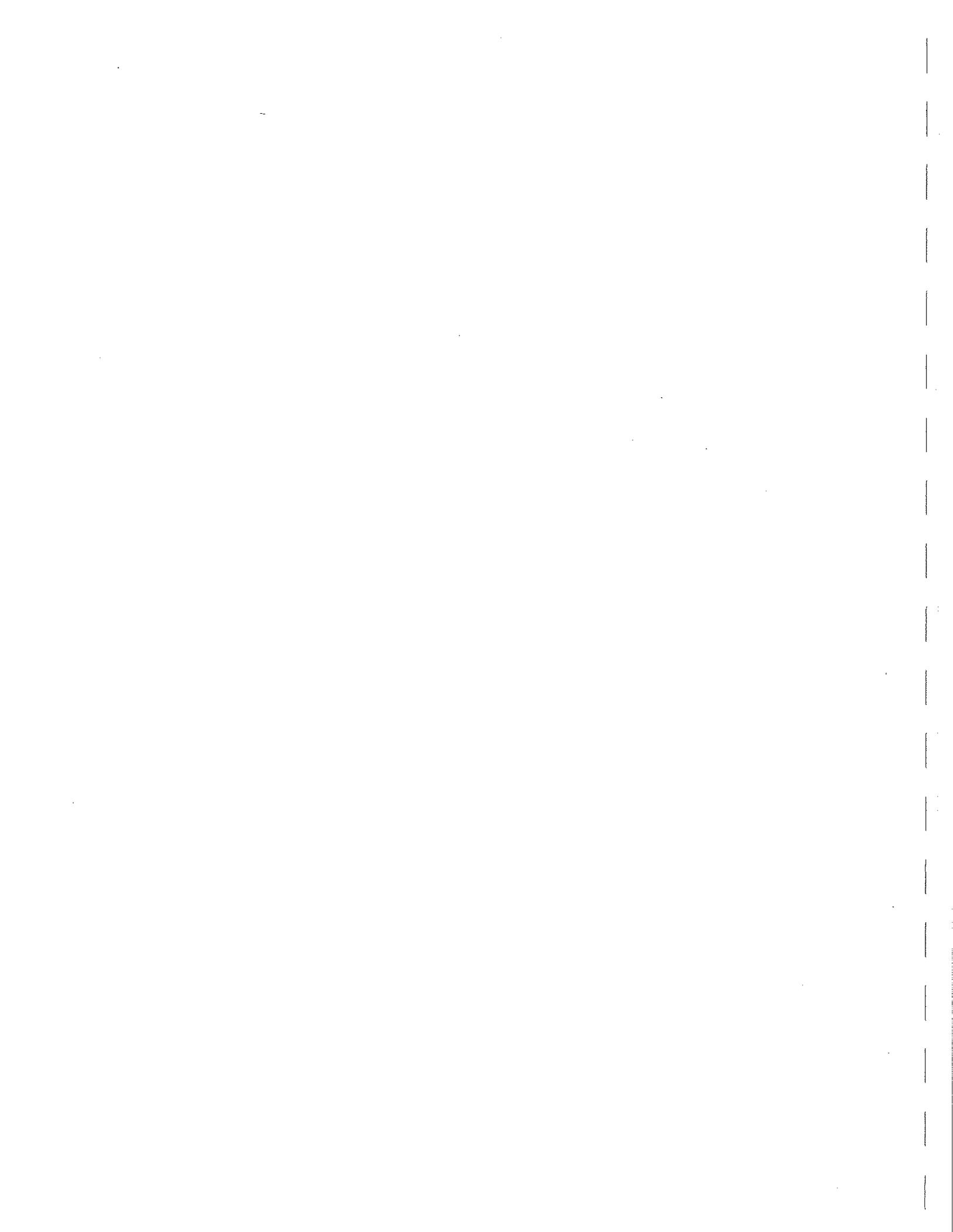


VILLAGE OF SUMMIT,  
ILLINOIS

ANNUAL  
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2012



VILLAGE OF SUMMIT, ILLINOIS

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**VILLAGE OF SUMMIT, ILLINOIS**

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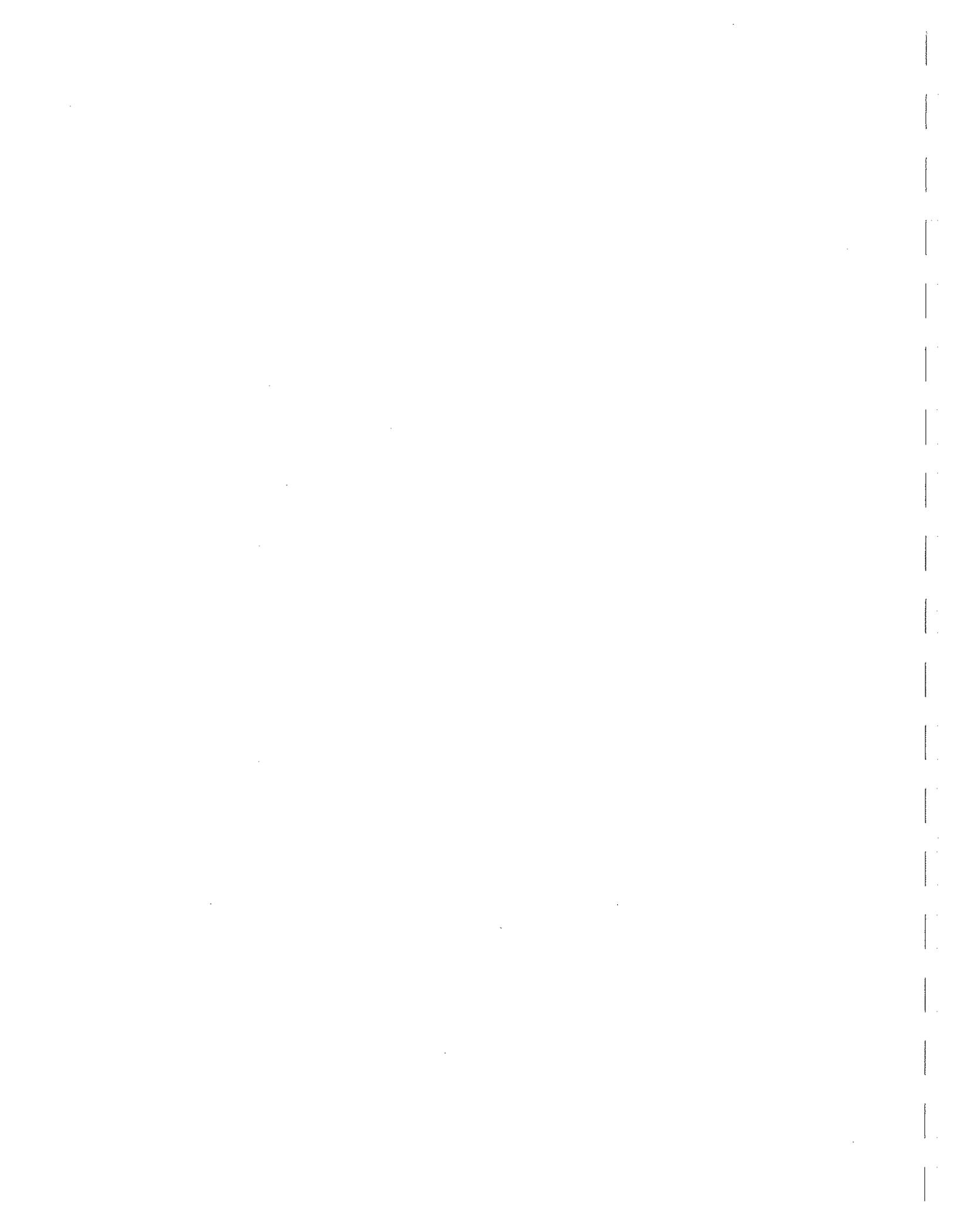
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## FINANCIAL SECTION

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**



**INDEPENDENT AUDITORS' REPORT**

April 8, 2013

The Honorable Mayor  
Members of the Board of Trustees  
Village of Summit, 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 of the Village of Summit, Illinois, as of and for the year ended December 31, 2012, which collectively comprise the Village's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. Except as discussed in the following paragraph, 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

*Opinions*

As described in Note 4, the financial statements do not disclose the composition of the net pension obligation nor a liability to be recognized when the accumulated annual pension cost exceed the accumulated contributions. The effects of those departures on the financial statements are not reasonably determinable. In our opinion, disclosure of that information is required to conform with accounting principles generally accepted in the United States of America.

In our opinion, except for the effect of such adjustments, if any, as might have been disclosed with respect to the net pension obligation, 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 Summit, Illinois as of December 31, 2012, 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.

*Other Matters*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Summit, Illinois', financial statements as a whole. The combining and individual fund financial statements and schedules, and supplemental schedules, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules and supplemental schedules 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, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other 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.

*Lauterbach + Amen LLP*

LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2012

(Unaudited)

The discussion and analysis of Village of Summit's (the "Village") financial performance provides an overall review of the Village's financial activities for the year ended December 31, 2012. The management of the Village encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the Village's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

### Financial Highlights

- The liabilities/deferred inflows of the Village exceeded its assets at the close of the most recent fiscal year by \$168 thousand (net position). The Village currently has a deficit in its unrestricted net position and is currently evaluating options to fund operations on an unrestricted basis.
- In total, net position decreased by \$1.5 million. This represents a 899.5% decrease from 2011. This decrease is due to increases in personnel costs and retirement health care costs along with declines in revenues seen by the Village.
- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$2.0 million, a decrease of \$700 thousand in comparison with the prior year. Of that amount, the Village has overspent its unassigned fund balance by approximately \$283 thousand. It is the Village's intention to fund the deficit in future years.
- General Fund revenues accounted for \$8.8 million in revenue or 85.4% of all governmental revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$2.1 million or 20.2% of total governmental revenues.
- The Village had \$12.7 million in expenses related to government activities. However, only \$2.1 million of these expenses were offset by program specific charges and grants.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was (\$204,715).
- The Village's long-term liabilities increased by \$1,166,909 during the current year. The increase was due to the issuance of TIF redevelopment bonds for the 59<sup>th</sup> St. TIF and an increase in the post employment benefit liabilities.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements.

# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2012 (Unaudited)

This report also contains other supplementary information in addition to the basic financial statements.

### *Government-wide financial statements*

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business, and are reported using the accrual basis of accounting and economic resources measurement focus.

The Statement of Net Position presents information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position 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.

The government-wide financial statements can be divided into two types of activities: governmental and business-type. Governmental activities present the functions of the Village that are principally supported by taxes and intergovernmental revenues. Business-type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The Village's governmental activities include functions like general government, public safety, public works and community development. The Village's business-type activities include providing water services to its residents.

### *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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, enterprise funds and fiduciary funds.

### Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources; as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a Village's near-term financing requirements.

# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2012

(Unaudited)

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

The Village maintains two major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the 63rd Street and Archer Avenue TIF Fund, both of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report. The Village adopts an annual budget for each of the major funds listed above. A budgetary comparison schedule has been provided for each major fund to demonstrate compliance with this budget.

### Enterprise funds

Enterprise funds are used to account for the resources received and the expenses paid in relation to the water system of the Village. The accounting for the Enterprise fund is on the accrual basis of accounting.

### Fiduciary funds

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

### *Notes to basic financial statements*

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

### *Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's contributions and funding progress of the Illinois Municipal Retirement Fund, Police Pension Fund and Other Post Employment Benefits; as well as budget to actual comparisons of the General and 63<sup>rd</sup> Street and Archer Avenue TIF Funds. Supplementary schedules include combining and individual fund schedules of all non-major funds and Fiduciary Funds.

# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2012 (Unaudited)

### Government-Wide Financial Analysis

<b>Table 1</b> <b>Condensed Statement of Net Position</b> <b>(in thousands of dollars)</b>						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>2012</u>	<u>2011</u>
	2012	2011	2012	2011	2012	2011
<b>Assets</b>						
Current and other assets	\$ 7,311	\$ 7,667	\$ 1,166	\$ 653	\$ 8,477	\$ 8,320
Capital Assets	2,670	2,637	554	536	3,224	3,173
Total assets	9,981	10,304	1,720	1,189	11,701	11,493
<b>Liabilities</b>						
Long-term liabilities	5,432	4,376	491	410	5,923	4,786
Other liabilities and deferred inflows	5,628	5,142	318	229	5,946	5,371
Total liabilities	11,060	9,518	809	639	11,869	10,157
<b>Net position</b>						
Net investment in capital assets	1,285	1,679	554	515	1,839	2,194
Restricted	2,278	3,269	-	-	2,278	3,269
Unrestricted	(4,642)	(4,162)	356	35	(4,286)	(4,127)
Total net position	\$ (1,079)	\$ 786	\$ 910	\$ 550	\$ (169)	\$ 2,946

#### *Normal Impacts*

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net results of activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for capital – which will increase current assets and long-term debt.

