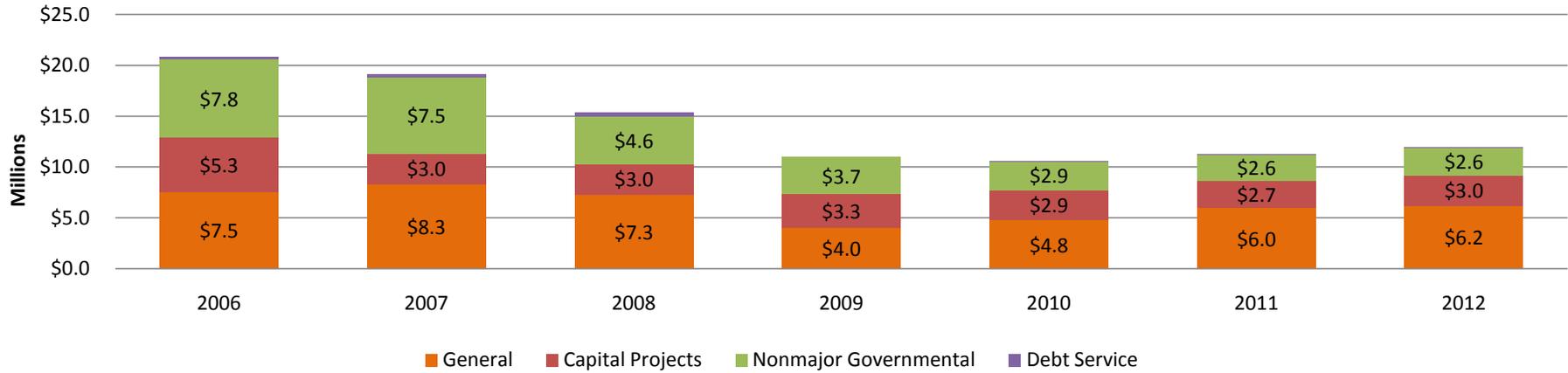


Fund Balances by Fund

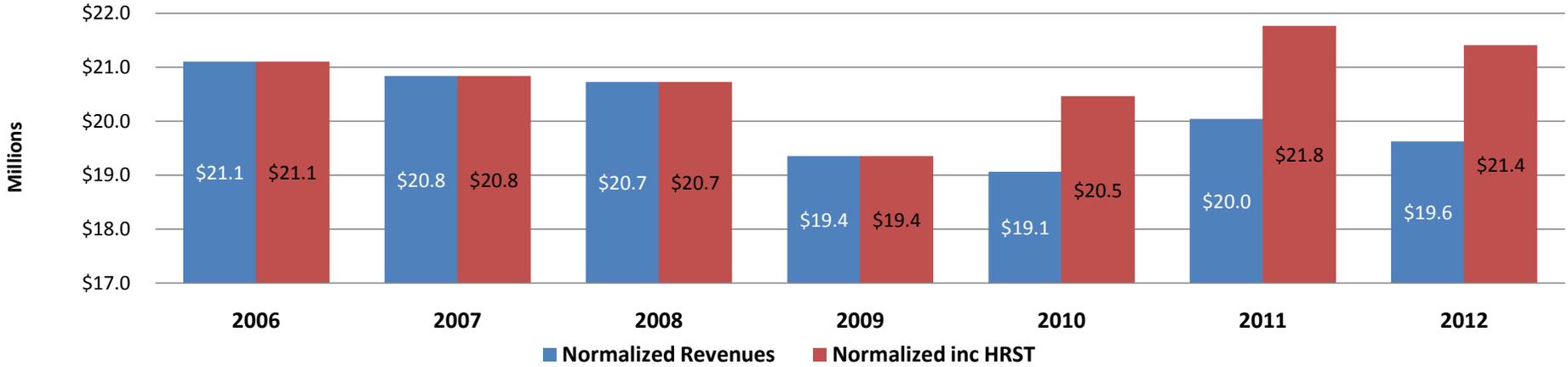


Current year surplus of about \$600k primarily created from Capital Projects Fund of \$330k and General Fund of \$237k.

