	4,500	5,743
Chemicals	44,800	44,800	26,562
Uniforms	1,850	1,850	2,066
Books and Publications	-	-	(9)
Operating Supplies	7,000	7,000	4,696
Computer Equipment	200	200	-
	<u>65,350</u>	<u>65,350</u>	<u>47,727</u>

VILLAGE OF CARY, ILLINOIS

Water and Sanitation - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Sanitation Operations - Continued			
Contractual Services			
Utilities	\$ 187,600	187,600	155,279
Postage	3,900	3,900	5,205
Printing	1,149	1,149	1,151
Dues and Subscriptions	300	300	68
Travel - Seminar	1,250	1,250	283
Sludge Hauling	14,800	14,800	7,618
Repairs and Maintenance			
Equipment	29,000	29,000	28,840
Vehicle	3,400	3,400	3,544
Building	7,500	7,500	2,737
Sewer Mains	3,000	3,000	12
Digester Brick Work	20,000	20,000	9,315
Weir and Baffle - Clarifier No. 2	20,000	20,000	13,120
Audit	1,750	1,750	1,750
NPDES Permits	20,000	20,000	19,000
Data Processing	2,500	2,500	2,459
Sewer Analysis	9,000	9,000	4,676
Other Professional Services	6,000	6,000	634
	<u>331,149</u>	<u>331,149</u>	<u>255,691</u>
Capital Outlay			
Channel Grinder	7,500	7,500	9,625
Lift Station Repair - Fox Trails	4,000	4,000	-
	<u>11,500</u>	<u>11,500</u>	<u>9,625</u>
Less Nonoperating Items			
Capital Assets Capitalized	-	-	-
	<u>11,500</u>	<u>11,500</u>	<u>9,625</u>

VILLAGE OF CARY, ILLINOIS

Water and Sanitation - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Sanitation Operations - Continued			
Debt Service			
Principal Retirement	\$ 555,716	555,716	552,716
Interest and Fiscal Charges	212,103	212,103	207,489
Total	767,819	767,819	760,205
Less Nonoperating Items			
Debt Service	(767,819)	(767,819)	(760,205)
Total Debt Service	-	-	-
Total Sanitation Operations	876,821	876,821	778,022
Depreciation and Amortization			
Depreciation	1,150,000	1,150,000	1,100,191
Amortization	-	-	82,819
Total Depreciation and Amortization	1,150,000	1,150,000	1,183,010
Total Operating Expenses	3,673,528	3,673,528	3,519,481

VILLAGE OF CARY, ILLINOIS

Parking - Enterprise Fund

**Schedule of Revenues, Expenses and
Changes in Net Assets - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Lot Fees	\$ 194,000	194,000	189,259
Operating Expenses			
Administration	50,000	50,000	50,000
Parking Operations	93,700	93,700	69,481
Depreciation	-	-	39,974
Total Operating Expenses	143,700	143,700	159,455
Operating Income (Loss)	50,300	50,300	29,804
Nonoperating Revenues			
Interest Income	250	250	350
Change in Net Assets	50,550	50,550	30,154
Net Assets - Beginning			701,077
Net Assets - Ending			731,231

VILLAGE OF CARY, ILLINOIS

Parking - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Administration			
Administrative Services	\$ 50,000	50,000	50,000
Parking Operations			
Personnel Services			
Salaries	-	-	2,295
Personnel Benefits			
FICA	-	-	176
Commodities			
Repairs and Maintenance	5,000	5,000	6,279
Other	10,000	10,000	11,192
	15,000	15,000	17,471
Contractual Services			
Payments to Union Pacific	16,000	16,000	16,000
Postage	850	850	794
Printing	1,350	1,350	1,297
Data Processing Fees	5,000	5,000	2,604
Other Professional Services	17,000	17,000	16,228
	40,200	40,200	36,923
Repairs and Maintenance			
Grass Mowing Services	3,500	3,500	2,729
Landscaping	10,000	10,000	9,887
Repairs and Maintenance	25,000	25,000	-
	38,500	38,500	12,616
Total Parking Operations	93,700	93,700	69,481
Depreciation	-	-	39,974
Total Operating Expenses	143,700	143,700	159,455

VILLAGE OF CARY, ILLINOIS

Agency Funds

**Combining Statement of Changes in Assets and Liabilities
April 30, 2011**

All Funds	Beginning Balances	Additions	Deductions	Ending Balances
ASSETS				
Cash and Investments	\$ 2,659,601	1,516,584	1,762,560	2,413,625
Receivables - Taxes	1,258,483	51,522	-	1,310,005
Due from Others	448	-	448	-
Total Assets	3,918,532	1,568,106	1,763,008	3,723,630
LIABILITIES				
Due to Other Governments	425,000	250,369	350,652	324,717
Due to Bondholders	3,493,532	1,317,737	1,412,356	3,398,913
Total Liabilities	3,918,532	1,568,106	1,763,008	3,723,630
Special Service Area #1 Fund				
ASSETS				
Cash and Investments	1,021,080	561,731	614,431	968,380
Receivables - Taxes	558,483	16,520	-	575,003
Total Assets	1,579,563	578,251	614,431	1,543,383
LIABILITIES				
Due to Bondholders	1,579,563	578,251	614,431	1,543,383

VILLAGE OF CARY, ILLINOIS

Agency Funds

**Combining Statement of Changes in Assets and Liabilities
April 30, 2011**

Special Service Area #2 Fund	Beginning Balances	Additions	Deductions	Ending Balances
ASSETS				
Cash and Investments	\$ 1,213,969	704,484	797,925	1,120,528
Receivables - Taxes	700,000	35,002	-	735,002
Total Assets	1,913,969	739,486	797,925	1,855,530
LIABILITIES				
Due to Bondholders	1,913,969	739,486	797,925	1,855,530
Home Value Assistance Program Fund				
ASSETS				
Cash and Investments	424,552	250,369	350,204	324,717
Due from Others	448	-	448	-
Total Assets	425,000	250,369	350,652	324,717
LIABILITIES				
Due to Other Governments	425,000	250,369	350,652	324,717