Spending borrowed proceeds on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net investment in capital assets.

Spending of non-borrowed current assets on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal payment on debt – which will: (a) reduce current assets and reduce long-term debt; and, (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of capital assets through depreciation – which will reduce capital assets and net investment in capital assets.

# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2012

(Unaudited)

### *Current Year Impacts*

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, total net position decreased by \$1,517 thousand from \$1,348 thousand to (\$169) thousand. The Village's total assets equal \$11,701 thousand. The Village's total liabilities/deferred inflows equal \$11,870 thousand.

The Village experienced increase current and other assets as it increased the cash and investments held at the end of the year. The long term liabilities/deferred inflows increased in the current year due to the increase in other post-employment benefits payable and the issuance of the debt in the 59<sup>th</sup> Street TIF fund.

A portion of the net position of the governmental activities is restricted for public safety, community development and debt service. The unrestricted combined balance, for both governmental and business type activities, is a negative amount of \$(4,825) thousand. The Village is taking steps to correct this in the future.

<b>Table 2</b>						
<b>Condensed Statements of Activities</b>						
<b>(in thousands of dollars)</b>						
	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>2012 2011</u>	
	2012	2011	2012	2011	2012	2011
<b>Revenues</b>						
<i>Program revenues</i>						
Charges for services	\$ 2,090	\$ 1,982	\$ 3,076	\$ 2,528	\$ 5,166	\$ 4,510
Operating grants and contributions	802	941	-	-	802	941
<i>General revenues</i>						
Property taxes	3,639	4,106	-	-	3,639	4,106
Other taxes	2,358	1,736	-	-	2,358	1,736
Intergovernmental	1,131	1,016	-	-	1,131	1,016
Other general revenues	353	151	-	-	353	151
Total revenues	<u>10,373</u>	<u>9,932</u>	<u>3,076</u>	<u>2,528</u>	<u>13,449</u>	<u>12,460</u>
<b>Expenses</b>						
General government	3,968	5,310	-	-	3,968	5,310
Public safety	5,373	4,968	-	-	5,373	4,968
Public works	1,075	1,031	-	-	1,075	1,031
Community development	2,213	1,244	-	-	2,213	1,244
Interest and fees	51	58	-	-	51	58
Water	-	-	2,286	1,971	2,286	1,971
Total expenses	<u>12,680</u>	<u>12,611</u>	<u>2,286</u>	<u>1,971</u>	<u>14,966</u>	<u>14,582</u>
Change in net assets before transfers, special and extraordinary items	(2,307)	(2,151)	790	557	(1,517)	(1,594)
Transfers	430	595	(430)	(595)	-	-
Change in net position	(1,877)	(1,556)	360	(38)	(1,517)	(1,594)
Net position, beginning of year	<u>798</u>	<u>2,341</u>	<u>550</u>	<u>588</u>	<u>1,348</u>	<u>2,929</u>
Net position end of year	<u>\$ (1,079)</u>	<u>\$ 798</u>	<u>\$ 910</u>	<u>\$ 550</u>	<u>\$ (169)</u>	<u>\$ 1,348</u>

# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2012

(Unaudited)

### *Normal Impacts*

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

### Revenues

Economic condition – which can reflect a declining, stable or growing economic environment, and has substantial impact on state sales, replacement and hotel/motel tax revenue; as well as, public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/decrease in Village approved rates – while certain tax rates are set by statute, the Village has significant authority to impose and periodically increase/decrease rates (water, home rule sales tax, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the Village's investments may be affected by market conditions causing investment income to increase/decrease.

### Expenses

Introduction of new programs – within the functional expense categories (general government, public safety, public works, and community development), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the Village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the Village.

Salary increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuel, and parts. Some functions may experience unusual commodity specific increases.

### *Current Year Impacts*

The Governmental Activities experienced an increase in revenue in total for the year. The governmental activities noted a decline in property taxes due to a decline in the TIF district revenues, however the Village had an increase in other taxes and intergovernmental revenues specifically sales tax and income taxes. The Village also received an increase in revenues due to the casino sharing revenues being received from the state. The Village had an increase in expenses in the current year particularly in the community development department and the public safety department. In the current year, the Village incurred an increase in the post employment benefit obligation costs of \$601,621. Overall, the Village's financial position has declined since the prior fiscal year.

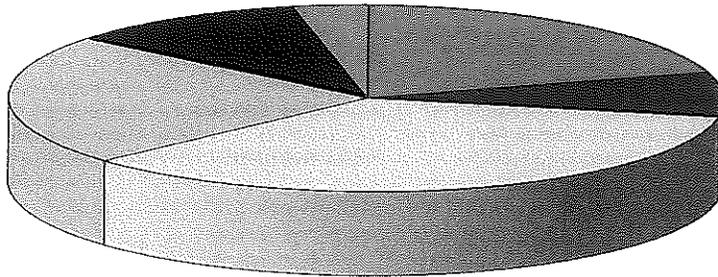
# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2012

(Unaudited)

### Governmental Activities



- Charges for Services
- Operating Grants and Contributions
- Property Taxes
- Other Taxes
- Intergovernmental
- Other General Revenues

### Revenues

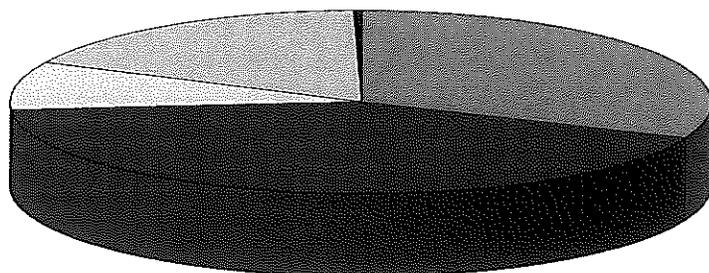
The Village experienced an increase in revenue for this fiscal year. This increase in revenues amounted to \$441,000 and was directly related to an increase in income taxes and sales taxes and miscellaneous income. The Village saw a decline in property taxes that reduced the total increase gained from other revenue sources.

# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2012

(Unaudited)



- General Government
- Public Safety
- Public Works
- Community Development
- Interest and Fees

### *Expenses*

The Village's overall expenses in the current fiscal year increased over the previous year by \$69,000. Management has worked to control spending in the current year. There were slight increases in salaries but other expenses have been reduced such as health insurance and liability insurance. The Village saw an increase in the community development in the current year due to the development in the 59<sup>th</sup> Street TIF.

### **Business-Type Activities**

The business-type activity of the Village includes the Water Fund. The Water Fund serves the Village's residents and businesses. Pricing for water is based on analysis of total costs related to the obtaining and distribution of water. These rates include the costs related to the Village's supplier, the City of Chicago. The current year's revenues of the Water Fund increased by \$548,000 due to the increased water rates charged by the Village. There was also an increase in costs due to the increase in charges by the City of Chicago.

### **Financial Analysis of the Village's Funds**

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

**Governmental Funds:** The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$1,995 thousand, a decrease of \$669 thousand in comparison with the prior year. The Village has seen increases in fines and fees due to modifications in the fee structure. Grants have declined due to the elimination of the Weed and Seed Grant. The Village has seen a flattening out of total expenditures with insurance costs declining in the current year due to modifications in the insurance structure.

# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2012

(Unaudited)

### General Fund Budgetary Highlights

The Village approves its budget in December prior to the beginning of the budget year. For the 2012 year, the budget was passed in December 2011 and no amendments were approved. In the current year, the Village has seen increases in its state revenues such as sales taxes, income taxes and telecommunication taxes. The Village has also seen an increase in fines and forfeitures to budget. The General Fund revenues came in at a surplus to budget of approximately \$214 thousand.

Actual expenditures exceeded budget by approximately \$376,000 thousand. The excess was due to underbudgeted salaries in the police department, excesses in pension contributions to IMRF, and excesses in salaries in the Fire Department. The Village did see some cost savings in liability and health insurance.

### Capital Assets and Debt Administration

#### Capital assets

By the end of 2012, the Village had compiled a total investment of \$9,479 thousand (\$3,308 thousand net of accumulated depreciation) in a broad range of capital assets. Total depreciation expense for the year was \$305,780. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

**Table 3**  
**Capital Assets (net of depreciation)**  
**(in thousands of dollars)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	2012	2011	2012	2011	2012	2011
Land	\$ 588	\$ 651	\$ 17	\$ 17	\$ 605	\$ 668
Buildings	746	599	22	23	768	622
Land improvements	40	45	-	-	40	45
Improvements other than buildings	-	-	265	230	265	230
Waterworks and reservoir system	-	-	103	116	103	116
Vehicles	711	595	-	-	711	595
Machinery	584	748	146	150	730	898
Total	<u>\$ 2,670</u>	<u>\$ 2,638</u>	<u>\$ 553</u>	<u>\$ 536</u>	<u>\$ 3,308</u>	<u>\$ 3,174</u>

# VILLAGE OF SUMMIT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2012

(Unaudited)

### Debt Administration

The debt administration discussion covers two types of debt reported by the Village's financial statements. The Village's long-term debt includes general obligation bonds, notes payable, capital leases, TIF Redevelopment Bonds, compensated absences and other post employment benefits. Overall, the Village's long-term debt report a total debt of \$6.24 million. The Village began the fiscal year with a balance of \$5.12 million in debt, reduced debt by \$307 thousand, and incurred \$1,475 thousand in debt, leaving a December 31, 2012 debt balance of \$6.24 million. More detailed information about debt administration can be found in Note 3 of the basic financial statements.

**Table 4**  
**Long-Term Debt**  
**(in thousands of dollars)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
General obligation bonds	\$ 442	\$ 616	\$ -	\$ -	\$ 1,092	\$ 616
TIF redevelopment bonds	650	-	-	-	\$ 1,092	\$ 1,092
Notes and other long-term liabilities	<u>4,651</u>	<u>4,067</u>	<u>499</u>	<u>437</u>	<u>5,150</u>	<u>4,504</u>
Total	<u>\$ 5,743</u>	<u>\$ 4,684</u>	<u>\$ 499</u>	<u>\$ 437</u>	<u>\$ 6,242</u>	<u>\$ 5,120</u>

### Factors Bearing on the Village's Future

The general economic conditions of southwestern Cook County and the Chicago Metropolitan statistical area are affected by the state and national economic downturn. The Village continues to work to improve the economic stability. In the current year, another Tax Increment Finance District was approved to go along with the Districts created in 2003 and 2011. This TIF is structured to clean up a contaminated area of town and create viable commercial activity.

The poor economic situation in the state has had drastic effects on the Village. Delays in the distribution of revenues such as income taxes and property taxes create cash flow strains on the Village. In addition, the continued erratic investment market causes the pension funds to require additional funding due to investment returns below the actuarial estimates.

