

VILLAGE OF BARRINGTON, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2005

**Prepared by the Financial
Services Department**

**Maggie Bosley
Manager of Financial Services**

VILLAGE OF BARRINGTON, ILLINOIS

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INTRODUCTORY SECTION

May 17, 2006

The Honorable Karen Y. Darch, Village President
Members of the Board of Trustees
Residents of the Village of Barrington

Ladies and Gentlemen:

Submitted for your review and consideration is the Comprehensive Annual Financial Report of the Village of Barrington, Illinois, for the fiscal year ended December 31, 2005. Illinois State Statute requires municipal governments to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants. This Comprehensive Annual Financial Report (CAFR) is issued by the Village of Barrington in response to this requirement.

This CAFR consists of the Village's representations concerning the finances of the Village of Barrington. The responsibility for the accuracy of the data presented, as well as the completeness and fairness of the presentation, including disclosures, rests with the Village's Financial Services Department. Financial Services believes the data presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and result of operations of the Village as measured by the financial activity of its various funds.

To provide a reasonable basis for making these representations, Financial Services has established a comprehensive set of internal controls that are designed to protect the Village's assets from loss, theft, or misuse. These internal controls are also used to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. Included with this report are all disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial affairs.

The Village of Barrington's financial statements have been audited by Lauterbach and Amen, LLP, a firm of licensed certified public accountants specializing in audits of Illinois municipal governments. The goal of the independent audit was to provide reasonable assurance that the financial statements for the Village for the fiscal year ended December 31, 2005 are free of material misstatements. The independent audit consisted of examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements for the fiscal year ended December 31, 2005 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Governmental Accounting Standards Board Statement Number 34 requires that the Village provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The MD&A is found immediately following the report of the independent auditors.

Presentation of Information

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory section includes this transmittal letter, the Village's organizational chart, a copy of the Certificate of Achievement for Excellence in Financial Reporting, and a list of principal officials. The Financial section includes:

- the Independent Auditor's Report
- Management's Discussion and Analysis (MD&A)
- the Basic Financial Statements
- the Required Supplementary Information
- Other Supplementary Information

The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Information about the Village of Barrington

The Village of Barrington, incorporated in 1865, is located approximately 38 miles northwest of the Chicago Loop in both Cook and Lake Counties. The Village comprises a total land area of approximately 5.1 square miles and has a population of 10,168. Through various intergovernmental agreements, the population served by the Police and Fire/EMS Departments is considerably higher, most recently estimated at 17,500 and 25,000, respectively. Barrington operates under the President – Trustee form of government in which the Village President, Members of the Board of Trustees, and the Village Clerk are elected at large to staggered four-year terms.

All of the funds of the Village are included in this report. Through these funds, the Village provides a full range of services, including:

- general administration
- police protection and crime prevention
- fire suppression and emergency medical services
- fire prevention
- recycling and refuse collection and disposal
- construction and maintenance of roads, streets and infrastructure
- building and property maintenance
- building construction plan review and inspection services
- planning and zoning
- economic development
- water production and distribution
- wastewater treatment facilities and conveyance
- forestry

Beyond these general Village activities, the Police Pension and the Firefighters' Pension Plans have been included in the reporting entity in accordance with GAAP.

The following Districts, Councils, Township and Agencies have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

- Barrington Park District
- Barrington Area Public Library District
- Barrington Area Council of Governments (BACOG)
- Barrington Township
- Intergovernmental Personnel Benefit Cooperative (IPBC)
- Intergovernmental Risk Management Agency (IRMA)
- Solid Waste Agency of Northern Cook County (SWANCC)

The Biennial Budget is the foundation of the Village's financial planning and control. All Funds and Departments of the Village are required to submit budget requests to the Village Manager's Office by June of the year preceding the initial year of the two-year budget. These requests are reviewed by staff within the Village Manager's Office to ensure the budget to be established from the requests can be supported by the projected revenues for the forthcoming budget years. The biennial budget is then compiled into a comprehensive budget document and presented to the Village Board in September of the year preceding the initial year of this two-year budget period. Consistent with State Statute, the Village Board holds separate public hearings and separately adopts each year of the two-year budget. The hearing on and the adoption of the final budget for the initial year of the two-year budget period is held at least thirty (30) days prior to the start of the initial budget year which is January 1 and at least ten (10) days prior to the hearing on the tax levy. The hearing on and the adoption of the final budget for the second year of the two-year budget period is normally held in February of the initial year of this two-year budget period.

The Village maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. Activities of the General Fund, Debt Service Funds, Capital Projects Funds, Enterprise Funds, Internal Service Funds and Pension Trust Funds are included in the annual budget. Project length financial plans are prepared for multi-year capital improvements. The level of budgetary control (the level at which expenditures cannot legally exceed the budgeted amount) is established at the fund level. Budget to actual comparisons are provided in this report for each fund of the Village.

Analysis of Economic and Business Environment

Understanding the external environment in which the Village operates is an important precursor to understanding the financial statements. Municipal officials, and other interested parties, must analyze and understand changing social, demographic, economic, and financial environments in order to assess the municipality's present and future viability. A grasp of the Village's environment is necessary before the financial statements of the Village can be adequately analyzed.