SUPPLEMENTAL SCHEDULES

VILLAGE OF CARY, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Revenue Source Bonds of 2009
April 30, 2011**

Date of Issue	October 28, 2009
Date of Maturity	November 1, 2024
Authorized Issue	\$5,000,000
Denomination of Bonds	\$5,000
Interest Rates	1.3% - 5.2%
Interest Dates	May 1 and November 1
Principal Maturity Date	November 1
Payable at	Amalgamated Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2012	\$ 270,000	193,005	463,005	2011	96,503	2011	96,502
2013	275,000	188,550	463,550	2012	94,275	2012	94,275
2014	280,000	182,363	462,363	2013	91,181	2013	91,182
2015	290,000	175,363	465,363	2014	87,681	2014	87,682
2016	300,000	166,083	466,083	2015	83,041	2015	83,042
2017	310,000	155,732	465,732	2016	77,866	2016	77,866
2018	320,000	144,107	464,107	2017	72,054	2017	72,053
2019	335,000	130,907	465,907	2018	65,454	2018	65,453
2020	350,000	116,000	466,000	2019	58,000	2019	58,000
2021	365,000	100,075	465,075	2020	50,038	2020	50,037
2022	380,000	82,920	462,920	2021	41,460	2021	41,460
2023	400,000	64,300	464,300	2022	32,150	2022	32,150
2024	420,000	44,300	464,300	2023	22,150	2023	22,150
2025	440,000	22,880	462,880	2024	11,440	2024	11,440
	<u>4,735,000</u>	<u>1,766,585</u>	<u>6,501,585</u>		<u>883,293</u>		<u>883,292</u>

VILLAGE OF CARY, ILLINOIS

Long-Term Debt Requirements

**Water and Sanitation Refunding Revenue Bonds of 2002
April 30, 2011**

Date of Issue	February 5, 2002
Date of Maturity	May 1, 2017
Authorized Issue	\$2,900,000
Denomination of Bonds	\$5,000
Interest Rates	2.0% - 4.8%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	The Bank of New York Mellon

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Nov. 1	Amount	May 1	Amount
2011	\$ 200,000	71,756	271,756	2010	35,878	2011	35,878
2012	215,000	62,758	277,758	2011	31,379	2012	31,379
2013	220,000	52,974	272,974	2012	26,487	2013	26,487
2014	225,000	42,856	267,856	2013	21,428	2014	21,428
2015	240,000	32,280	272,280	2014	16,140	2015	16,140
2016	250,000	20,880	270,880	2015	10,440	2016	10,440
2017	185,000	8,880	193,880	2016	4,440	2017	4,440
	<u>1,535,000</u>	<u>292,384</u>	<u>1,827,384</u>		<u>146,192</u>		<u>146,192</u>

VILLAGE OF CARY, ILLINOIS

Long-Term Debt Requirements

**Water and Sanitation Refunding Revenue Bonds of 2003
April 30, 2011**

Date of Issue	October 15, 2003
Date of Maturity	May 1, 2015
Authorized Issue	\$1,605,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 3.65%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	The Bank of New York Mellon

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Nov. 1	Amount	May 1	Amount
2011	\$ 155,000	28,618	183,618	2010	14,309	2011	14,309
2012	160,000	23,388	183,388	2011	11,694	2012	11,694
2013	160,000	17,948	177,948	2012	8,974	2013	8,974
2014	170,000	12,508	182,508	2013	6,254	2014	6,254
2015	175,000	6,387	181,387	2014	3,194	2015	3,193
	<u>820,000</u>	<u>88,849</u>	<u>908,849</u>		<u>44,425</u>		<u>44,424</u>

VILLAGE OF CARY, ILLINOIS

Long-Term Debt Requirements

Water and Sanitation Refunding Revenue Bonds of 2005

April 30, 2011

Date of Issue	February 16, 2005
Date of Maturity	May 1, 2017
Authorized Issue	\$2,975,000
Denomination of Bonds	\$5,000
Interest Rates	2.10% - 4.50%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	The Bank of New York Mellon

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Nov. 1	Amount	May 1	Amount
2011	\$ 240,000	72,710	312,710	2010	36,355	2011	36,355
2012	250,000	65,150	315,150	2011	32,575	2012	32,575
2013	255,000	56,900	311,900	2012	28,450	2013	28,450
2014	270,000	45,426	315,426	2013	22,713	2014	22,713
2015	280,000	33,276	313,276	2014	16,638	2015	16,638
2016	290,000	22,916	312,916	2015	11,458	2016	11,458
2017	305,000	11,896	316,896	2016	5,948	2017	5,948
	<u>1,890,000</u>	<u>308,274</u>	<u>2,198,274</u>		<u>154,137</u>		<u>154,137</u>

VILLAGE OF CARY, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2002

April 30, 2011

Date of Issue	November 19, 2002
Date of Maturity	May 1, 2024
Authorized Issue	\$10,000,000
Interest Rates	2.57%
Interest Dates	May 1 and November 1
Principal Maturity Date	November 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2012	\$ 336,193	129,372	465,565
2013	344,888	120,676	465,564
2014	353,809	111,756	465,565
2015	362,960	102,605	465,565
2016	372,349	93,217	465,566
2017	381,979	83,586	465,565
2018	391,859	73,706	465,565
2019	401,995	63,570	465,565
2020	412,392	53,173	465,565
2021	423,059	42,507	465,566
2022	434,001	31,564	465,565
2023	445,227	20,338	465,565
2024	456,744	8,822	465,566
	<u>5,117,455</u>	<u>934,892</u>	<u>6,052,347</u>