### Requests for information

This financial report is designed to provide the Village's citizens, taxpayers, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Village:

Calene M. Zabinski  
Village Treasurer  
Village of Summit  
7321 W. 59<sup>th</sup> St.  
Summit, IL 60501

## **BASIC FINANCIAL STATEMENTS**

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

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

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 SUMMIT, ILLINOIS**

**Statement of Net Position  
December 31, 2012**

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**See Following Page**

VILLAGE OF SUMMIT, ILLINOIS

Statement of Net Position  
December 31, 2012

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments	\$ 2,299,321	1,014,258	3,313,579
Restricted Cash and Investments	122,278	-	122,278
<b>Receivables - Net</b>			
Taxes	4,427,716	-	4,427,716
Accounts	14,742	291,733	306,475
Due from Other Governments	307,500	-	307,500
Internal Balances	140,140	(140,140)	-
Total Current Assets	7,311,697	1,165,851	8,477,548
<b>Noncurrent Assets</b>			
<b>Capital Assets</b>			
Nondepreciable	588,120	17,117	605,237
Depreciable	6,318,891	2,554,736	8,873,627
Accumulated Depreciation	(4,237,222)	(2,017,998)	(6,255,220)
Total Noncurrent Assets	2,669,789	553,855	3,223,644
Total Assets	9,981,486	1,719,706	11,701,192

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

	Governmental Activities	Business- Type Activities	Total
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 935,956	185,713	1,121,669
Accrued Payroll	111,847	18,091	129,938
Payroll Liabilities	91,464	-	91,464
Deposits Payable	140,300	105,709	246,009
Other Payables	1,500	-	1,500
Current Portion of Long-Term Debt	311,474	8,223	319,697
<b>Total Current Liabilities</b>	<b>1,592,541</b>	<b>317,736</b>	<b>1,910,277</b>
<b>Noncurrent Liabilities</b>			
Compensated Absences Payable	210,551	32,893	243,444
Pension Obligation Payable	132,555	-	132,555
Net Other Post-Employment Benefit Payable	3,963,291	458,760	4,422,051
General Obligation Bonds Payable	272,065	-	272,065
TIF Redevelopment Bonds	650,000	-	650,000
Capital Leases Payable	203,843	-	203,843
<b>Total Noncurrent Liabilities</b>	<b>5,432,305</b>	<b>491,653</b>	<b>5,923,958</b>
<b>Total Liabilities</b>	<b>7,024,846</b>	<b>809,389</b>	<b>7,834,235</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	4,035,600	-	4,035,600
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>11,060,446</b>	<b>809,389</b>	<b>11,869,835</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,285,045	553,855	1,838,900
Restricted - Public Safety	288,626	-	288,626
Restricted - Community Development	1,830,044	-	1,830,044
Restricted - Debt Service	159,221	-	159,221
Unrestricted	(4,641,896)	356,462	(4,285,434)
<b>Total Net Position</b>	<b>(1,078,960)</b>	<b>910,317</b>	<b>(168,643)</b>

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

VILLAGE OF SUMMIT, ILLINOIS

Statement of Activities  
December 31, 2012

	Expenses	Program Revenues	
		Program Revenues	Operating Grants/ Contributions
<b>Governmental Activities</b>			
General Government	\$ 3,967,797	901,863	-
Public Safety	5,372,549	667,943	801,995
Public Works	1,075,341	520,344	-
Community Development	2,213,224	-	-
Interest on Long-Term Debt	50,889	-	-
Total Governmental Activities	12,679,800	2,090,150	801,995
<b>Business-Type Activities</b>			
Water	2,286,401	3,076,536	-
	14,966,201	5,166,686	801,995

- General Revenues
- Taxes
- Property Taxes
- Sales Taxes
- Local Use
- Utility Taxes
- Telecommunication Taxes
- Other Taxes
- Intergovernmental - Unrestricted
- Income Taxes
- Personal Property Taxes
- Interest Income
- Miscellaneous
- Transfers

- Change in Net Position
- Net Position - Beginning as Restated
- Net Position - Ending

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

Net Expense/Revenue		
Governmental Activities	Business Type Activities	Total
(3,065,934)	-	(3,065,934)
(3,902,611)	-	(3,902,611)
(554,997)	-	(554,997)
(2,213,224)	-	(2,213,224)
(50,889)	-	(50,889)
(9,787,655)	-	(9,787,655)
-	790,135	790,135
(9,787,655)	790,135	(8,997,520)
3,639,557	-	3,639,557
1,265,591	-	1,265,591
170,750	-	170,750
507,419	-	507,419
390,806	-	390,806
23,006	-	23,006
979,587	-	979,587
151,062	-	151,062
3,377	145	3,522
349,331	-	349,331
430,000	(430,000)	-
7,910,486	(429,855)	7,480,631
(1,877,169)	360,280	(1,516,889)
798,209	550,037	1,348,246
(1,078,960)	910,317	(168,643)

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

**VILLAGE OF SUMMIT, ILLINOIS**

**Balance Sheet - Governmental Funds  
December 31, 2012**

	General	Special Revenue 63rd Street and Archer Avenue TIF	Nonmajor Governmental Funds	Total
<b>ASSETS</b>				
Cash and Investments	\$ 443,595	1,056,059	799,667	2,299,321
Restricted Cash and Investments	-	-	122,278	122,278
Receivables - Net of Allowances				
Taxes	3,407,334	997,500	22,882	4,427,716
Accounts	14,742	-	-	14,742
Due from Other Governments	307,500	-	-	307,500
Due from Other Funds	595,055	1,134,297	11,207	1,740,559
<b>Total Assets</b>	<b>4,768,226</b>	<b>3,187,856</b>	<b>956,034</b>	<b>8,912,116</b>
<b>LIABILITIES</b>				
Accounts Payable	171,015	380,334	82,564	633,913
Accrued Payroll	111,847	-	-	111,847
Payroll Liabilities	91,464	-	-	91,464
Deposits Payable	140,300	-	-	140,300
Due to Other Funds	1,418,715	-	483,747	1,902,462
Other Payables	1,500	-	-	1,500
<b>Total Liabilities</b>	<b>1,934,841</b>	<b>380,334</b>	<b>566,311</b>	<b>2,881,486</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	3,038,100	997,500	-	4,035,600
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>4,972,941</b>	<b>1,377,834</b>	<b>566,311</b>	<b>6,917,086</b>
<b>FUND BALANCES</b>				
Restricted	-	1,810,022	467,869	2,277,891
Unassigned	(204,715)	-	(78,146)	(282,861)
<b>Total Fund Balances</b>	<b>(204,715)</b>	<b>1,810,022</b>	<b>389,723</b>	<b>1,995,030</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>4,768,226</b>	<b>3,187,856</b>	<b>956,034</b>	<b>8,912,116</b>

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

**VILLAGE OF SUMMIT, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to  
Net Position of Governmental Activities**

**December 31, 2012**

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<b>Total Governmental Fund Balances</b>	<b>\$ 1,995,030</b>
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Amounts reported for governmental activities in the Statement of Net Position  
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	2,669,789
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Certain Revenues are Deferred in the Fund Financial Statements because they are not Available but are Recognized as Revenues in the Government-Wide Financial Statements.	136,171
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Long-term liabilities are not due and payable in the current  
period and therefore are not reported in the funds.

Compensated Absences Payable	(263,189)
Net Other Post-Employment Benefit Payable	(3,963,291)
Net Pension Obligation	(132,555)
General Obligation Bonds Payable	(442,105)
Redevelopment Bonds	(650,000)
Capital Leases Payable	(292,639)

<b>Net Position of Governmental Activities</b>	<b><u>(942,789)</u></b>
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF SUMMIT, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
Year Ended December 31, 2012

	General	Special Revenue 63rd Street and Archer Avenue TIF	Nonmajor Governmental Funds	Total
<b>Revenues</b>				
Taxes	\$ 5,261,729	706,377	29,023	5,997,129
Intergovernmental	1,208,200	-	724,444	1,932,644
Charges for Services	109,822	-	113,809	223,631
Licenses and Permits	1,126,588	-	-	1,126,588
Fines and Forfeits	739,931	-	-	739,931
Interest	678	1,835	864	3,377
Miscellaneous	349,331	-	-	349,331
Total Revenues	8,796,279	708,212	868,140	10,372,631
<b>Expenditures</b>				
Current				
General Government	3,151,186	-	71,222	3,222,408
Public Safety	5,094,329	-	79,459	5,173,788
Public Works	818,674	-	210,191	1,028,865
Community Development	22,029	1,301,332	199,069	1,522,430
Capital Outlay	108,641	-	265,835	374,476
Debt Service				
Principal Retirement	146,146	-	122,761	268,907
Interest and Fiscal Charges	35,747	-	15,142	50,889
Total Expenditures	9,376,752	1,301,332	963,679	11,641,763
Excess (Deficiency) of Revenues Over (Under) Expenditures	(580,473)	(593,120)	(95,539)	(1,269,132)
<b>Other Financing Sources (Uses)</b>				
Disposal of Capital Assets	74,929	-	4,856	79,785
Debt Issuance	90,000	-	650,000	740,000
Payment to Bondholders	-	-	(650,000)	(650,000)
Transfers In	804,457	-	-	804,457
Transfers Out	-	(52,000)	(322,457)	(374,457)
	969,386	(52,000)	(317,601)	599,785
Net Change in Fund Balances	388,913	(645,120)	(413,140)	(669,347)
Fund Balances - Beginning as Restated	(593,628)	2,455,142	802,863	2,664,377
Fund Balances - Ending	(204,715)	1,810,022	389,723	1,995,030

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

VILLAGE OF SUMMIT, ILLINOIS

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

Year Ended December 31, 2012

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Net Change in Fund Balances - Total Governmental Funds \$ (669,347)

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	280,833
Depreciation Expense	(221,235)

The net effect of various miscellaneous transactions involving capital assets  
is to decrease net position.

Disposals - Cost	(26,936)
Disposals - Accumulated Depreciation	-

Revenues not Collected as of the Year End are not Considered as "Available" Revenues in the  
Governmental Funds. These are the Amounts that were not Considered Available  
in the Current Year. (136,171)

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.

Decrease in Compensated Absences Payable	1,035
Increase in Net Other Post-Employment Benefit Obligation Payable	(601,621)
Increase in Net Pension Obligation	(32,634)
Retirement of General Obligation Bonds Payable	173,477
Retirement of Capital Leases	95,430
Issuance of Debt	<u>(740,000)</u>

Changes in Net Position of Governmental Activities (1,877,169)

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

VILLAGE OF SUMMIT, ILLINOIS

Statement of Net Position - Proprietary Fund (Business-Type Activities) - Water Fund  
December 31, 2012

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ASSETS

Current Assets	
Cash and Investments	\$ 1,014,258
Receivables - Net of Allowances	
Accounts	291,733
Total Current Assets	<u>1,305,991</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	17,117
Depreciable	2,554,736
Accumulated Depreciation	(2,017,998)
Total Noncurrent Assets	<u>553,855</u>
Total Assets	<u>1,859,846</u>

LIABILITIES

Current Liabilities	
Accounts Payable	185,713
Accrued Payroll	18,091
Deposits Payable	105,709
Due to Other Funds	140,140
Compensated Absences Payable	8,223
Total Current Liabilities	<u>457,876</u>
Noncurrent Liabilities	
Compensated Absences Payable	32,893
Net Other Post-Employment Benefit Payable	458,760
Total Noncurrent Liabilities	<u>491,653</u>
Total Liabilities	<u>949,529</u>

NET POSITION

Investment in Capital Assets	553,855
Unrestricted	<u>356,462</u>
Total Net Position	<u>910,317</u>

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

VILLAGE OF SUMMIT, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund  
(Business-Type Activities) - Water Fund

Year Ended December 31, 2012

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Operating Revenues	
Charges for Services	\$ 3,072,994
Miscellaneous	3,542
Total Operating Revenues	<u>3,076,536</u>
Operating Expenses	
Operations	2,200,824
Depreciation	84,545
Total Operating Expenses	<u>2,285,369</u>
Operating Income	<u>791,167</u>
Nonoperating Revenues (Expenses)	
Interest Income	145
Interest and Fiscal Charges	(1,032)
	<u>(887)</u>
Income Before Transfers	790,280
Transfers Out	<u>(430,000)</u>
Change in Net Position	360,280
Net Position - Beginning	<u>550,037</u>
Net Position - Ending	<u>910,317</u>

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

**VILLAGE OF SUMMIT, ILLINOIS**

**Statement of Cash Flows - Proprietary Fund (Business-Type Activities) - Water Fund  
Year Ended December 31, 2012**

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Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 3,016,265
Payments to Employees	(845,074)
Payments to Suppliers	(1,156,506)
	<u>1,014,685</u>
Cash Flows from Noncapital Financing Activities	
Transfer Out	<u>(430,000)</u>
Cash Flows from Capital and Related Financing activities	
Purchase of Capital Assets	(101,899)
Principal on Capital Debt	(21,723)
Interest on Capital Debt	(1,032)
	<u>(124,654)</u>
Cash Flows from Investing Activities	
Interest Received	<u>145</u>
Net Change in Cash and Cash Equivalents	460,176
Cash and Cash Equivalents - Beginning	<u>554,082</u>
Cash and Cash Equivalents - Ending	<u><u>1,014,258</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	<u>791,167</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation Expense	84,545
(Increase) Decrease in Current Assets	(60,271)
Increase (Decrease) in Current Liabilities	<u>199,244</u>
Net Cash Provided by Operating Activities	<u><u>1,014,685</u></u>

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

**VILLAGE OF SUMMIT, ILLINOIS**

**Statement of Fiduciary Net Position  
December 31, 2012**

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	<u>Pension Trust Police Pension</u>	<u>Agency Fund SSA #5</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 210,269	-
Investments		
U.S. Government and Agency Securities	3,072,060	-
Annuities	2,546,909	-
Mutual Funds	1,391,320	-
Accrued Interest	33,734	-
Due from Other Funds	<u>302,043</u>	<u>64,619</u>
Total Assets	7,556,335	64,619
<b>LIABILITIES</b>		
Due to Bondholders	<u>-</u>	<u>64,619</u>
<b>NET POSITION</b>		
Held in Trust for Pension Benefits	<u><u>7,556,335</u></u>	<u>-</u>

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

VILLAGE OF SUMMIT, ILLINOIS

Statement of Changes in Fiduciary Net Position  
Year Ended December 31, 2012

	Pension Trust
<b>Additions</b>	
Contributions - Employer	\$ 652,565
Contributions - Plan Members	210,760
Total Contributions	<u>863,325</u>
<b>Investment Income</b>	
Interest Earned	202,076
Net Change in Fair Value	213,916
	<u>415,992</u>
Less Investment Expenses	<u>(3,237)</u>
Net Investment Income	<u>412,755</u>
Total Additions	<u>1,276,080</u>
<b>Deductions</b>	
Administration	30,884
Benefits and Refunds	903,982
Total Deductions	<u>934,866</u>
Change in Net Position	341,214
<b>Net Position Held in Trust for Pension Benefits</b>	
Net Position - Beginning	<u>7,215,121</u>
Net Position - Ending	<u><u>7,556,335</u></u>

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

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Summit, Illinois, was incorporated in 1890. The Village is a non home-rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The Village operates under a President-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning 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). 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 Summit
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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. Based upon the criteria set forth in the GASB Statement No. 39, there are no component units included in the reporting entity.