Normalized Governmental Revenues

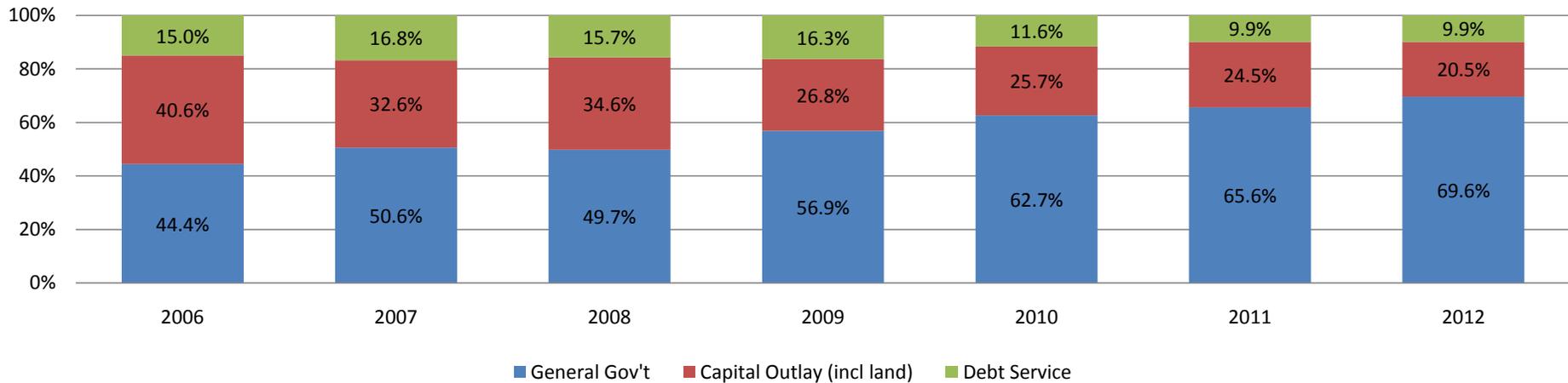
	Fiscal Year							Actual 2012	2006 - 2012 CAGR
	2006	2007	2008	2009	2010	2011	2012		
Normalized Revenues									
Reported taxes	16,508,182	16,142,706	16,698,642	16,293,573	17,473,521	18,769,045	19,072,576		
Less: HRST	0	0	0	0	(1,400,959)	(1,724,753)	(1,787,569)		
Less: SSA Revenues	0	0	0	0	0	(222,000)	(244,600)		
Normalized taxes	16,508,182	16,142,706	16,698,642	16,293,573	16,072,562	16,822,292	17,040,407	1.3%	0.5%
Reported Charge for Services	1,649,385	1,474,296	1,538,866	1,319,760	1,595,565	2,135,902	1,591,996		
Less: Ambulance Revenues	0	0	0	0	(420,786)	(831,195)	(672,069)		
Normalized charge for services	1,649,385	1,474,296	1,538,866	1,319,760	1,174,779	1,304,707	919,927	-29.5%	-9.3%
Normalized Revenues	21,102,402	20,839,955	20,725,168	19,355,105	19,064,635	20,043,968	19,625,929	-2.1%	-1.2%
Normalized inc HRST	21,102,402	20,839,955	20,725,168	19,355,105	20,465,594	21,768,721	21,413,498	-1.6%	0.2%

Normalized Revenue Trends - All Gov't Funds



Revenues declined in 2012, and without HRST, revenues are still below 2008 levels