VILLAGE OF CARY, ILLINOIS

**Schedule of Insurance in Force
Year Ended April 30, 2011**

Coverage	Limits
General Liability	\$ 10,000,000
Police Professional	
Employee Benefits	
Professional Liability (Fire/Paramedic)	
Abuse/Molestation	
Auto Liability	10,000,000
Uninsured/Underinsured Motorist	500,000
Public Officials' Liability	10,000,000
Employment Practices	
Workers' Compensation	Statutory
Employer's Liability	2,500,000
First Party Property - All Risk	250,000,000 / per Occurrence
Flood Zone A	3,500,000
Flood Zone (Non-None A/V)	40,000,000
Contingent Business Interruption (Sales Tax)	5,000,000
Scheduled Emergency Vehicles - Agreed Value	Scheduled
Boiler/Machinery	50,000,000
Crime	
Employee Theft (Dishonesty)	5,000,000
Forgery, Alteration and Counterfeit Currency	5,000,000
Credit Card Forgery	5,000,000
Computer Fraud	5,000,000
Non-Faithful Performance	2,500,000
Public Officials' Bonds	
Mayor/President, Treasurer, Clerk	Blanket,
Special district Trustees	Statutory Limits
Yearly Aggregates	
Member Annual Payment Cap (Applies to General/Auto Liability and Public Officials Liability Loss Fund Payments only)	6,000,000
Agency Aggregate Cap	74,304,863

STATISTICAL SECTION (Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF CARY, ILLINOIS

**Net Assets by Component - Last Seven Fiscal Years
April 30, 2011 (Unaudited)**

See Following Page

VILLAGE OF CARY, ILLINOIS

**Net Assets by Component - Last Seven Fiscal Years
April 30, 2011 (Unaudited)**

	<u>2005</u>
Governmental Activities	
Invested in Capital Assets, Net of Related Debt	\$ 6,454,746
Restricted	1,038,449
Unrestricted	<u>10,402,153</u>
Total Governmental Activities Net Assets	<u>17,895,348</u>
Business-Type Activities	
Invested in Capital Assets, Net of Related Debt	6,358,790
Restricted	2,535,000
Unrestricted	<u>10,684,025</u>
Total Business-Type Activities Net Assets	<u>19,577,815</u>
Primary Government	
Invested in Capital Assets, Net of Related Debt	12,813,536
Restricted	3,573,449
Unrestricted	<u>21,086,178</u>
Total Primary Government Net Assets	<u>37,473,163</u>

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

2006	2007	2008	2009	2010	2011
7,345,636	9,086,901	10,287,049	11,048,030	12,054,989	12,314,335
1,035,479	842,230	1,029,543	1,323,392	1,176,260	1,695,557
9,304,272	7,179,978	6,707,260	7,345,536	8,567,731	9,943,411
17,685,387	17,109,109	18,023,852	19,716,958	21,798,980	23,953,303
7,081,773	7,397,329	7,506,134	7,216,158	6,934,536	6,761,060
2,365,000	2,365,000	2,365,000	2,365,000	2,365,000	2,277,000
10,401,459	9,788,202	10,093,967	9,610,125	9,291,237	9,204,721
19,848,232	19,550,531	19,965,101	19,191,283	18,590,773	18,242,781
14,427,409	16,484,230	17,793,183	18,264,188	18,989,525	19,075,395
3,400,479	3,207,230	3,394,543	3,688,392	3,541,260	3,972,557
19,705,731	16,968,180	16,801,227	16,955,661	17,858,968	19,148,132
37,533,619	36,659,640	37,988,953	38,908,241	40,389,753	42,196,084

VILLAGE OF CARY, ILLINOIS

Changes in Net Assets - Last Seven Fiscal Years
April 30, 2011 (Unaudited)

	2005	2006	2007	2008	2009	2010	2011
Expenses							
Governmental Activities							
General Government	\$ 1,109,092	2,833,179	1,274,362	1,178,269	1,395,160	1,329,254	1,275,089
Public Safety	3,184,805	3,440,615	3,501,396	3,829,926	3,725,837	3,763,669	3,882,550
Highways and Streets	1,669,486	2,564,558	4,878,701	2,884,970	2,839,734	2,213,257	2,496,961
Interest on Long-Term Debt	7,989	4,113	-	-	-	137,652	107,100
Total Governmental Activities Expenses	5,971,372	8,842,465	9,654,459	7,893,165	7,960,731	7,443,832	7,761,700
Business-Type Activities							
Water and Sanitation	3,905,493	4,045,696	4,172,813	4,218,256	4,063,923	3,932,616	3,832,031
Parking	133,942	131,580	230,806	170,057	189,406	145,707	159,455
Total Business-Type Activities Net Assets	4,039,435	4,177,276	4,403,619	4,388,313	4,253,329	4,078,323	3,991,486
Total Primary Government Expenses	10,010,807	13,019,741	14,058,078	12,281,478	12,214,060	11,522,155	11,753,186
Program Revenues							
Governmental Activities							
Charges for Services							
General Government	1,264,756	1,278,897	953,441	945,997	1,539,253	1,444,865	1,535,779
Public Safety	613,449	615,880	479,314	432,415	305,673	339,673	218,587
Highways and Streets	34,947	26,706	23,486	9,372	20,267	40,389	10,682
Operating Grants/Contributions	570,777	556,941	566,282	574,854	511,141	499,837	619,432
Capital Grants/Contributions	47,895	44,666	12,000	6,107	52,493	-	-
Total Governmental Activities Program Revenues	2,531,824	2,523,090	2,034,523	1,968,745	2,428,827	2,324,764	2,384,480
Business-Type Activities							
Charges for Services							
Water and Sanitation	4,191,474	3,882,084	3,273,170	3,292,541	3,058,131	3,039,317	3,199,997
Parking	148,939	148,048	153,588	156,833	191,213	185,394	189,259
Operating Grants/Contributions	-	-	-	-	-	-	-
Capital Grants/Contributions	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	4,340,413	4,030,132	3,426,758	3,449,374	3,249,344	3,224,711	3,389,256
Total Primary Government Program Revenues	6,872,237	6,553,222	5,461,281	5,418,119	5,678,171	5,549,475	5,773,736
Net (Expense) Revenue							
Governmental Activities	(3,439,548)	(6,319,375)	(7,619,936)	(5,924,420)	(5,531,904)	(5,119,068)	(5,377,220)
Business-Type Activities	300,978	(147,144)	(976,861)	(938,939)	(1,003,985)	(853,612)	(602,230)
Total Primary Government Net Revenue (Expense)	(3,138,570)	(6,466,519)	(8,596,797)	(6,863,359)	(6,535,889)	(5,972,680)	(5,979,450)