#### 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 fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

## VILLAGE OF SUMMIT, ILLINOIS

### Notes to the Financial Statements December 31, 2012

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### 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 services are classified as business-type activities.

In the government-wide Statement of Net Position, 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/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

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, public works, 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 allocates indirect costs to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid through the General Fund.

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

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### 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/deferred outflows, liabilities/deferred inflows, 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.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, 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/deferred outflows, liabilities/deferred inflows, 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

Total assets/deferred outflows, liabilities/deferred inflows, 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.

## VILLAGE OF SUMMIT, ILLINOIS

### Notes to the Financial Statements December 31, 2012

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

##### Governmental Funds – Continued

**Special revenue funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major and six nonmajor special revenue funds. The 63<sup>rd</sup> Street and Archer Avenue TIF Fund, a major fund, accounts for incremental real estate and sales tax revenues received from the Village's Tax Increment Financing District that are to be used for the debt service payments on bonds issued to provide redevelopment of sites and improve their contributions to the Village and its surrounding area. The 63<sup>rd</sup> Street and Archer Avenue TIF Fund reports property taxes as the major revenue source for the fund, which is restricted to community development programs administered by the Fund.

**Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one nonmajor debt service 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 one nonmajor capital projects funds.

##### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, 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:

**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 Fund, which is used to account for the operations of the water distribution system. 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.

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

##### 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 position and changes in net position 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 SSA #5 fund is used to account for assets held by the Village in a trustee capacity as an agent for individuals for future debt payment related to the Special Service Area.

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.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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.

##### Measurement Focus

On the government-wide Statement of Net Position 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/deferred outflows and liabilities/deferred inflows 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.

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Measurement Focus – Continued

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 position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

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 Position 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/deferred inflows is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows 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. 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.

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### **Basis of Accounting – Continued**

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/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY**

##### **Cash and Investments**

Cash and cash equivalents on the Statement of Net Position 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.

##### **Restricted Cash and Investments**

Certain proceeds of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by bond covenants.

##### **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.

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued**

**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 occur 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.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$2,000 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.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis 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:

Land Improvements	20 Years
Buildings	40 – 50 Years
Machinery and Equipment	5 – 20 Years
Vehicles	8 – 30 Years
Improvements Other than Buildings	30 Years
Waterworks and Reservoir System	70 Years

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

##### 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 Position. Bond premiums and discounts 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 expenditures/expenses at the time of issuance.

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.

## VILLAGE OF SUMMIT, ILLINOIS

### Notes to the Financial Statements December 31, 2012

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

##### Net Position

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

Net Investment in Capital Assets – 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 – Consists of net position 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 – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

#### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

##### BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the Board of Trustees. All annual appropriations lapse a fiscal year end.

Prior to December 31, the Village Clerk submits to the Village Board a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. The Village budgets for all funds except the Police Pension Fund, the SSA #5 Capital Projects Fund, the Bond and Interest Fund, the 63rd Place TIF Fund, the Drug Fund, and the Community Development Fund.

The Village is authorized to change budgeted amounts within any fund; however, any revision must be approved by two-thirds of the members of the Village Board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level. The appropriated budget is prepared by fund, function and department. The Village Administrator is authorized to transfer budget amounts between departments within any fund; however, the Village Board must approve revisions that alter the total expenditures of any fund.

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued**

**EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS**

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

<u>Fund</u>	<u>Excess</u>
General	\$ 375,873
63rd Street and Archer Avenue TIF	199,632
911 ETS	18,913
Motor Fuel Tax	123,368
59th Street TIF	14,480

**DEFICIT FUND EQUITY**

The following funds had deficit fund equity as of the date of this report:

<u>Fund</u>	<u>Deficit</u>
General	\$ 204,715
Community Development	31,355
Motor Fuel Tax	28,215
63rd Place TIF	18,576

**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.

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.

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS – Continued

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.

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

*Deposits.* At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$2,988,502 and the bank balances totaled \$3,061,786. In addition, the Village had \$447,355 invested in the Illinois Funds at year-end.

*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 seeks to minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and investing operating funds in primarily short-term securities, money market mutual funds, or similar investment pools. The policy requires the Village's investment portfolio to be sufficiently liquid to enable the Village to meet all operating requirements as they come due. The Village's investment in the Illinois Funds has a maturity of less than one year.

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*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 states that investments are to be limited to the safest types of securities. Additionally, the Village's investment in the Illinois Funds is 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 investment policy does not address custodial credit risk for deposits. At year-end, \$1,971,384 of the Village's total bank balances were not fully collateralized or insured.

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 does not specifically address custodial credit risk for investments. At year-end, the Village's investment in the Illinois Funds, managed by the Illinois State Treasurer, is noncategorizable.

*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 addresses this risk by limiting investments to avoid overconcentration in securities from a specific issuer, limiting investment in securities that have higher credit risks, investing in securities with varying maturities and continually investing a portion of the portfolio in readily available funds. At year-end, the Village's investment in the Illinois Fund is over 5 percent of the total cash and investment portfolio.

**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 \$210,269 and the bank balances totaled \$186,694.

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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

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

	Investment Maturities (in Years)				
	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. Treasury Bonds	\$ 63,367	-	63,367	-	-
U.S. Treasury Notes	51,399	-	-	51,399	-
Federal Farm Credit Bureau	805,276	103,433	333,432	368,411	-
Federal National Mortgage Assoc.	905,518	290,807	378,367	236,344	-
Federal Home Loan Bank	896,477	52,502	615,780	228,195	-
Federal Home Loan Mortgage Corp	84,173	-	84,173	-	-
Farmer Mac	54,942	-	54,942	-	-
Tennessee Valley Authority	11,792	-	-	11,792	-
Financing Corp	108,547	-	-	108,547	-
International Bank for Reconstruction	90,569	-	90,569	-	-
Annuities	2,546,909	2,546,909	-	-	-
Mutual Funds	1,391,320	1,391,320	-	-	-
	7,010,289	4,384,971	1,620,630	1,004,688	-

The Pension Fund assumes any callable securities will not be called.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund’s investment policy seeks to ensure preservation of capital in the Fund’s overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy requires the Fund’s investment portfolio to be sufficiently liquid to enable the Fund to meet all operating requirements as they come due.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund’s investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds. The Fund’s investments in U.S. Agency securities were all rated AAA by Standard & Poor’s.

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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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

*Custodial Credit Risk – Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy for deposits requires the entire amount of the balance of the deposits with financial institutions to be covered by federal deposit insurance. The Fund's investment policy does not specifically address custodial credit risk for investments. At year-end the entire amount of the bank balance of deposits is covered by collateral, federal depository or equivalent insurance.

*Custodial Credit Risk – Investments.* For an investment, this is the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds are not subject to custodial credit risk disclosures. Consistent with the Fund's investment policy at year-end, the U.S. Government Securities are categorized as uninsured and unregistered for which the securities are held by the counterparty.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund investment policy "allows for diversity so as to not adversely affect the portfolio." At year-end, the Police Pension Fund had over 5 percent of plan net position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Genworth Retiready Extra VA of \$734,146, Pacific Life of \$617,657, and Prudential Premier B Series of \$641,461. Although agency investments represent a large portion of the portfolio, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

The Pension Board has diversified its equity mutual fund holdings as follows:

<u>Insurance Contracts</u>	<u>Fair Value</u>
AXA Equitable	\$ 401,259
GE Life Annuity	886,532
Pacific Life Annuity	617,657
Prudential Life Annuity	641,461
Total	<u>2,546,909</u>

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### 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

The Pension Board has diversified its insurance contract holdings as follows:

<u>Equity Mutual Funds</u>	<u>Fair Value</u>
Allianceber Global Bond A	\$ 200,965
Allianceber High Income A	198,080
Bond Fund of America A	58,130
Fidel Avance Floating High Income C	46,349
Henderson Global Equity Income A	106,219
John Hancock Strategic Income C	51,494
JP Morgan Strategic Income A	44,136
Lord Abbett Bond A	229,091
Principal Preferred SEC A	77,578
Prudential Corporate Bond A	84,403
Virtus Multi-Sector	82,806
Virtus Senior Floating Rate A	<u>212,069</u>
Total	<u><u>1,391,320</u></u>

#### PROPERTY TAXES

Property taxes for 2012 attach as an enforceable lien on January 1, 2012, 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 Cook County and are payable in two installments, on or about March 1, 2013 and September 1, 2013. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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
<b>Nondepreciable Capital Assets</b>				
Land	\$ 650,745	-	62,625	588,120
<b>Depreciable Capital Assets</b>				
Land Improvements	98,868	-	-	98,868
Buildings	1,241,481	174,898	-	1,416,379
Machinery and Equipment	1,958,915	90,000	-	2,048,915
Vehicles	2,703,105	78,560	26,936	2,754,729
	<u>6,002,369</u>	<u>343,458</u>	<u>26,936</u>	<u>6,318,891</u>
<b>Less Accumulated Depreciation</b>				
Land Improvements	54,102	4,425	-	58,527
Buildings	642,833	27,860	-	670,693
Machinery and Equipment	1,364,117	100,550	-	1,464,667
Vehicles	1,954,935	88,400	-	2,043,335
	<u>4,015,987</u>	<u>221,235</u>	<u>-</u>	<u>4,237,222</u>
Total Net Depreciable Capital Assets	<u>1,986,382</u>	<u>122,223</u>	<u>26,936</u>	<u>2,081,669</u>
Total Net Capital Assets	<u>2,637,127</u>	<u>122,223</u>	<u>89,561</u>	<u>2,669,789</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 8,632
Public Safety	166,127
Public Works	46,476
	<u>221,235</u>

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 17,117	-	-	17,117
Depreciable Capital Assets				
Buildings	40,116	-	-	40,116
Improvements Other than Buildings	778,917	67,744	-	846,661
Waterworks and Reservoir System	1,011,968	-	-	1,011,968
Machinery and Equipment	621,836	34,155	-	655,991
	<u>2,452,837</u>	<u>101,899</u>	<u>-</u>	<u>2,554,736</u>
Less Accumulated Depreciation				
Buildings	17,361	494	-	17,855
Improvements Other than Buildings	549,098	32,162	-	581,260
Waterworks and Reservoir System	895,522	13,860	-	909,382
Machinery and Equipment	471,472	38,029	-	509,501
	<u>1,933,453</u>	<u>84,545</u>	<u>-</u>	<u>2,017,998</u>
Total Net Depreciable Capital Assets	<u>519,384</u>	<u>17,354</u>	<u>-</u>	<u>536,738</u>
Total Net Capital Assets	<u>536,501</u>	<u>17,354</u>	<u>-</u>	<u>553,855</u>

Depreciation expense was charged to business-type activities as follows:

Water	<u>\$ 84,545</u>
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VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report, are as follows:

Receivable Fund	Payable Fund	Amount
General	Water	\$ 140,140
General	Nonmajor Governmental	454,915
63rd Street and Archer Avenue TIF	General	1,116,672
63rd Street and Archer Avenue TIF	Nonmajor Governmental	17,625
Police Pension	General	302,043
Nonmajor Governmental	Nonmajor Governmental	<u>11,207</u>
		<u>2,042,602</u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	63rd Street and Archer Avenue TIF	\$ 52,000
General	Nonmajor Governmental	322,457
General	Water	<u>430,000</u>
		<u>804,457</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT**

**Notes Payable**

The Village enters into notes payable to provide funds for acquisition of capital assets. Notes payable have been issued for the business-type activities. Notes payable are direct obligations and pledge the full faith and credit of the Village. Notes payable currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$99,200 Notes Payable of 2007, due in annual installments of \$18,043 to \$21,723 plus interest at a rate of 4.75% through December 18, 2012.	\$ 21,723	-	21,723	-

**General Obligation/Alternate Revenue Bonds/Notes**

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$700,000 General Obligation Bonds of 2004, due in annual installments of \$13,000 to \$110,000 plus interest at a rate of 3.40% through December 1, 2012.	\$ 13,000	-	13,000	-
\$400,000 General Obligation (Alternate Revenue) Bonds of 2007, due in annual installments of \$60,000 to \$74,000 plus interest at a rate of 5.75% through October 1, 2013.	145,000	-	71,000	74,000

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**General Obligation/Alternate Revenue Bonds/Notes – Continued**

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$500,000 General Obligation (Senior Lien) Note of 2011, due in monthly installments of \$9,666 including interest at a rate of 6.00% through June 1, 2016.	\$ 457,582	-	89,477	368,105
	<u>615,582</u>	<u>-</u>	<u>173,477</u>	<u>442,105</u>

**TIF Redevelopment Bonds**

The Village issues TIF redevelopment bonds to provide funds for TIF improvement and development costs. TIF redevelopment bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$650,000 Tax Increment Redevelopment Bonds of 2012, due in annual installments as incremental taxes are collected including interest at a rate of 4.90% through February 1, 2032.	-	650,000	-	650,000
	<u>-</u>	<u>650,000</u>	<u>-</u>	<u>650,000</u>

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Capital Leases Payable

The future minimum lease payments and the net present value of these minimum lease payments are as follows:

Year Ending December 31	Governmental Activities
2013	\$ 101,241
2014	90,852
2015	77,371
2016	44,365
2017	4,762
	<u>318,591</u>
Interest Portion	<u>(25,952)</u>
Principal Balance	<u><u>292,639</u></u>

The Village has entered into four separate lease agreements as lessee for financing the acquisition of E911 telephone system, street sweeper, motor grader and ambulance. Capital assets of \$145,079 have been added to machinery and equipment in the E911 Fund, \$90,000 and \$159,114 have been added to vehicles in the General Fund, and \$170,000 was added to vehicles in the Motor Fuel Tax Fund. These lease agreements qualify as capital leases for accounting purposes and; therefore, have been recorded at the present value of the future minimum lease payments as of the inception date.