Mix of Expenditures - All Gov't Funds

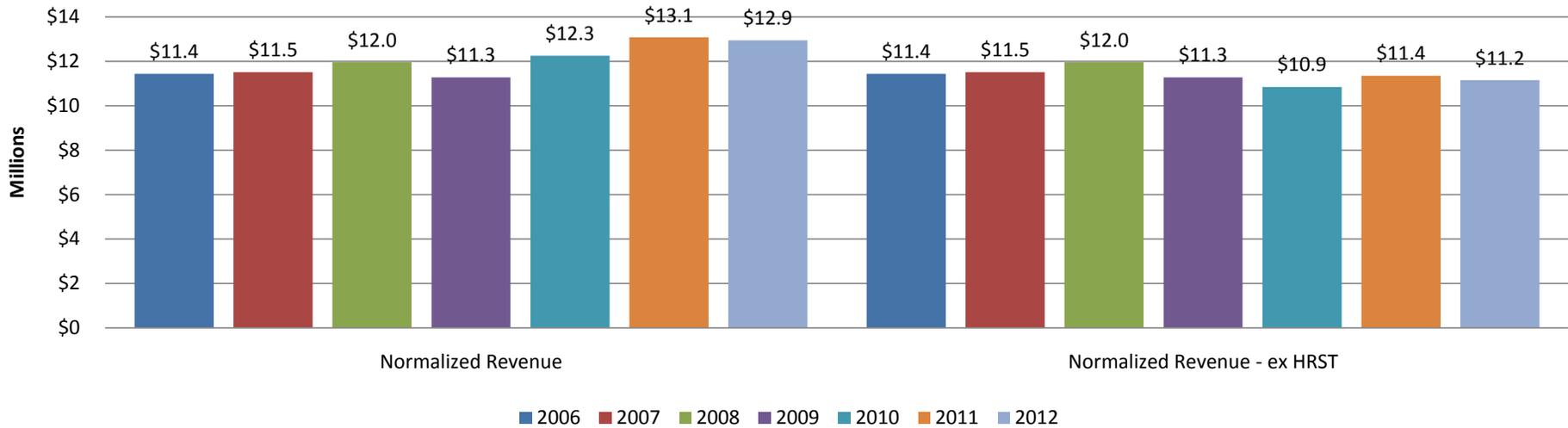


General Government expenses (primarily pension and healthcare) continue to consume a greater % of total expenditures

**General Fund
Normalized Results**

Normalized Results	2006	2007	2008	2009	2010	2011	2012	2006 - 2012
Reported Revenues	11,442,332	11,512,172	11,956,964	11,283,858	13,606,610	15,125,678	16,224,388	
Less: Ambulance Revenues					(420,786)	(831,195)	(672,069)	
Debt service prop taxes - transferred to Capital Fund					(932,839)	(988,119)	(1,526,939)	
Special Program revenues							(834,666)	
Fire SSA revenues						(222,000)	(244,600)	
Normalized Revenues	11,442,332	11,512,172	11,956,964	11,283,858	12,252,985	13,084,364	12,946,114	2.7%
Reported Expenditures	10,059,876	10,383,377	11,031,610	11,658,347	11,949,749	13,264,501	14,418,518	
Less: Ambulance expenses	-	-	-	-	(518,896)	(624,758)	(644,871)	
Special Program expenses							(715,951)	
Fire SSA revenues						(222,000)	(244,600)	
Normalized Expenditures	10,059,876	10,383,377	11,031,610	11,658,347	11,430,853	12,417,743	12,813,096	4.3%
Normalized revenues less ex	1,382,456	1,128,795	925,354	(374,489)	822,132	666,621	133,018	
% of Revenues	12.1%	9.8%	7.7%	-3.3%	6.7%	5.1%	1.0%	

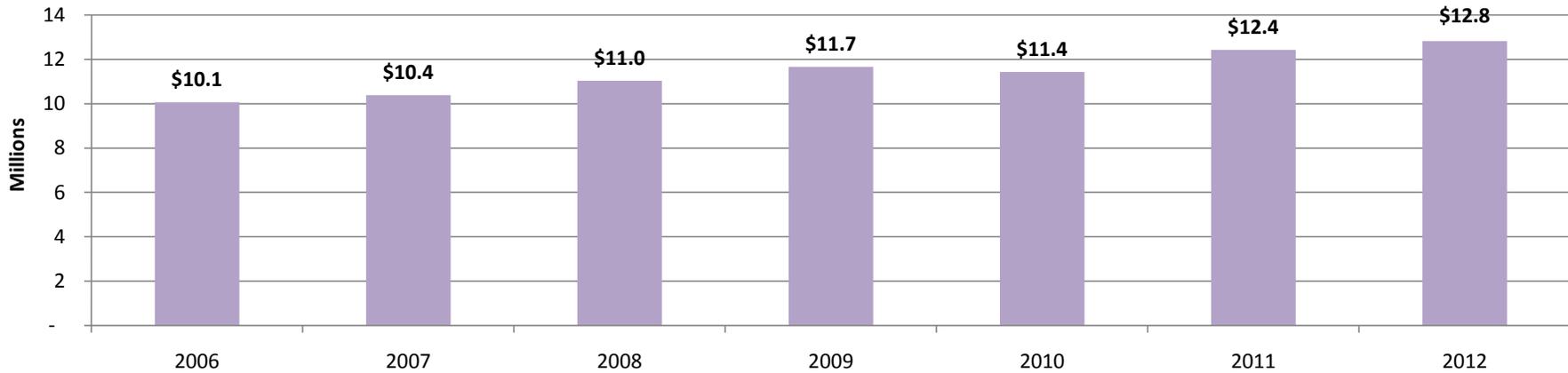
Normalized Revenues - General Fund



**Normalized revenues actually decreased in 2012 and excluding HRST are still below 2009 levels.
6 Year CAGR is 2.1% with addition of HRST, (-.4%) when excluding HRST
Where does future growth come from? Sales Tax?**