	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Assets							
Governmental Activities							
Taxes							
Property Taxes	\$ 2,014,606	2,135,028	2,273,191	2,399,334	2,485,868	2,648,386	2,680,371
Sales Taxes	1,110,717	1,181,130	1,224,927	1,284,645	1,208,071	1,128,247	1,140,935
Utility Taxes	635,555	690,804	673,256	688,230	720,661	932,865	942,638
Intergovernmental							
Income Taxes	1,198,415	1,331,994	1,576,513	1,763,071	1,647,971	1,442,985	1,448,433
Local Use Taxes	184,203	207,493	238,256	263,953	264,067	222,538	269,289
Replacement Taxes	56,159	72,695	80,017	89,230	82,618	73,259	81,160
Interest Income	201,664	405,753	467,891	336,166	149,858	106,417	144,978
Miscellaneous	52,628	78,447	509,607	190,824	665,896	646,393	823,739
Transfers - Internal Activity	60,000	60,000	-	-	-	-	-
Total Governmental Activities	5,513,947	6,163,344	7,043,658	7,015,453	7,225,010	7,201,090	7,531,543
Business-Type Activities							
Interest Income	186,170	424,757	654,797	506,021	138,665	101,505	102,667
Miscellaneous	-	52,804	24,363	970,239	91,502	151,597	151,571
Transfers - Internal Activity	(60,000)	(60,000)	-	-	-	-	-
Total Business-Type Activities	126,170	417,561	679,160	1,476,260	230,167	253,102	254,238
Total Primary Government	5,640,117	6,580,905	7,722,818	8,491,713	7,455,177	7,454,192	7,785,781
Changes in Net Assets							
Governmental Activities	2,074,399	(156,031)	(576,278)	1,091,033	1,693,106	2,082,022	2,154,323
Business-Type Activities	427,148	270,417	(297,701)	537,321	(773,818)	(600,510)	(347,992)
Total Primary Government	2,501,547	114,386	(873,979)	1,628,354	919,288	1,481,512	1,806,331

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

VILLAGE OF CARY, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

	2002	2003	2004	2005
General Fund				
Reserved	\$ 432,633	336,926	318,159	305,128
Unreserved	4,070,734	4,136,394	4,656,538	4,991,549
Total General Fund	4,503,367	4,473,320	4,974,697	5,296,677
All Other Governmental Funds				
Reserved	-	-	-	962,432
Unreserved, Reported in:				
Special Revenues Funds	2,515,880	2,543,151	-	-
Capital Projects Funds	8,077,796	6,530,900	5,774,420	5,503,323
Total All Other Governmental Funds	10,593,676	9,074,051	5,774,420	6,465,755

N/A - Not Available

Data Source: Village Records

2006	2007	2008	2009	2010	2011
467,495	572,570	600,063	826,257	639,754	1,818,351
5,715,186	4,473,711	4,008,210	4,121,271	5,069,331	2,497,759
6,182,681	5,046,281	4,608,273	4,947,528	5,709,085	4,316,110
864,495	1,277,039	1,329,564	1,413,500	1,475,792	848,796
-	(7,569)	-	-	-	-
3,685,522	2,176,498	2,381,226	3,047,473	8,527,715	9,861,412
4,550,017	3,445,968	3,710,790	4,460,973	10,003,507	10,710,208

VILLAGE OF CARY, ILLINOIS

**General Governmental Revenues By Source - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Source	2002	2003	2004	2005
Taxes	\$ 3,185,461	3,311,158	3,514,666	3,760,878
Licenses and Permits	868,032	585,269	574,784	571,109
Intergovernmental	1,767,521	1,667,415	1,787,343	2,057,449
Charges for Services	651,394	965,213	961,222	1,196,092
Fines and Forfeits	282,080	378,924	420,112	554,783
Interest	1,366,472	751,251	304,942	201,664
Miscellaneous	138,490	546,760	144,732	52,628
Total	8,259,450	8,205,990	7,707,801	8,394,603

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2006	2007	2008	2009	2010	2011
4,006,962	4,171,374	4,372,209	4,414,600	4,709,498	4,763,944
508,112	354,932	346,611	196,961	224,393	336,015
2,213,789	2,473,068	2,697,215	2,558,290	2,238,619	2,418,314
1,265,020	1,121,367	1,093,381	1,820,301	1,681,160	1,584,234
584,997	437,078	404,893	283,120	303,330	207,582
405,753	467,891	336,166	149,858	106,417	144,978
78,447	509,607	190,824	665,896	646,393	823,739
9,063,080	9,535,317	9,441,299	10,089,026	9,909,810	10,278,806