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

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
<b>Governmental Activities</b>					
Compensated Absences	\$ 264,224	1,035	2,070	263,189	52,638
Net Pension Obligation	99,921	32,634	-	132,555	-
Net Other Post-Employment Benefit Plan	3,361,670	601,621	-	3,963,291	-
General Obligation Bonds	615,582	-	173,477	442,105	170,040
TIF Redevelopment Bonds	-	650,000	-	650,000	-
Capital Leases	298,069	90,000	95,430	292,639	88,796
	<u>4,639,466</u>	<u>1,375,290</u>	<u>270,977</u>	<u>5,743,779</u>	<u>311,474</u>
<b>Business-Type Activities</b>					
Compensated Absences	26,436	29,360	14,680	41,116	8,223
Net Other Post-Employment Benefit Plan	389,121	69,639	-	458,760	-
Notes Payable	21,723	-	21,723	-	-
	<u>437,280</u>	<u>98,999</u>	<u>36,403</u>	<u>499,876</u>	<u>8,223</u>

Compensated absences and the net other post-employment benefit plan are generally liquidated by the General and Water Funds. Payments on the general obligation bonds, TIF redevelopment bonds and capital leases are made by the General, Debt Service, 63<sup>rd</sup> Place TIF, Motor Fuel Tax, and 911 ETS Funds. The Water Fund makes payments on the notes payable.

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Debt Service Requirements to Maturity**

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

Fiscal Year Ending Dec. 31	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2013	\$ 170,040	27,307
2014	103,086	16,005
2015	110,648	8,443
2016	58,331	1,214
Total	442,105	52,969

TIF Redevelopment Bonds are not included in the above Debt Service Requirements to Maturity chart, since payments are only made when incremental revenue is received by the Village.

**Non-Commitment Debt**

As of December 31, 2012, the Village had special assessment vouchers payable outstanding for assessment number 106 in the amount of \$11,000 at 9.00% and for assessment number 107 in the amount of \$4,200 at 8.00%. Although the vouchers have no due date they are to be paid over a ten year period from special assessment collections. At December 31, 2012, there were insufficient funds available in the special assessment accounts to pay the vouchers. As the Village has no legal obligation to use other resources to retire the debt, they are not recorded as long-term liability.

As of December 31, 2012, the Village had special service area vouchers payable outstanding for special service area number 5 in the amount of \$158,000 at 6.50%. The vouchers are due in annual installment with a final maturity on December 23, 2018. As the Village has no legal obligation to use other resources to retire the debt, they are not recorded as long-term liability.

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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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 - 2011	<u>\$ 159,668,771</u>
Legal Debt Limit - 8.625% of Assessed Value	13,771,431
Amount of Debt Applicable to Limit	
General Obligation Bonds	<u>(442,105)</u>
Legal Debt Margin	<u>13,329,326</u>

FUND BALANCE/NET POSITION

Fund Balance/Net Position Classifications

Net investment in capital assets was comprised of the following as of December 31, 2012:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 2,669,789
Less Capital Related Debt:	
General Obligation Bonds	(442,105)
Capital Leases Payable	<u>(292,639)</u>
Net Investment in Capital Assets	<u>1,935,045</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	553,855
Less Capital Related Debt:	<u>-</u>
Net Investment in Capital Assets	<u>553,855</u>

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**FUND BALANCE/NET POSITION – Continued**

**Fund Balance/Net Position Classifications – Continued**

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	63rd Street and Archer Avenue TIF	Nonmajor Funds	Total
<b>Restricted</b>				
Public Safety	\$ -	-	288,626	288,626
Community Development	-	1,810,022	20,022	1,830,044
Debt Service	-	-	159,221	159,221
<b>Total Restricted</b>	<b>-</b>	<b>1,810,022</b>	<b>467,869</b>	<b>2,277,891</b>
<b>Unassigned</b>	<b>(204,715)</b>	<b>-</b>	<b>(78,146)</b>	<b>(282,861)</b>
<b>Total Fund Balances</b>	<b>(204,715)</b>	<b>1,810,022</b>	<b>389,723</b>	<b>1,995,030</b>

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

**Fund Balance/Net Position Restatement**

The Village has restated its financial statements for the General Fund due to an accounting error in recognizing current year expenses which were recorded incorrectly in prior year and in governmental activities due to an error in the recording of a principal payment in prior year. The following is a summary of the balances as originally reported and as restated:

Fund Balance/Net Position	As Reported	As Restated	(Decrease)
General Fund	\$ (562,095)	(593,628)	(31,533)
Governmental Activities	785,514	798,209	12,695

## VILLAGE OF SUMMIT, ILLINOIS

### Notes to the Financial Statements December 31, 2012

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#### 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 insurance from private insurance companies.

The Village currently reports all its risk management activities in the General Fund. 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.

##### 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.

##### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF) and the Sheriff's Law Enforcement Program (SLEP), which are both defined benefit agent multiple-employer public employee retirement systems administered by the IMRF, and the Police Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and may be obtained by writing to the Village at 7321 W. 59<sup>th</sup> Street, Summit, IL 60501. IMRF and SLEP 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 on-line at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

# VILLAGE OF SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Plan Descriptions, Provisions and Funding Policies

##### Illinois Municipal Retirement System

All employees (other than those covered by the Police and Firefighters' Pension plans) 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 City is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution rate for 2012 used by the employer was 10.33 percent and annual required contribution rate for calendar year 2012 was 12.27 percent.

##### Sheriff's Law Enforcement Personnel

Sheriff's Law Enforcement Program (SLEP), having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earning rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits.

These benefit provisions and all other requirements are established by State statutes. SLEP members are required to contribute 7.50% of their annual salary to SLEP. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution rate for 2012 used by the employer was 16.78 percent and annual required contribution rate for calendar year 2012 was 18.60 percent.

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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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 full-time 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 December 31, 2011, the date of the most recent actuarial valuation, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	23
Current Employees Vested and Nonvested	<u>27</u>
	<u>50</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 SUMMIT, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – 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

At year-end, the Police Pension Fund had over 5 percent of plan net position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Genworth Retiready Extra VA of \$734,146, Pacific Life of \$617,657, and Prudential Premier B Series of \$641,461.

##### Related Party Transactions

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

VILLAGE OF SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation

For Police Pension Plan, the net pension obligation and its components cannot be determined because the actuarial valuation as performed does not include a net pension obligation component. For this reason, a qualified opinion with regards to the net pension obligation and its components has been issued. The amount of the pension liability for the IMRF and SLEP plans are as follows:

	IMRF	SLEP	Total
Annual Required Contribution	\$ 207,088	18,442	225,530
Interest on the NPO	6,986	211	7,197
Adjustment to the ARC	(4,994)	(4,116)	(9,110)
Annual Pension Cost	209,080	14,537	223,617
Actual Contribution	(174,345)	(16,638)	(190,983)
Increase (Decrease) in the NPO	34,735	(2,101)	32,634
NPO Beginning of Year	93,145	6,776	99,921
NPO End of Year	127,880	4,675	132,555

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Annual Pension Cost and Net Pension Obligation – Continued**

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

	Illinois Municipal Retirement	Sheriffs Law Enforcement Program	Police Pension
Contribution Rates			
Employer	10.33%	16.78%	51.47%
Employee	4.50%	7.50%	9.91%
Actuarial Valuation Date	12/31/2012	12/31/2012	12/31/2011
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	30 Years	29 Years
Asset Valuation Method	5-Year Smoothed Market	5-Year Smoothed Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.50% Compounded Annually	6.50% Compounded Annually
Projected Salary Increases	0.4% to 10.0%	0.4% to 10.0%	4.0% to 11%
Inflation Rate Included	4.00%	4.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	1.25%

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**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 APC and the contributions actually made.

	Fiscal Year	Illinois Municipal Retirement	Sheriff's Law Enforcement Program	Police Pension
Annual Pension Cost (APC)	2010	\$ 197,378	\$ 17,440	\$ 839,451
	2011	202,994	21,453	1,486,169
	2012	209,080	14,537	1,161,210
Actual Contributions	2010	\$ 146,958	\$ 13,618	\$ 501,600
	2011	160,269	14,677	517,762
	2012	174,345	16,638	652,565
Percentage of APC Contributed	2010	74.46%	78.08%	59.75%
	2011	78.95%	68.41%	34.84%
	2012	83.39%	114.45%	56.20%
Net Pension Obligation	2010	\$ 50,420	\$ -	\$ *
	2011	93,145	6,776	*
	2012	127,880	4,675	*

\*Information for these years is not available.

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

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**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 the each plan is as follows:

	<u>Illinois Municipal Retirement</u>	<u>Sheriff's Law Enforcement Program</u>	<u>Police Pension</u>
Actuarial Valuation Date	12/31/2012	12/31/2012	12/31/2011
Percent Funded	74.58%	45.53%	32.00%
Actuarial Accrued Liability for Benefits	\$5,029,465	\$225,587	\$24,112,975
Actuarial Value of Assets	\$3,751,009	\$102,703	\$7,604,848
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$1,278,456)	(\$122,884)	(\$16,508,127)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$1,687,757	\$99,151	\$2,256,158
Ratio of UAAL to Covered Payroll	75.75%	123.94%	731.69%

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 SUMMIT, ILLINOIS

Notes to the Financial Statements  
December 31, 2012

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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 health 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 December 31, 2012, retirees did not contribute anything to the plan. Active employees do not contribute to the post-employment health insurance or alternate OPEB plan until retirement.

At December 31, 2011, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	37
Active Employees	<u>52</u>
Total	<u>89</u>
Participating Employers	1

The Village does not currently have a funding policy for the implicit cost of OPEB.

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

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**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Annual OPEB Costs and Net OPEB Obligation**

The net OPEB obligation (NOPEBO) as of December 31, 2012, was actuarially calculated as follows:

Annual Required Contribution	\$ 1,515,391
Interest on the NOPEBO	165,248
Adjustment to the ARC	<u>(528,449)</u>
Annual OPEB Cost	1,152,190
Actual Contribution	<u>480,930</u>
Increase in the NOPEBO	671,260
NOPEBO - Beginning of Year	<u>3,750,791</u>
NOPEBO - End of Year	<u><u>4,422,051</u></u>

**Trend Information**

The Village'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 Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 1,879,557	\$ 628,624	33.45%	\$ 2,383,000
2011	2,040,419	672,628	32.97%	3,750,791
2012	1,152,190	480,930	41.74%	4,422,051

**VILLAGE OF SUMMIT, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2012**

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**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Funded Status and Funding Progress**

The funded status of the plan as of December 31, 2011, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 15,940,159
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	15,940,159
Funded Ratio (Actuarial Value of Plan Assets/AAL)	-
Covered Payroll (Active Plan Members)	3,388,594
UAAL as a Percentage of Covered Payroll	470.41%

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 December 31, 2011 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of a 2.5% inflation assumption), and an annual initial healthcare cost trend rate of 9.0%, with an ultimate rate of 5.0%. 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 a closed basis. The remaining amortization period at December 31, 2012, was 27 years.