Progression of Normalized Revenues (incl HRST)		
	<u>2011</u>	<u>2012</u>
PY revenue	12,252,985	13,084,364
HRST	323,794	62,816
Prop taxes	69,574	127,564
Building/Electrical permits	255,001	(208,509)
Sales tax	153,481	(69,010)
II In Tax	(39,341)	126,966
All other taxes	79,420	1,223
Grants	96,421	(79,450)
Police dept income	27,672	(110,948)
Acct - Other agencies	(115,000)	0
All Other	(19,643)	11,097
C/Y Revenue	13,084,364	12,946,114
	6.8%	-1.1%

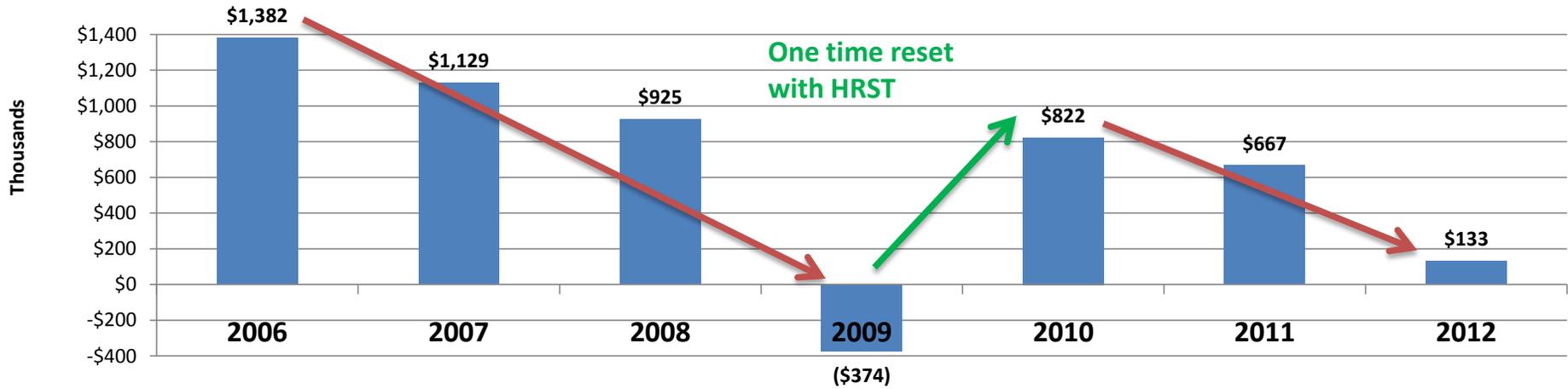
Normalized Expenditure Total - General Fund Only