VILLAGE OF CARY, ILLINOIS

**General Governmental Expenditures By Function - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Function	2002	2003	2004	2005
General Government	\$ 1,883,280	2,162,989	1,546,189	1,483,059
Public Safety	2,149,412	2,276,301	2,785,606	2,945,083
Highways and Streets	1,599,817	1,724,555	2,024,651	1,839,462
Capital Outlay	20,063,699	3,520,287	3,445,255	1,953,451
Debt Service				
Principal	53,200	56,446	59,889	63,541
Interest and Fiscal Charges	18,330	15,084	11,641	7,989
Total	25,767,738	9,755,662	9,873,231	8,292,585

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2006	2007	2008	2009	2010	2011
3,253,711	1,676,005	1,601,770	1,721,748	1,593,637	1,558,821
3,330,158	3,411,763	3,683,179	3,613,281	3,584,379	3,805,368
1,924,375	2,308,680	2,402,293	2,685,804	2,234,917	1,879,677
1,519,110	4,379,318	1,750,953	978,755	1,110,058	3,347,266
67,417	-	-	-	-	265,000
4,113	-	-	-	82,728	108,948
10,098,884	11,775,766	9,438,195	8,999,588	8,605,719	10,965,080

VILLAGE OF CARY, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

	2002	2003	2004	2005
Revenues				
Taxes	\$ 3,185,461	3,311,158	3,514,666	3,760,878
Licenses and Permits	868,032	585,269	574,784	571,109
Intergovernmental	1,767,521	1,667,415	1,787,343	2,057,449
Charges for Services and Fees	651,394	965,213	961,222	1,196,092
Fines and Forfeits	282,080	378,924	420,112	554,783
Investment Income	1,366,472	751,251	304,942	201,664
Miscellaneous	138,490	546,760	144,732	52,628
Total Revenues	8,259,450	8,205,990	7,707,801	8,394,603
Expenditures				
General Government	1,883,280	2,162,989	1,546,189	1,483,059
Public Safety	2,149,412	2,276,301	2,785,606	2,945,083
Highways and Streets	1,599,817	1,724,555	2,024,651	1,839,462
Capital Outlay	20,063,699	3,520,287	3,445,255	1,953,451
Debt Service				
Principal	53,200	56,446	59,889	63,541
Interest and Fiscal Charges	18,330	15,084	11,641	7,989
Total Expenditures	25,767,738	9,755,662	9,873,231	8,292,585
Excess of Revenues Over (Under) Expenditures	(17,508,288)	(1,549,672)	(2,165,430)	102,018
Other Financing Sources (Uses)				
Proceeds from Bonds	-	-	-	-
Transfers In	70,000	-	225,000	1,160,000
Transfers Out	(80,000)	-	(100,000)	(1,100,000)
	(10,000)	-	125,000	60,000
Net Change in Fund Balances	(17,518,288)	(1,549,672)	(2,040,430)	162,018
Debt Service as a Percentage of Noncapital Expenditures	1.25%	1.15%	1.11%	1.13%

Data Source: Village Records

2006	2007	2008	2009	2010	2011
4,006,962	4,171,374	4,372,209	4,414,600	4,709,498	4,763,944
508,112	354,932	346,611	196,961	224,393	336,015
2,213,789	2,473,068	2,697,215	2,558,290	2,238,619	2,418,314
1,265,020	1,121,367	1,093,381	1,820,301	1,681,160	1,584,234
584,997	437,078	404,893	283,120	303,330	207,582
405,753	467,891	336,166	149,858	106,417	144,978
78,447	509,607	190,824	665,896	646,393	823,739
9,063,080	9,535,317	9,441,299	10,089,026	9,909,810	10,278,806
3,253,711	1,676,005	1,601,770	1,721,748	1,593,637	1,558,821
3,330,158	3,411,763	3,683,179	3,613,281	3,584,379	3,805,368
1,924,375	2,308,680	2,402,293	2,685,804	2,234,917	1,879,677
1,519,110	4,379,318	1,750,953	978,755	1,110,058	3,347,266
67,417	-	-	-	-	265,000
4,113	-	-	-	82,728	108,948
10,098,884	11,775,766	9,438,195	8,999,588	8,605,719	10,965,080
(1,035,804)	(2,240,449)	3,104	1,089,438	1,304,091	(686,274)
-	-	-	-	5,000,000	-
100,000	2,225,000	1,000,000	500,000	15,966	3,411,009
(40,000)	(2,225,000)	(1,000,000)	(500,000)	(15,966)	(3,411,009)
60,000	-	-	-	5,000,000	-
(975,804)	(2,240,449)	3,104	1,089,438	6,304,091	(686,274)
0.83%	0.00%	0.00%	0.00%	1.17%	4.78%

VILLAGE OF CARY, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Tax Levy Year	Residential Property	Farm	Commercial Property
2001	\$ 276,140,964	\$ 342,591	\$ 22,679,356
2002	326,456,514	659,284	23,895,155
2003	374,686,867	658,019	27,515,353
2004	413,308,337	371,767	29,285,871
2005	457,703,075	393,730	32,152,512
2006	488,914,548	411,071	34,531,927
2007	521,227,953	432,880	38,915,104
2008	520,209,447	451,758	42,576,420
2009	513,749,154	454,716	42,177,116
2010	488,018,596	470,473	41,538,817

Data Source: Algonquin Township

Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 34,350,802	\$ 333,513,713	\$ 167,105	\$ 333,680,818	0.4457
35,936,500	386,947,453	198,434	387,145,887	0.4265
38,550,589	441,410,828	214,597	441,625,425	0.4049
40,976,252	483,942,227	241,719	484,183,946	0.3901
43,267,644	533,516,961	277,814	533,794,775	0.3760
45,788,562	569,646,108	227,115	569,873,223	0.3704
47,710,795	608,286,732	249,211	608,535,943	0.3588
48,603,179	611,840,804	272,323	612,113,127	0.3742
49,295,550	605,676,536	327,697	606,004,233	0.3797
48,893,148	578,921,034	409,357	579,330,391	0.4087