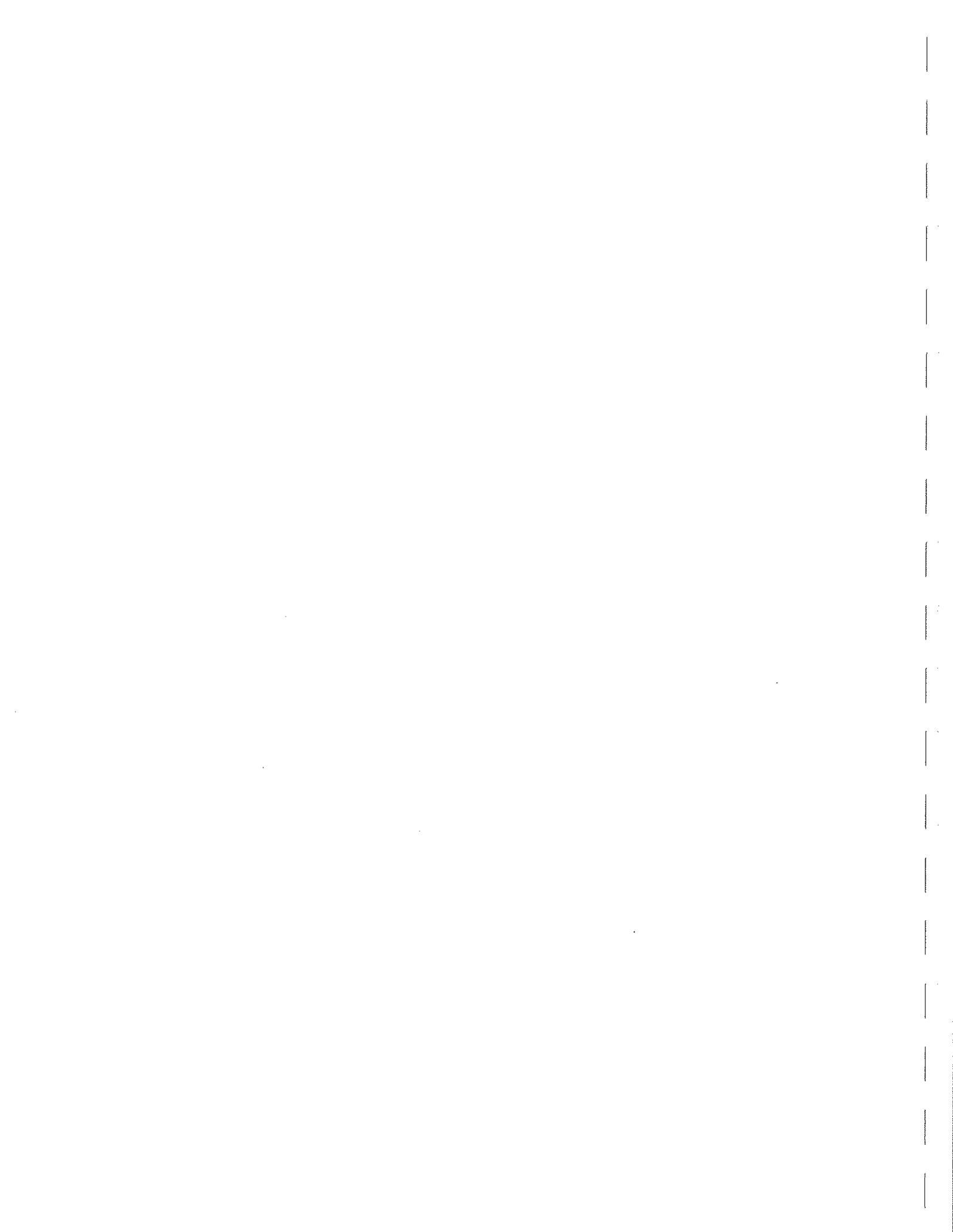
## REQUIRED SUPPLEMENTARY INFORMATION

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:

- Schedule of Funding Progress and Employer Contributions
  - Illinois Municipal Retirement Fund
  - Sheriff's Law Enforcement Program
  - Police Pension Fund
  - Other Post-Employment Benefit Plan
  
- Budgetary Comparison Schedules
  - General Fund
  - 63<sup>rd</sup> Street and Archer Avenue TIF – Special Revenue Fund

### Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.



**VILLAGE OF SUMMIT, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Funding Progress and Employer Contributions  
December 31, 2012**

**Schedule of 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)
2007	\$ 4,602,187	\$ 4,265,369	107.90%	\$ (336,818)	\$ 1,629,885	(20.67)%
2008	3,772,778	4,650,741	81.12%	877,963	1,707,104	51.43%
2009	3,952,742	5,063,944	78.06%	1,111,202	1,804,040	61.60%
2010	3,796,113	4,954,865	76.61%	1,158,752	1,720,822	67.34%
2011	4,093,055	5,248,039	77.99%	1,154,984	1,706,806	67.67%
2012	3,751,009	5,029,465	74.58%	1,278,456	1,687,757	75.75%

**Employer Contributions**

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 127,946	\$ 127,946	100.00%
2008	130,423	130,423	100.00%
2009	128,808	128,808	100.00%
2010	146,958	197,378	74.46%
2011	160,269	201,915	79.37%
2012	174,345	207,088	84.19%

**VILLAGE OF SUMMIT, ILLINOIS**

**Sheriff's Law Enforcement Program**

**Required Supplementary Information  
Schedule of Funding Progress and Employer Contributions  
December 31, 2012**

**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)
2007	\$ -	\$ -	0.00%	\$ -	\$ -	N/A
2008	-	-	0.00%	-	-	N/A
2009	-	-	0.00%	-	-	N/A
2010	52,347	156,857	33.37%	104,510	98,256	106.37%
2011	75,110	189,091	39.72%	113,981	96,242	118.43%
2012	102,703	225,587	45.53%	122,884	99,151	123.94%

**Employer Contributions**

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ -	\$ -	100.00%
2008	-	-	100.00%
2009	-	-	100.00%
2010	13,618	17,440	78.08%
2011	14,677	17,487	83.93%
2012	16,638	18,442	90.22%

VILLAGE OF SUMMIT, ILLINOIS

Police Pension Fund

Required Supplementary Information  
 Schedule of Funding Progress and Employer Contributions  
 December 31, 2012

Schedule of 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 Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2006	\$ 7,441,003	\$ 18,094,109	41.12%	\$ 10,653,106	\$ 1,839,302	579.19%
2007	7,853,602	19,525,172	40.22%	11,671,570	2,691,065	433.72%
2008	6,643,359	21,253,580	31.26%	14,610,221	2,290,184	637.95%
2009	7,247,737	23,916,044	30.30%	16,668,307	2,320,336	718.36%
2010	7,379,163	23,361,302	31.59%	15,982,139	2,320,335	688.79%
2011	7,604,848	24,112,975	31.54%	16,508,127	2,256,158	731.69%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 485,853	\$ 816,835	59.48%
2008	562,017	769,992	72.99%
2009	576,023	838,340	68.71%
2010	501,600	839,451	59.75%
2011	517,762	1,486,169	34.84%
2012	652,565	1,161,210	56.20%

**VILLAGE OF SUMMIT, ILLINOIS**

**Other Post-Employment Benefit Plan**

**Required Supplementary Information  
Schedule of Funding Progress and Employer Contributions  
December 31, 2012**

**Schedule of 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)
December 31						
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	-	18,975,326	0.00%	18,975,326	3,999,847	474.40%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	15,940,159	0.00%	15,940,159	3,388,594	470.41%
2012	N/A	N/A	N/A	N/A	N/A	N/A

**Employer Contributions**

Fiscal Year	Employer Contributions	Annual Required Contributions	Percent Contributed
2007	\$ N/A	\$ N/A	N/A
2008	N/A	N/A	N/A
2009	582,059	1,714,126	33.96%
2010	628,624	1,851,256	33.96%
2011	672,628	1,980,844	33.96%
2012	480,930	1,515,391	31.74%

The Village implemented GASB Statement No. 45 for the fiscal year ended December 31, 2009. Information for prior years is not available. The Village is required to have an actuarial valuation performed triennially.

VILLAGE OF SUMMIT, ILLINOIS

General Fund

Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Taxes	\$ 5,237,000	5,227,000	5,261,729
Intergovernmental	996,000	996,000	1,208,200
Charges for Services	120,000	120,000	109,822
Licenses and Permits	1,224,300	1,224,300	1,126,588
Fines and Forfeits	576,500	576,500	739,931
Interest	1,500	1,500	678
Miscellaneous	437,300	437,300	349,331
<b>Total Revenues</b>	<b>8,592,600</b>	<b>8,582,600</b>	<b>8,796,279</b>
<b>Expenditures</b>			
<b>Current</b>			
General Government	3,518,048	3,518,048	3,151,186
Public Safety	4,646,157	4,646,157	5,094,329
Public Works	797,774	797,774	818,674
Community Development	35,900	35,900	22,029
Commuter Parking	500	500	-
Capital Outlay	2,500	2,500	108,641
<b>Debt Service</b>			
Principal Retirement	-	-	146,146
Interest and Fiscal Charges	-	-	35,747
<b>Total Expenditures</b>	<b>9,000,879</b>	<b>9,000,879</b>	<b>9,376,752</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(408,279)</b>	<b>(418,279)</b>	<b>(580,473)</b>
<b>Other Financing Sources (Uses)</b>			
Disposal of Capital Assets	5,000	15,000	74,929
Issuance of Debt	-	-	90,000
Transfers In	592,750	592,750	804,457
Transfers Out	(12,000)	(12,000)	-
	<b>585,750</b>	<b>595,750</b>	<b>969,386</b>
<b>Net Change in Fund Balance</b>	<b>177,471</b>	<b>177,471</b>	<b>388,913</b>
<b>Fund Balance - Beginning as Restated</b>			<b>(593,628)</b>
<b>Fund Balance - Ending</b>			<b>(204,715)</b>

VILLAGE OF SUMMIT, ILLINOIS

63rd Street and Archer Avenue TIF - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,100,000	1,100,000	706,377
Interest	1,700	1,700	1,835
Total Revenues	<u>1,101,700</u>	<u>1,101,700</u>	<u>708,212</u>
Expenditures			
Community Development			
Administrative Fees	36,700	36,700	43
Legal Fees	65,000	65,000	41,738
Engineering	-	-	19,789
Development Costs	1,000,000	1,000,000	1,239,762
Total Expenditures	<u>1,101,700</u>	<u>1,101,700</u>	<u>1,301,332</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(593,120)
Other Financing (Uses)			
Transfers Out	-	-	(52,000)
Net Change in Fund Balance	<u>-</u>	<u>-</u>	(645,120)
Fund Balance - Beginning			<u>2,455,142</u>
Fund Balance - Ending			<u><u>1,810,022</u></u>

## **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 – General Fund
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Fund
- Statement of Changes in Assets and Liabilities – Agency Fund

# **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.

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## **SPECIAL REVENUE FUNDS**

To account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

### **63<sup>rd</sup> Street and Archer Avenue TIF Fund**

The 63<sup>rd</sup> Street and Archer Avenue TIF Fund is used to account for incremental real estate and sales tax revenues received from the Village's Tax Increment Financing District that are to be used for the debt service payments on bonds issued to provide redevelopment of sites and improve their contributions to the Village and its surrounding area.

### **Community Development Fund**

The Community Development Fund is used to account for Revenues received as part of the Community Development Block Grant.

### **Drug Fund**

The Drug Fund is used to account for revenues and expenses related to Asset Forfeitures received from Drug seizures.

### **911 ETS Fund**

The 911 ETS Fund is used to account for revenues and expenses related to the maintaining of an emergency communication board.

### **Motor Fuel Tax Fund**

The Motor Fuel Tax Fund is used to account funds received from the State of Illinois Motor Fuel Tax to be used for operating and maintaining local streets and roads.

### **63<sup>rd</sup> Place TIF Fund**

The 63<sup>rd</sup> Place TIF Fund is used to account for the revenues and expenses related to the construction and debt related to the 63<sup>rd</sup> Place Development.

### **59<sup>th</sup> Street TIF Fund**

The 59<sup>th</sup> Street TIF Fund is used to account for the revenues and expenses related to the construction and debt related to the 59<sup>th</sup> Street Development.

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# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

## **DEBT SERVICE FUND**

Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

### **Bond and Interest Fund**

Bond and Interest Fund is used to account for revenues and expenses related to the General Obligation Bonds issued by the Village.

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## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary and Trust Funds.

### **Special Service Area #5 (SSA #5) Fund**

The SSA #5 Fund is used to account for the revenues and expenses related to the construction and debt service related to the Special Service Area.