CAGR is 4.1%

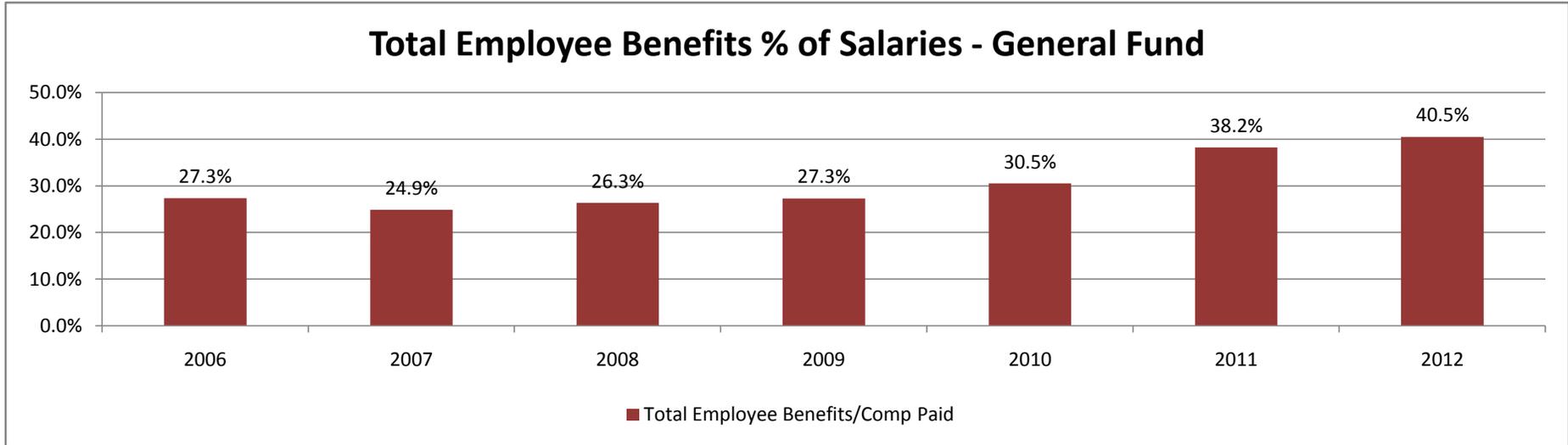
Progression of Normalized Expenditures		
	<u>2011</u>	<u>2012</u>
PY	11,430,853	12,417,743
Comp to EE's	101,028	110,943
Insurance	389,951	94,030
Pension	248,181	77,730
Police radios - capital	107,968	0
All Other	92,262	77,149
C/Y	12,417,743	12,813,096
	8.6%	3.2%

Normalized Surplus/(Deficit) - General Fund



The long term trend was only delayed by the HRST, not eliminated

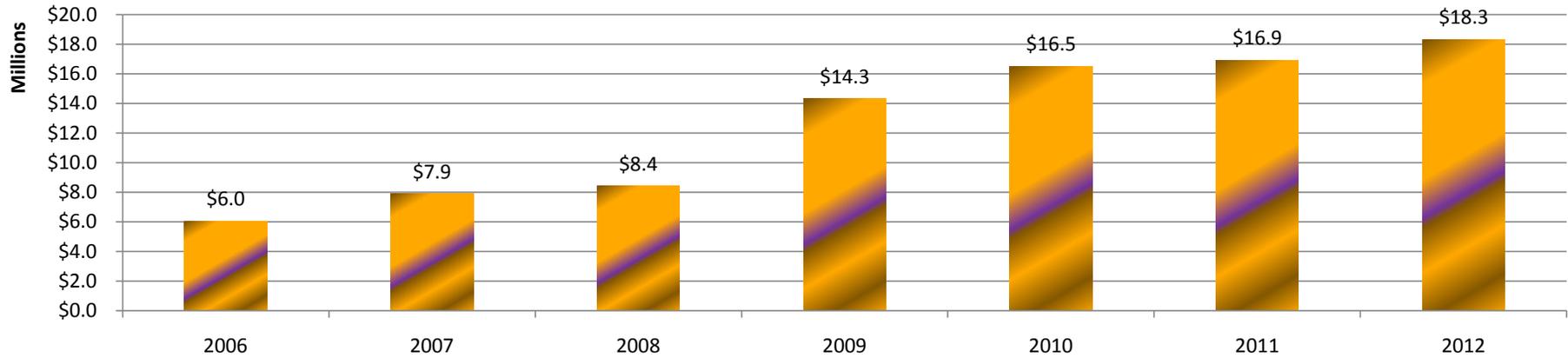
Total Employee Benefits % of Salaries - General Fund



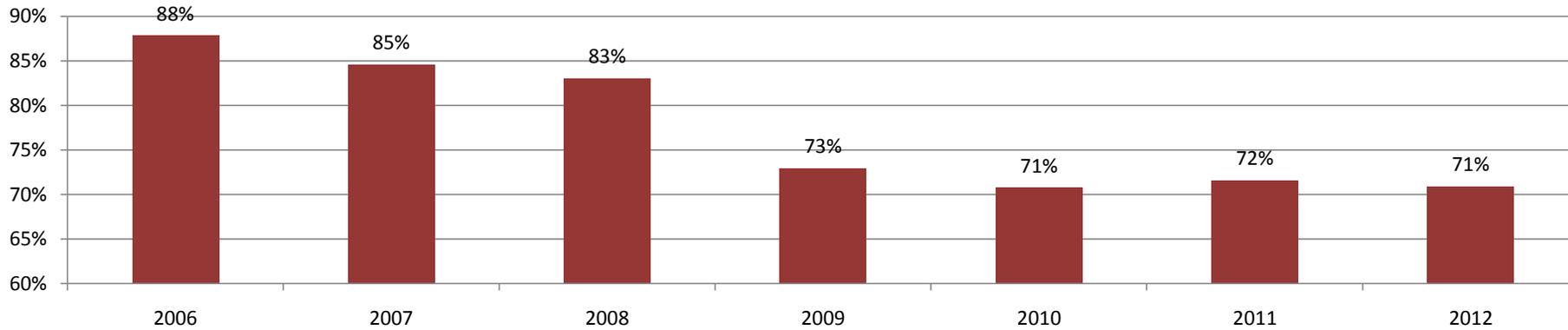
Until this is solved, creating long term financial stability of the Village will be a challenge.