VILLAGE OF CARY, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years April 30, 2011 (Unaudited)

	2001	2002	2003	2004
Village of Cary				
Corporate	0.1694	0.1620	0.1535	0.1465
Illinois Municipal Retirement	0.0300	0.0288	0.0273	0.0256
Police Protection	0.1086	0.1039	0.0986	0.0922
Audit	0.0049	0.0047	0.0045	0.0043
Liability Insurance	0.0530	0.0507	0.0482	0.0451
ESDA	0.0007	0.0007	0.0007	0.0007
Social Security	0.0332	0.0318	0.0302	0.0283
School Crossing Guard	0.0107	0.0102	0.0098	0.0092
Unemployment Insurance	0.0030	0.0029	0.0028	0.0027
Police Pension	0.0322	0.0308	0.0293	0.0355
Total Direct Tax Rate	0.4457	0.4265	0.4049	0.3901
Overlapping Rates				
McHenry County	0.6380	0.6725	0.7153	0.7346
McHenry County Conservation District	0.1808	0.1734	0.1663	0.1580
Algonquin Township	0.1994	0.1914	0.1833	0.1768
Cary Fire Protection District	0.3024	0.2898	0.2762	0.2772
Cary Park District	0.6293	0.5922	0.5771	0.5534
Cary Area Library	0.1977	0.1893	0.1810	0.1750
School District #26	3.2877	3.1401	2.9695	2.8664
High School District #155	2.1733	2.0895	2.0433	1.9780
Community College District #528	0.3367	0.3253	0.3130	0.3033
Total Direct and Overlapping Tax Rate	8.3910	8.0900	7.8299	7.6128

Data Source: McHenry County Assessors Office

Note: Three rate schedules are shown, since there are three grade school districts within the Village.

2005	2006	2007	2008	2009	2010
0.1394	0.1355	0.1360	0.1360	0.1102	0.0719
0.0244	0.0239	0.0229	0.0262	0.0258	0.0248
0.0877	0.0856	0.0818	0.0898	0.1007	0.1652
0.0042	0.0042	0.0024	0.0020	0.0007	0.0012
0.0429	0.0420	0.0401	0.0262	0.0383	0.0350
0.0007	0.0008	0.0003	0.0001	0.0000	0.0000
0.0269	0.0263	0.0252	0.0392	0.0368	0.0331
0.0088	0.0087	0.0049	0.0046	0.0020	0.0012
0.0026	0.0026	0.0011	0.0003	0.0003	0.0000
0.0384	0.0408	0.0441	0.0499	0.0649	0.0763
0.3760	0.3704	0.3588	0.3742	0.3797	0.4087
0.7278	0.7060	0.6871	0.7014	0.7157	0.7927
0.1490	0.4133	0.1738	0.1732	0.1775	0.1956
0.0531	0.1677	0.1634	0.1674	0.1704	0.1847
0.2784	0.3724	0.3615	0.3735	0.3789	0.4101
0.5344	0.5240	0.5080	0.5282	0.5352	0.5752
0.1690	0.1655	0.1611	0.1681	0.1708	0.1849
2.7516	2.6871	2.6142	2.6650	2.6982	2.9158
1.9023	1.8697	1.8213	1.8647	1.9054	2.0347
0.2922	0.2741	0.2634	0.2686	0.2739	0.3039
7.2338	7.5502	7.1126	7.2843	7.4057	8.0063

VILLAGE OF CARY, ILLINOIS

**Principal Property Tax Payers - Current Year and Nine Years Ago
April 30, 2011 (Unaudited)**

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Cary Corners LLC (Sage)	\$ 5,751,086	1	0.99%	N/A	N/A	N/A
Tru Serv	5,142,854	2	0.89%	N/A	N/A	N/A
Thomas M/John F Smrt	3,879,659	3	0.67%	N/A	N/A	N/A
HB Properties	3,062,274	4	0.53%	N/A	N/A	N/A
Seaquist Perfect Dispensing LLC	2,582,821	5	0.45%	N/A	N/A	N/A
339 Cary Point LLC	1,471,907	6	0.25%	N/A	N/A	N/A
Oak Knoll LTD	1,450,000	7	0.25%	N/A	N/A	N/A
Hardy Kern, LLC	1,390,906	8	0.24%	N/A	N/A	N/A
Wolf Investments, LLC	1,173,984	9	0.20%	N/A	N/A	N/A
Trinity Holdings, LLC	1,107,275	10	0.19%	N/A	N/A	N/A
	<u>27,012,766</u>		<u>4.66%</u>	<u>-</u>		<u>0.00%</u>

N/A - Not Available

Data Source: McHenry County Office of Assessments

VILLAGE OF CARY, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Fiscal Year Ended April 30	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2002	2000	\$ 1,396,028	\$ 1,385,915	99.28%	-	\$ 1,385,915	99.28%
2003	2001	1,487,217	1,480,733	99.56%	-	1,480,733	99.56%
2004	2002	1,651,179	1,648,674	99.85%	-	1,648,674	99.85%
2005	2003	1,786,928	1,784,032	99.84%	-	1,784,032	99.84%
2006	2004	1,888,803	1,887,140	99.91%	-	1,887,140	99.91%
2007	2005	2,006,882	2,005,276	99.92%	-	2,005,276	99.92%
2008	2006	2,111,065	2,108,533	99.88%	(1,636)	2,108,533	99.88%
2009	2007	2,183,427	2,178,486	99.77%	815	2,179,301	99.81%
2010	2008	2,290,527	2,287,330	99.86%	N/A	2,287,330	99.86%
2011	2009	2,301,240	2,300,103	99.95%	N/A	2,300,103	99.95%