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## **ENTERPRISE FUND**

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 Fund**

The Water Fund is used to account for the operations of the water distribution system. 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.

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# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

## TRUST AND AGENCY FUNDS

### PENSION TRUST FUND

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. The fund does not account for the administrative costs of the system, which are borne by the General Fund. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

### AGENCY FUND

#### **SSA #5 Fund**

The SSA #5 Fund is used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations and /or other governmental units.

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VILLAGE OF SUMMIT, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
<b>Taxes</b>			
Property Taxes			
General	\$ 2,300,000	2,300,000	2,241,418
Road and Bridge	27,000	27,000	30,025
Police Pension	700,000	700,000	632,714
Other			
Sales	1,130,000	1,130,000	1,265,591
Local Use	150,000	140,000	170,750
Utility Taxes	530,000	530,000	507,419
Telecommunication Taxes	375,000	375,000	390,806
Other Taxes	25,000	25,000	23,006
	<u>5,237,000</u>	<u>5,227,000</u>	<u>5,261,729</u>
<b>Intergovernmental</b>			
Illinois State Income Tax	850,000	850,000	979,587
Illinois State Replacement Tax	126,000	126,000	151,062
Federal Grants	20,000	20,000	73,701
State Grants	-	-	3,850
	<u>996,000</u>	<u>996,000</u>	<u>1,208,200</u>
<b>Charges for Services</b>			
Commuter Parking	25,000	25,000	11,921
Security	20,000	20,000	21,070
Franchise Fees	75,000	75,000	76,831
	<u>120,000</u>	<u>120,000</u>	<u>109,822</u>
<b>Licenses and Permits</b>			
Licenses, Permits and Fees	434,300	434,300	437,605
Ambulance Fees	250,000	250,000	168,639
Sanitation Fees	540,000	540,000	520,344
	<u>1,224,300</u>	<u>1,224,300</u>	<u>1,126,588</u>
<b>Fines and Forfeits</b>			
Court Fines	100,000	100,000	84,123
Traffic Violations	275,000	275,000	278,044
Accident Reports	4,000	4,000	2,258

VILLAGE OF SUMMIT, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
Fines and Forfeits - Continued			
Damage to Village Property	\$ 10,000	10,000	9,506
Administrative Towing Fees	187,500	187,500	366,000
	<u>576,500</u>	<u>576,500</u>	<u>739,931</u>
Interest			
Investment Income	<u>1,500</u>	<u>1,500</u>	<u>678</u>
Miscellaneous			
Reimbursements	396,000	396,000	325,918
Other	41,300	41,300	23,413
	<u>437,300</u>	<u>437,300</u>	<u>349,331</u>
Total Revenues	<u>8,592,600</u>	<u>8,582,600</u>	<u>8,796,279</u>

**VILLAGE OF SUMMIT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
Year Ended December 31, 2012**

	Budget		Actual
	Original	Final	
<b>General Government</b>			
Village President	\$ 25,450	25,450	25,282
Village Board	191,993	191,993	195,827
Village Clerk	75,858	75,858	53,187
Village Collector	7,500	7,500	7,094
Village Administrator	85,150	85,150	82,317
Community Services	8,660	8,660	8,936
Electricity	3,000	3,000	670
Telephone	6,000	6,000	13,895
Postage Meter	15,000	15,000	14,110
Legal	224,000	224,000	133,429
Treasurer	141,500	141,500	6,338
Health and Liquor	5,550	5,550	5,319
Municipal Retirement	400,000	400,000	419,832
Fire and Police Commission	1,525	1,525	1,349
Zoning Board	1,550	1,550	-
Municipal Building	63,000	63,000	60,035
Public Liability Insurance	2,228,212	2,228,212	2,099,053
Enterprise Zone	6,100	6,100	4,963
TIF Sales Tax	22,000	22,000	-
Library Reimbursement	6,000	6,000	19,550
<b>Total General Government</b>	<b>3,518,048</b>	<b>3,518,048</b>	<b>3,151,186</b>
<b>Public Safety</b>			
<b>Police Department</b>			
Salaries	2,709,158	2,709,158	3,133,682
Office Supplies	7,000	7,000	7,936
Contribution to Police Pension Fund	750,000	750,000	652,325
Uniform Allowance	28,000	28,000	29,546
Municipal Systems	32,000	32,000	20,737
Computer Software	65,000	65,000	134,124
Conference Expenditures	250	250	-
Training and Schooling	2,610	2,610	2,875
Gas and Oil	90,000	90,000	108,330
Vehicle Maintenance	35,000	35,000	44,406
Weapons and Ammunition	1,000	1,000	45

VILLAGE OF SUMMIT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Legal Notices	\$ 150	150	100
Alerts and Alocs Communication System	12,500	12,500	14,594
Maintenance Communication System	3,000	3,000	-
Livescan Equipment	500	500	-
Purchase of Radio Equipment	300	300	133
Purchase/Lease of New Cars	31,000	31,000	31,722
Medical Supplies	250	250	414
Cellular Phones	3,000	3,000	4,379
Professional Dues and Periodicals	700	700	175
Operating Supplies	5,000	5,000	5,529
Body Armor	500	500	-
Traffic Court Refund	2,500	2,500	6,000
Contingent Expenditures	3,000	3,000	3,346
Prisoner Meals	1,200	1,200	1,481
Animal Hospital	1,300	1,300	1,104
Copiers	3,660	3,660	4,916
Educational Reimbursement	10,000	10,000	2,745
Vehicle Equipment	1,500	1,500	-
TRT Equipment	250	250	-
	<u>3,800,328</u>	<u>3,800,328</u>	<u>4,210,644</u>
Fire Department			
Salaries	59,218	59,218	77,615
Fire Runs	307,886	307,886	272,394
Fire Call Back	-	-	27,455
Fire Prevention Material	1,000	1,000	1,135
Fire Fighting Supplies	9,000	9,000	21,902
Uniform Expenditures	2,800	2,800	4,369
Equipment - Containment	8,000	8,000	7,350
Pagers/Cell Phones	1,800	1,800	1,431
Gas and Oil	12,000	12,000	16,746
Fire Apparatus Maintenance	17,000	17,000	49,319
Equipment Lease Purchase	1,500	1,500	1,618
Dues and Professional Materials	1,000	1,000	708
Office Supply	2,000	2,000	788
Computer Expenditures	2,000	2,000	2,859
Conference Expenditures	3,000	3,000	1,735

VILLAGE OF SUMMIT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Miscellaneous Expenditures	\$ 4,000	4,000	1,348
Grant Match	25,000	25,000	-
	<u>457,204</u>	<u>457,204</u>	<u>488,772</u>
Ambulance			
Salaries	342,575	342,575	372,720
Health Services	500	500	-
Medical Supplies	5,000	5,000	8,353
Uniform Expenditures	1,500	1,500	1,622
Training	-	-	154
Dues	500	500	250
Gas and Oil	4,000	4,000	3,146
Vehicle Maintenance	4,000	4,000	3,147
Office Supplies	250	250	134
Purchase of Equipment	27,000	27,000	1,618
Cellular Phones	1,800	1,800	2,110
Computer Expenditures	1,000	1,000	1,353
Miscellaneous	500	500	306
	<u>388,625</u>	<u>388,625</u>	<u>394,913</u>
Total Public Safety	<u>4,646,157</u>	<u>4,646,157</u>	<u>5,094,329</u>
Public Works			
Streets, Bridges and Alleys			
Salaries	180,050	180,050	172,568
Medical Testing	50	50	-
Engineering Services	-	-	802
Equipment Maintenance and Supplies	10,000	10,000	11,544
Operating Supplies	500	500	297
Gasoline and Oil	45,000	45,000	37,563
Maintenance of Street Equipment	10,000	10,000	12,807
Parkway Maintenance	-	-	29,999
Purchase of Equipment	20,000	20,000	1,000
Contingent Expenditures	1,000	1,000	9,990
Vermin Control	2,500	2,500	2,240
Uniforms	2,500	2,500	1,388

VILLAGE OF SUMMIT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
Public Works - Continued			
Streets, Bridges and Alleys - Continued			
Sewer Maintenance	\$ 8,000	8,000	2,878
Storage Yard Rental	2,765	2,765	3,000
	<u>282,365</u>	<u>282,365</u>	<u>286,076</u>
Building Inspector			
Salaries	51,689	51,689	56,300
Phones	1,500	1,500	1,627
Office Equipment and Supplies	1,000	1,000	624
Inspection Expenditures	7,500	7,500	6,060
Community Service Officer	-	-	10,029
Computer Expenditures	500	500	596
Seminar	240	240	-
Demolition	1,500	1,500	3,642
Dues and Subscriptions	500	500	279
Auto Expenditures	1,200	1,200	272
Contingent	500	500	4,229
	<u>66,129</u>	<u>66,129</u>	<u>83,658</u>
Garbage Department			
Dumping	449,280	449,280	448,940
	<u>449,280</u>	<u>449,280</u>	<u>448,940</u>
Total Public Works	<u>797,774</u>	<u>797,774</u>	<u>818,674</u>
Community Development			
Community Development			
Salaries	7,000	7,000	7,387
Legal Notices	2,000	2,000	1,416
Office Supplies	300	300	14
Travel and Mileage	100	100	-
Conferences and Seminars	100	100	-
Contingency Expenditures	200	200	135
Publication and Dues	200	200	-
Engineering	8,000	8,000	907
Village Match for CDBG Grant Expenditures	15,000	15,000	11,538
Court Reporter	2,000	2,000	634
Computer Expenditures	1,000	1,000	-
	<u>35,900</u>	<u>35,900</u>	<u>22,031</u>

VILLAGE OF SUMMIT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
Community Development - Continued			
Weed and Seed			
Conference	\$ -	-	(2)
Total Community Development	35,900	35,900	22,029
Commuter Parking			
Maintenance	500	500	-
Capital Outlay	2,500	2,500	108,641
Debt Service			
Principal Retirement	-	-	146,146
Interest and Fiscal Charges	-	-	35,747
Total Debt Service	-	-	181,893
Total Expenditures	9,000,879	9,000,879	9,376,752

VILLAGE OF SUMMIT, ILLINOIS

Combining Balance Sheet

Nonmajor Governmental Funds  
Year Ended December 31, 2012

	Community Development	Drug	Special 911 ETS
<b>ASSETS</b>			
Cash and Investments	\$ 214,261	349,261	-
Restricted Cash and Investments	-	-	122,278
Receivables - Net of Allowances			
Taxes	-	-	-
Due from Other Funds	-	-	-
<b>Total Assets</b>	<b>214,261</b>	<b>349,261</b>	<b>122,278</b>
<b>LIABILITIES</b>			
Accounts Payable	31,355	7,717	10,124
Due to Other Funds	214,261	165,072	-
<b>Total Liabilities</b>	<b>245,616</b>	<b>172,789</b>	<b>10,124</b>
<b>FUND BALANCES</b>			
Restricted	-	176,472	112,154
Unassigned	(31,355)	-	-
<b>Total Fund Balances</b>	<b>(31,355)</b>	<b>176,472</b>	<b>112,154</b>
<b>Total Liabilities and Fund Balances</b>	<b>214,261</b>	<b>349,261</b>	<b>122,278</b>

Revenue			Debt Service	Capital Projects	Total
Motor Fuel Tax	63rd Place TIF	59th Street TIF	Bond and Interest	SSA #5	
54,228	11,706	10,990	159,221	-	799,667
-	-	-	-	-	122,278
22,882	-	-	-	-	22,882
-	-	11,207	-	-	11,207
<u>77,110</u>	<u>11,706</u>	<u>22,197</u>	<u>159,221</u>	<u>-</u>	<u>956,034</u>
29,743	1,450	2,175	-	-	82,564
75,582	28,832	-	-	-	483,747
<u>105,325</u>	<u>30,282</u>	<u>2,175</u>	<u>-</u>	<u>-</u>	<u>566,311</u>
-	-	20,022	159,221	-	467,869
(28,215)	(18,576)	-	-	-	(78,146)
<u>(28,215)</u>	<u>(18,576)</u>	<u>20,022</u>	<u>159,221</u>	<u>-</u>	<u>389,723</u>
<u>77,110</u>	<u>11,706</u>	<u>22,197</u>	<u>159,221</u>	<u>-</u>	<u>956,034</u>

VILLAGE OF SUMMIT, ILLINOIS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds  
Year Ended December 31, 2012