Note: Employee benefits include FICA, healthcare and pensions.

Unfunded AAL - Police & IMRF Pension Funds

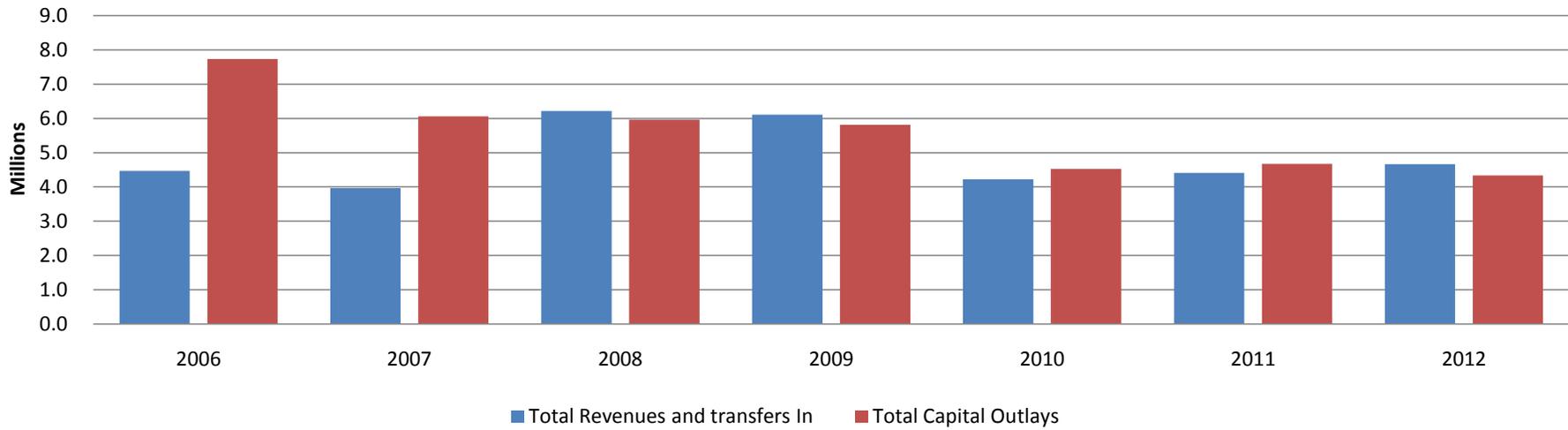


Funded Ratio - Police & IMRF Pension Funds



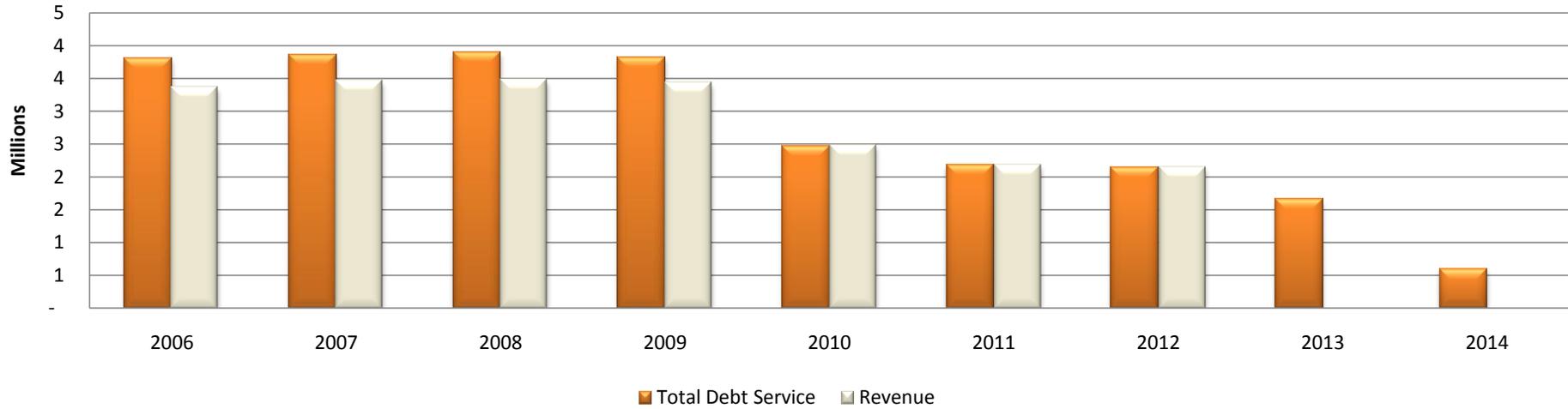
Even with increasing pension expense, the Village continues to lose ground on funding. These levels are calculated using assumptions for investment returns that are not achievable in the short term.