N/A - Not Available

Data Source: Office of the County Clerk of McHenry County

VILLAGE OF CARY, ILLINOIS

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Fiscal Year Ended April 30	Governmental Activities		Business-Type
	General Obligation Bonds	Installment Contracts Payable	Revenue Bonds
2002	\$ -	\$ 247,293	\$ 8,325,000
2003	-	190,847	7,980,000
2004	-	130,958	7,750,000
2005	-	67,417	7,395,000
2006	-	-	6,910,000
2007	-	-	6,410,000
2008	-	-	5,895,000
2009	-	-	5,360,000
2010	5,000,000	-	4,815,000
2011	4,735,000	-	4,245,000

Data Source: Village's Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

<u>Activities</u> IEPA Revenue Bonds	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$ -	\$ 8,572,293	11.16%	\$ 551.95
-	8,170,847	10.64%	474.50
6,464,558	14,345,516	18.68%	833.07
6,963,902	14,426,319	18.78%	837.77
6,675,467	13,585,467	17.69%	725.99
6,379,572	12,789,572	16.65%	683.46
6,076,024	11,971,024	15.59%	639.72
5,764,625	11,124,625	14.49%	594.49
5,445,171	15,260,171	19.87%	815.49
5,117,455	14,097,455	16.18%	771.58

VILLAGE OF CARY, ILLINOIS

**Ratios of General Bonded Debt Outstanding to Equalized Assessed Value
and Net General Obligation Bonded Debt per Capita - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Fiscal Year Ended April 30	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value	Per Capita
2002	\$ -	\$ -	\$ -	0.00%	\$ 0.00
2003	-	-	-	0.00%	0.00
2004	-	-	-	0.00%	0.00
2005	-	-	-	0.00%	0.00
2006	-	-	-	0.00%	0.00
2007	-	-	-	0.00%	0.00
2008	-	-	-	0.00%	0.00
2009	-	-	-	0.00%	0.00
2010	5,000,000	-	5,000,000	0.83%	267.19
2011	4,735,000	-	4,735,000	0.82%	253.03

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

VILLAGE OF CARY, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
April 30, 2011 (Unaudited)**

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Cary	\$ 4,735,000	100.0000%	\$ 4,735,000
McHenry County	73,238,697	5.8320%	4,271,281
McHenry County Conservation District	142,355,000	5.8320%	8,302,144
Cary Park District	11,172,558	79.4270%	8,874,028
Crystal Lake Park District	4,448,020	0.0140%	623
Algonquin Library District	6,119,831	3.1120%	190,449
School District #26	23,608,706	65.4330%	15,447,885
School District #47	42,785,000	2.5670%	1,098,291
Unit School District #300*	347,138,104	0.6220%	2,159,199
High School District #155	8,800,554	16.5070%	1,452,707
Community College District #509 (McHenry)	106,865,229	0.1680%	179,534
Subtotal	766,531,699		41,976,140
Totals	771,266,699		46,711,140

Data Source: Individual Government Units

* Estimated for the portion of the district located in Cook County

VILLAGE OF CARY, ILLINOIS

**Schedule of Legal Debt Margin
April 30, 2011 (Unaudited)**

Assessed Valuation - 2010	<u>\$ 581,493,046</u>
Legal Debt Limit - 8.625% of Assessed Valuation	50,153,775
Amount of debt applicable to debt limit	<u>4,735,000</u>
Legal Debt Margin	<u>45,418,775</u>

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

VILLAGE OF CARY, ILLINOIS

**Pledged-Revenue Coverage - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Fiscal Year Ended April 30	Water Revenues	Principal	Interest	Coverage
2001	\$ 3,490,337	\$ 310,000	\$ 471,245	2.53
2002	3,664,613	330,000	395,933	2.82
2003	3,522,646	345,000	409,179	2.45
2004	3,379,440	400,000	381,755	1.61
2005	3,471,600	596,478	486,678	1.11
2006	3,855,368	485,000	255,502	1.85
2007	4,747,462	515,000	391,791	2.33
2008	3,284,036	535,000	367,528	2.34
2009	3,292,178	545,000	340,323	2.38
2010	3,453,885	570,000	312,550	2.39

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

VILLAGE OF CARY, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Fiscal Year Ended April 30	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2002	15,531 (1)	\$ 76,801 (1)	\$ 26,903 (1)	33.9 (1)	5,186	4.70%
2003	17,220 (2)	76,801 (1)	26,903 (1)	33.9 (1)	5,226	5.00%
2004	17,220 (2)	76,801 (1)	26,903 (1)	33.9 (1)	5,364	4.50%
2005	17,220 (2)	76,801 (1)	26,903 (1)	33.9 (1)	5,386	4.30%
2006	18,713 (3)	76,801 (1)	26,903 (1)	33.9 (1)	5,469	3.20%
2007	18,713 (3)	76,801 (1)	26,903 (1)	33.9 (1)	5,469	3.70%
2008	18,713 (3)	76,801 (1)	26,903 (1)	33.9 (1)	5,431	5.00%
2009	18,713 (3)	76,801 (1)	26,903 (1)	33.9 (1)	4,943	9.20%
2010	18,713 (3)	76,801 (1)	26,903 (1)	33.9 (1)	5,062	9.60%
2011	18,271 (4)	87,138 (4)	32,030 (4)	36.6 (4)	5,220	8.90%

N/A - Not Available

Data Sources:

- (1) 2000 Decennial Census
- (2) 2003 Special Census
- (3) 2006 Special Census
- (4) 2010 Decennial Census

VILLAGE OF CARY, ILLINOIS

**Principal Employers - Current Fiscal Year and Eleven Fiscal Years Ago
April 30, 2011 (Unaudited)**

Employer	2011			2000		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Sage Products, Inc.	627	1	N/A	300	4	N/A
True Value Mfg. Co.	335	2	N/A	200	6	N/A
Sequist Perfect Dispensing (Aptar)	300	3	N/A	400	2	N/A
Coilcraft Inc.	230	4	N/A	250	5	N/A
Durex Industries	210	5	N/A	180	7	N/A
Jewel/Osco	155	6	N/A			
Martinez Manufacturing Inc.	150	7	N/A	350	3	N/A
Home Instead Senior Care	100	8	N/A			
Sherman Mechanical, Inc.	100	9	N/A	120	9	N/A
The Barn Nursery	100	10	N/A	100	10	N/A
McHenry Molding Machinery				400	1	N/A
Bartlett Manufacturing Inc.				144	8	N/A
	<u>2,307</u>		<u>0.00%</u>	<u>2,444</u>		<u>0.00%</u>

N/A - Not Available

Data Sources: Village Community Development Department Records and Direct Contact with Employers.