	Community Development	Drug	Special 911 ETS
<b>Revenues</b>			
Property Taxes	\$ -	-	-
Intergovernmental	295,000	102,950	-
Charges for Services	-	-	113,809
Interest	-	738	65
Total Revenues	<u>295,000</u>	<u>103,688</u>	<u>113,874</u>
<b>Expenditures</b>			
Current			
General Government	-	-	-
Public Safety	-	12,475	66,984
Public Works	-	-	-
Community Development	172,634	-	-
Capital Outlay	115,583	87,328	33,060
Debt Service			
Principal Retirement	-	-	21,293
Interest and Fiscal Charges	-	-	2,576
Total Expenditures	<u>288,217</u>	<u>99,803</u>	<u>123,913</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,783</u>	<u>3,885</u>	<u>(10,039)</u>
<b>Other Financing Sources (Uses)</b>			
Disposal of Capital Assets	-	4,856	-
Debt Issuance	-	-	-
Payment to Bondholders	-	-	-
Transfers Out	(48,135)	(245,624)	-
	<u>(48,135)</u>	<u>(240,768)</u>	<u>-</u>
Net Change in Fund Balances	(41,352)	(236,883)	(10,039)
Fund Balances - Beginning	<u>9,997</u>	<u>413,355</u>	<u>122,193</u>
Fund Balances - Ending	<u>(31,355)</u>	<u>176,472</u>	<u>112,154</u>

Revenue			Debt Service	Capital Projects	
Motor Fuel Tax	63rd Place TIF	59th Street TIF	Bond and Interest	SSA #5	Total
-	-	11,207	17,816	-	29,023
326,494	-	-	-	-	724,444
-	-	-	-	-	113,809
15	25	21	-	-	864
326,509	25	11,228	17,816	-	868,140
-	-	-	-	71,222	71,222
-	-	-	-	-	79,459
210,191	-	-	-	-	210,191
-	8,455	17,980	-	-	199,069
29,864	-	-	-	-	265,835
88,468	-	-	13,000	-	122,761
12,345	-	-	221	-	15,142
340,868	8,455	17,980	13,221	71,222	963,679
(14,359)	(8,430)	(6,752)	4,595	(71,222)	(95,539)
-	-	-	-	-	4,856
-	650,000	-	-	-	650,000
-	(650,000)	-	-	-	(650,000)
(28,698)	-	-	-	-	(322,457)
(28,698)	-	-	-	-	(317,601)
(43,057)	(8,430)	(6,752)	4,595	(71,222)	(413,140)
14,842	(10,146)	26,774	154,626	71,222	802,863
(28,215)	(18,576)	20,022	159,221	-	389,723

VILLAGE OF SUMMIT, ILLINOIS

911 ETS - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Revenues</b>			
Charges for Services			
Deposits	\$ 125,000	125,000	113,809
Interest	250	250	65
Total Revenues	<u>125,250</u>	<u>125,250</u>	<u>113,874</u>
<b>Expenditures</b>			
Public Safety			
Ameritech	30,000	30,000	66,890
Contingent	-	-	94
Capital Outlay	75,000	75,000	33,060
Debt Service			
Principal Retirement	-	-	21,293
Interest and Fiscal Charges	-	-	2,576
Total Expenditures	<u>105,000</u>	<u>105,000</u>	<u>123,913</u>
Net Change in Fund Balance	<u>20,250</u>	<u>20,250</u>	(10,039)
Fund Balance - Beginning			<u>122,193</u>
Fund Balance - Ending			<u><u>112,154</u></u>

VILLAGE OF SUMMIT, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Revenues</b>			
Intergovernmental			
State Allotment	\$ 230,000	230,000	326,494
Interest	60	60	15
Total Revenues	<u>230,060</u>	<u>230,060</u>	<u>326,509</u>
<b>Expenditures</b>			
Public Works			
Engineering	26,000	26,000	49,419
Street Lighting	88,500	88,500	99,691
Street Signs	400	400	1,673
Repair Street Lights	15,000	15,000	13,930
Salt	25,000	25,000	12,298
Legal Notices	100	100	-
Maintenances	41,000	41,000	33,180
Bank Charges	6,500	6,500	-
Capital Outlay	15,000	15,000	29,864
Debt Service			
Principal Retirement	-	-	88,468
Interest and Fiscal Charges	-	-	12,345
Total Expenditures	<u>217,500</u>	<u>217,500</u>	<u>340,868</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,560	12,560	(14,359)
Other Financing (Uses)			
Transfers Out	<u>(12,500)</u>	<u>(12,500)</u>	<u>(28,698)</u>
Net Change in Fund Balance	<u>60</u>	<u>60</u>	(43,057)
Fund Balance - Beginning			<u>14,842</u>
Fund Balance - Ending			<u>(28,215)</u>

VILLAGE OF SUMMIT, ILLINOIS

59th Street TIF - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 5,000	5,000	11,207
Interest	-	-	21
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>11,228</u>
Expenditures			
Community Development			
Legal Notices	-	-	17,980
Development Costs	3,500	3,500	-
Total Expenditures	<u>3,500</u>	<u>3,500</u>	<u>17,980</u>
Net Change in Fund Balance	<u>1,500</u>	<u>1,500</u>	(6,752)
Fund Balance - Beginning			<u>26,774</u>
Fund Balance - Ending			<u>20,022</u>

VILLAGE OF SUMMIT, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,883,000	2,883,000	3,072,994
Miscellaneous	2,000	2,000	3,542
Total Operating Revenues	<u>2,885,000</u>	<u>2,885,000</u>	<u>3,076,536</u>
Operating Expenses			
Operations	2,332,869	2,332,869	2,200,824
Depreciation	-	-	84,545
Total Operating Expenses	<u>2,332,869</u>	<u>2,332,869</u>	<u>2,285,369</u>
Operating Income	<u>552,131</u>	<u>552,131</u>	<u>791,167</u>
Nonoperating Revenues (Expenses)			
Interest Income	200	200	145
Interest and Fiscal Charges	(7,000)	(7,000)	(1,032)
	<u>(6,800)</u>	<u>(6,800)</u>	<u>(887)</u>
Income Before Transfers	545,331	545,331	790,280
Transfers Out	<u>(520,000)</u>	<u>(520,000)</u>	<u>(430,000)</u>
Change in Net Position	<u>25,331</u>	<u>25,331</u>	360,280
Net Position - Beginning			<u>550,037</u>
Net Position - Ending			<u>910,317</u>

VILLAGE OF SUMMIT, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2012

	Budget		Actual
	Original	Final	
Operations			
Source of Water			
Water Purchases	\$ 1,075,000	1,075,000	1,096,061
Electricity - Water Pumps	25,000	25,000	28,952
Repairs and Maintenance			
Salaries			
Foreman	67,000	67,000	69,479
Assistant Foreman	65,392	65,392	70,395
Equipment Operators	415,000	415,000	456,090
Overtime Wages	50,000	50,000	61,387
Maintenance and Repairs			
Building	10,000	10,000	259
Trucks	7,500	7,500	7,438
Equipment	8,000	8,000	3,563
System	60,000	60,000	66,909
Gas and Oil	20,000	20,000	16,487
Engineering	5,000	5,000	1,607
Leak Detection	20,000	20,000	19,170
Purchase of Water Meters	26,000	26,000	15,771
Equipment	87,500	87,500	-
Contingency and Testing	3,000	3,000	11,895
Medical Testing	1,500	1,500	610
Supplies	13,500	13,500	14,412
Sewer Maintenance	30,000	30,000	9,447
Tower Maintenance	130,000	130,000	32,567
Refunds	1,500	1,500	1,566
Administrative			
Salaries			
Superintendent	66,950	66,950	82,183
Clerk	43,527	43,527	46,815
Meter Reader	63,000	63,000	58,726
Office Supplies	1,500	1,500	399
Telephone	3,000	3,000	4,765
Pagers/Radios	1,500	1,500	-
Computer Software/Training	500	500	-
Training	2,500	2,500	2,305
Postage	3,500	3,500	5,097
Accounting	20,000	20,000	10,734

VILLAGE OF SUMMIT, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2012

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	Budget		Actual
	Original	Final	
Operations - Continued			
Administrative - Continued			
Dues	\$ 5,000	5,000	5,000
Permits	1,000	1,000	735
Total Operations	2,332,869	2,332,869	2,200,824
Depreciation	-	-	84,545
Total Operating Expenses	2,332,869	2,332,869	2,285,369

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VILLAGE OF SUMMIT, ILLINOIS

SSA #5 - Agency Fund

Statement of Changes in Assets and Liabilities  
Year Ended December 31, 2012

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	Beginning Balances	Additions	Deductions	Ending Balances
<b>ASSETS</b>				
Cash	\$ -	64,619	-	64,619
Due from Other Funds	23,600	-	23,600	-
Total Assets	<u>23,600</u>	<u>64,619</u>	<u>23,600</u>	<u>64,619</u>
<b>LIABILITIES</b>				
Due to Bondholders	<u>23,600</u>	<u>64,619</u>	<u>23,600</u>	<u>64,619</u>

**SUPPLEMENTAL SCHEDULES**



**VILLAGE OF SUMMIT, ILLINOIS**

**Schedule of Long-Term Debt Requirements**

**General Obligation (Alternate Revenue) Bonds of 2007  
December 31, 2012**

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Date of Issue	October 1, 2007
Date of Maturity	October 1, 2013
Authorized Issue	\$400,000
Denomination of Bonds	\$5,000
Interest Rate	5.75%
Interest Dates	April 1 and October 1
Principal Maturity Date	October 1
Payable at	New City Bank

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Apr. 1	Amount	Oct. 1	Amount
2013	<u>\$ 74,000</u>	<u>4,256</u>	<u>78,256</u>	2013	<u>2,128</u>	2013	<u>2,128</u>

**VILLAGE OF SUMMIT, ILLINOIS**

**Schedule of Long-Term Debt Requirements**

**General Obligation (Senior Lien) Note of 2011  
December 31, 2012**

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Date of Issue	June 1, 2011
Date of Maturity	June 1, 2016
Principal Amount	\$500,000
Interest Rate	6.00%
Interest Dates	June 1
Principal Maturity Date	June 1
Payable at	New City Bank

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2013	\$ 96,040	23,051	119,091
2014	103,086	16,005	119,091
2015	110,648	8,443	119,091
2016	58,331	1,214	59,545
	<u>368,105</u>	<u>48,713</u>	<u>416,818</u>

**VILLAGE OF SUMMIT, ILLINOIS**

**Five Year Summary of Assessed Valuations, Tax Rates, Extensions and Collections - by Tax Levy Year  
December 31, 2012 (Unaudited)**

	2007	2008	2009	2010	2011
Assessed Valuation	\$ 175,160,036	198,306,207	199,098,851	197,356,044	159,668,771
<b>Rates</b>					
Corporate	0.3281	0.3140	0.3140	0.3242	0.4086
Bond and Interest	0.0681	0.0605	0.0600	0.0607	0.0088
Garbage	0.1120	0.1060	0.1062	0.1044	0.0000
Street Lighting	0.0000	0.0000	0.0000	0.0000	0.0000
Police Pension	0.2941	0.2524	0.2524	0.2610	0.4218
IMRF	0.0000	0.0000	0.0000	0.0000	0.0000
Social Security	0.0000	0.0000	0.0000	0.0000	0.0000
Street and Bridge	0.0000	0.0000	0.0000	0.0000	0.0000
Fire Protection	0.1131	0.1010	0.1009	0.1044	0.0807
Police Protection	0.3750	0.3534	0.3534	0.3839	0.5156
Liability Insurance	0.3393	0.3230	0.3222	0.3282	0.4669
Auditing	0.0000	0.0000	0.0000	0.0000	0.0000
Crossing Guard	0.0000	0.0000	0.0000	0.0000	0.0000
<b>Total</b>	<b>1.6297</b>	<b>1.5103</b>	<b>1.5091</b>	<b>1.5668</b>	<b>1.9024</b>
<b>Tax Extensions</b>					
Corporate	574,700	622,681	625,170	639,828	652,406
Bond and Interest	119,337	120,002	119,370	119,891	14,114
Garbage	196,179	210,204	211,442	206,039	-
Street Lighting	-	-	-	-	-
Police Pension	515,145	500,524	502,525	515,099	673,482
IMRF	-	-	-	-	-
Social Security	-	-	-	-	-
Street and Bridge	-	-	-	-	-
Fire Protection	198,106	200,289	200,890	206,039	128,852
Police Protection	656,850	700,814	703,615	757,649	823,252
Liability Insurance	594,318	640,529	641,496	647,722	745,493
Auditing	-	-	-	-	-
Crossing Guard	-	-	-	-	-
<b>Total</b>	<b>2,854,635</b>	<b>2,995,043</b>	<b>3,004,508</b>	<b>3,092,267</b>	<b>3,037,599</b>
<b>Total Collected</b>	<b>2,601,200</b>	<b>2,775,497</b>	<b>2,814,427</b>	<b>3,013,970</b>	<b>2,921,973</b>
<b>Percentage Collected</b>	<b>91.12%</b>	<b>92.67%</b>	<b>93.67%</b>	<b>97.47%</b>	<b>96.19%</b>