Capital Projects Fund



There is a new plan in place to manage the Capital Projects activity to available revenues.

Debt Service vs. Revenue



Debt levels continue to run down and will be gone in 2014. (Note this excludes Village Links related Enterprise debt and the Library)

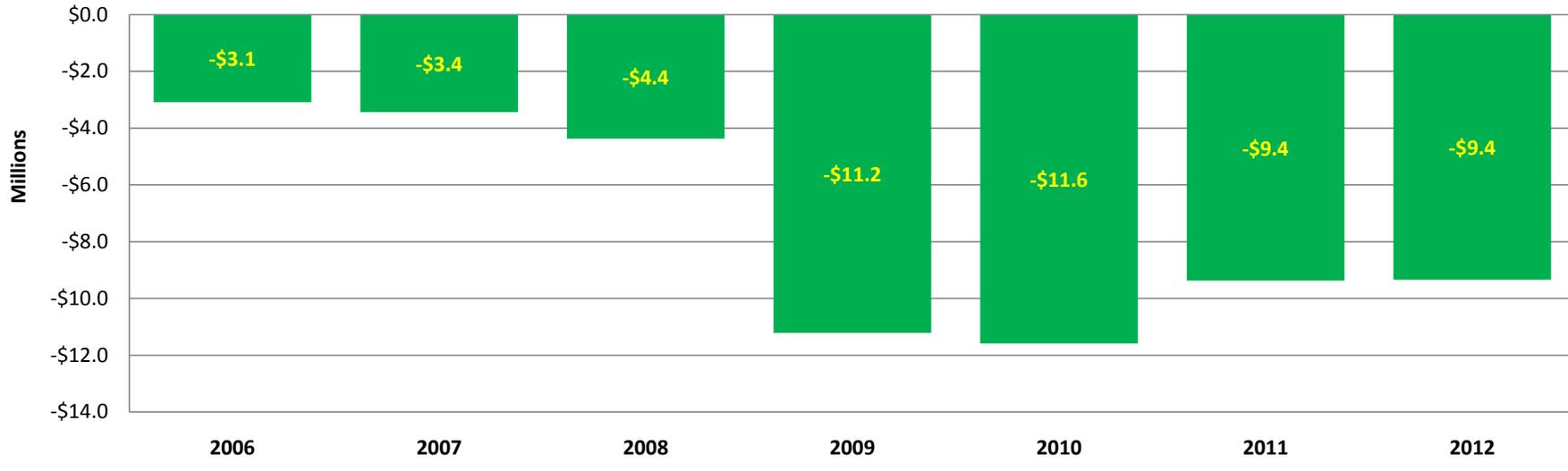
Village Debt Plus Unfunded Pension Liability



However, when combined with the unfunded pension liability, improvement is mitigated.

Net Village Financial Position

Village Fund Balance Less Village Debt and Unfunded Pension Liability



	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2007 - 2012</u>
Change in Fund Balance	(3,906,555)	(1,724,110)	(3,779,390)	(4,370,434)	(317,239)	613,770	640,731	(8,936,672)
Change in Debt and Unfunded Pensions		1,377,579	2,844,185	(2,482,581)	(13,747)	1,583,883	(618,300)	2,691,019
Change in Financial Position		(346,531)	(935,205)	(6,853,015)	(330,986)	2,197,653	22,431	(6,245,653)