Information for nine fiscal years ago is not available - FY 2000 is disclosed above

VILLAGE OF CARY, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Function	2002	2003	2004	2005
General Government				
Administration	4.60	4.60	3.60	4.00
Finance	6.00	5.00	4.00	5.00
Public Works	19.00	18.00	16.00	17.00
Police	44.75	45.25	40.00	42.04
Building, Planning & Zoning	5.00	5.00	5.00	5.19
Water and Sewer	11.60	13.60	18.95	15.00
Total	90.95	91.45	87.55	88.23

N/A - Not Available

Data Source: Village Records

2006	2007	2008	2009	2010	2011
4.00	4.50	4.50	3.00	3.00	3.00
5.00	5.00	4.00	4.00	4.00	4.00
18.00	18.00	18.00	15.00	14.00	13.00
36.56	37.80	40.00	34.00	30.00	32.00
5.29	5.50	5.00	5.00	4.00	4.00
14.37	15.00	12.00	10.00	11.00	10.00
83.22	85.80	83.50	71.00	66.00	66.00

VILLAGE OF CARY, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Function/Program	2002	2003	2004	2005
Public Works				
Forestry				
Number of Parkway Trees Planted	N/A	51	71	46
Number of Parkway Trees Trimmed	2,200	250	1,740	1,300
Brush Pickup Program (Hours)	593	508	947	1,130
Fleet Services				
Number of Vehicles Maintained	N/A	52	52	52
Public Safety				
Police				
Criminal Offenses (Part 1)	280	410	424	381
Criminal Arrests (Part 1)	87	178	177	157
Criminal Offenses (Part 2)	536	797	659	753
Criminal Arrests (Part 2)	230	289	279	311
Traffic Arrests	5,897	4,595	6,135	4,931
Traffic Warnings	3,575	4,141	5,577	4,533
DUI	111	157	250	264
Liquor Act	56	108	100	97
Ordinance Arrests	39	45	46	48
Parking Enforcement	1,206	2,007	1,340	674
Domestic Calls	N/A	N/A	N/A	N/A
Community Development				
Number of Building Permits Issued	1,151	870	987	1,757
Number of Building Inspections	N/A	3,716	3,663	3,239
Highways and Streets				
Sidewalk Replaced (sq. ft)	4,200	2,750	3,790	3,800
Annual Resurfacing Program (in \$)	404,280	642,000	703,000	579,000
Water and Sewer				
Water Main Breaks	6	9	14	14
Hydrants Flushed	900	925	925	950
Water Meters Read	34,000	36,000	37,000	37,000
Water Meter Service Requests	240	250	270	280
Water Meters Replaced	32	34	37	49
Total Distribution Pumpage (1,000 Gallons)	627,892	656,055	687,488	683,257
Average Daily Pumpage (1,000 Gallons)	1,720	1,797	1,884	1,867
Sanitary Sewer Repairs (Linear Feet)	N/A	N/A	N/A	N/A

N/A: Not Available

Data Source: Village Records

Note: Indicators are not available for the general government function.

2006	2007	2008	2009	2010	2011
65	49	54	53	93	5
1,260	1,800	1,368	2,100	196	315
844	900	799	800	560	866
54	58	58	49	64	56
345	331	392	484	421	262
102	123	96	42	49	76
573	461	295	748	776	380
253	245	152	214	235	166
4,598	4,707	4,020	3,263	4,740	2,260
3,295	3,298	4,466	3,458	2,903	974
270	210	136	90	82	82
210	215	73	25	91	81
97	96	38	29	30	31
1,462	1,488	1,286	1,944	2,712	933
N/A	287	191	244	294	304
1,032	883	773	797	856	807
1,756	1,620	1,308	1,329	1,499	1,345
5,000	5,100	5,000	10,620	17,940	12,987
627,000	672,000	573,500	550,080	536,674	2,399,925
8	11	10	14	12	9
989	989	994	1,050	1,050	1,050
37,800	37,800	37,260	38,826	38,898	37,200
290	300	837	386	511	488
38	39	48	54	38	51
725,099	655,711	668,980	658,095	598,858	592,237
1,986	1,796	1,827	1,797	1,640	1,622
8,300	N/A	N/A	10	-	-

VILLAGE OF CARY, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Function/Program	2002	2003	2004	2005
Police				
Stations	1	1	1	1
Patrol Units	13	13	13	13
Public Works				
Streets (Miles)	62	68	68	70
Streetlights	567	572	652	677
Water and Sewer				
Water Mains (Miles)	64	65	65	65
Fire Hydrants	900	950	950	989
Sanitary Sewers (Miles)	67	74	74	75

N/A - Not Available

Data Source: Village Records

* Per Public Works Operation Division's Records

2006	2007	2008	2009	2010	2011
1 13	1 13	1 13	1 10	1 21	1 18
70 700	70 700	70 700	70 538*	70 538	77 538
70 989 75	70 989 75	70 989 75	70 1,050 75	70 1,050 75	70 1,050 75