Local Economy. The last five years have been tumultuous for the national and regional economies. In the very early part of 2000 the national and regional economies continued to expand due to robust business and consumer confidence. However, in March of 2000 the stock market experienced a series of declines that began to undermine business and consumer confidence. The impact of these declines in the stock market was felt in the real economy in 2001 and both the national and regional economies endured a mild recession in the second (April to June) and third (July to September) quarters of 2001. In 2002 the economy began slowly recovering from the impact of the events of 2001. In 2003, both national and regional economies began to rebound strongly from the slow growth experienced since the recession of 2001. However, in 2004 the strong growth experienced in the local economy in 2003 slowed again. In 2005, the growth continued to moderate as the Federal Reserve continued to raise interest rates.

As the regional economy experienced strong growth in 2003, local economic prospects were also positively impacted. The upward trend in sales tax revenues experienced by the Village since FY 1992/93 came to an end in FY 2001 and continued to decline in 2002. However, in 2003 Sales Tax revenue began again to increase and was approximately 3.97% higher than the amount collected in 2002. In 2004, however, Sales Tax revenue declined 7.53% from the previous year, as car sales in the Village decreased. However, the car sales in 2005 no longer were declining but remained constant with the 2004 car sales. The Village receives sales tax revenues that are equal to 1% of all of the goods and services sold in the Village and therefore since car sales tax revenues equaled 61% of total sales tax revenues received in both 2004 and 2005, the total Village Sales Tax revenues remained constant in 2005. Based on the anticipated completion and the proposal of new commercial developments in the Village, sales tax revenues are expected to moderately increase in 2006 and 2007.

The Village continues to have a strong property tax base, with an Equalized Assessed Valuation (EAV) in 2004 of \$519,255,502, an increase of \$43,636,309 over 2003. The Village's average 2004 tax rate of \$.590/\$100 of EAV (which includes both the 1998 and the 1999 General Obligation Bond Issue) is low compared to the rate of surrounding municipalities. However, while the tax rate itself is low, property values in the area have been and continue to remain fairly high. According to the Illinois Association of Realtors, the median single family home in 2005 sold for approximately \$382,000. The high property values are based, in part, on Barrington's location, quality schools, and philosophy toward development and open space.

The Village also has positive underlying economic and demographic attributes. According to the 2000 census, slightly more than 58% of Village residents 25 years of age or older have attained a college degree. This percentage includes the 24% of residents who have either a graduate or professional degree. This is much higher than either the State of Illinois or National averages (26.1% and 24.4%, respectively). Another 22% of residents who are age 25 or older have attended some college or attained an Associates degree. Slightly more than 94% of Village residents 25 or older have attained their high school diploma (or equivalent), which is also much higher than the averages for the State of Illinois and the United States as a whole (81.4% and 80.4% respectively).

The educational achievements of Village residents may help to explain the low numbers of Village residents who are unemployed. The percent of unemployed persons in Barrington was 2.5% in 2001, 3.2% in 2002, 3.4% in 2003, 3.5% in 2004 and 3.2% in 2005. The Village of Barrington consistently has an unemployment rate that is lower than either the Statewide (5.5% in 2005) or National (5.1% in 2005) averages. The majority of employed persons who reside in Barrington are employed in white-collar or service sector jobs (approximately 64% of Village residents are employed in one of four sectors of the economy, these sectors include: Wholesale and Retail; Finance, Insurance, Real Estate, Rental & Leasing; Professional, Scientific, and Management; and Educational, Health, and Social Services).

The educational and employment attributes of Village residents probably explain the high median household income for the Village. At \$83,085, the median household income in the Village is highly favorable when compared to other communities in the Chicago Metropolitan Area as well as other communities in the State of Illinois.

Business Development in the Village and Surrounding Areas. The Village of Barrington is centrally located within a region in the Central Northwest Suburban Chicago Area that encourages limited development and preservation of open space. Irrespective of these development objectives, there has been and continues to be significant interest by outside parties in pursuing both residential and commercial development within this area. Both the Village and its immediate neighbors continue to face the challenge of allowing limited growth while preserving the character of the region. The Village, along with its neighbors, recognized that many of these challenges are best addressed on a regional basis in order to coordinate the interdependent actions of local governments. As such, the

Barrington Area Council of Governments (BACOG) was formed in 1970. This regional council represents seven area communities including: Barrington, North Barrington, Lake Barrington, Tower Lakes, Deer Park, Barrington Hills, and South Barrington.

According to BACOG's Comprehensive Plan, the Village of Barrington is identified as the major business, retail and employment center of the area. Over the past several years, however, there has been increased interest in commercial development in the other communities within the BACOG area. Past evidence of the erosion of this concept include the development of a business/industrial park, which includes a car dealership, in Lake Barrington, the construction of a 30-screen theater in South Barrington and the construction of a lifestyle center in Deer Park. This trend is continuing with the recent approval by South Barrington of a lifestyle center at the intersection of Route 72 and Route 59 and talks on another high-end retail development in Barrington Hills in this same area. The Barrington Village Board understands the importance of its retail base on the overall vitality of the community. Although they have been and continue to be concerned with the philosophy changes by the BACOG area governments relative to development, they also understand the advantages that the Village of Barrington offers and are aggressively moving forward with the implementation of its economic revitalization efforts.

The Village has allocated significant resources to programs/projects that are intended to maintain and expand a quality retail base within existing commercial areas of the Village. To encourage redevelopment within its Village Center, Barrington has established five Business Districts as provided for under the Illinois State Statutes. In August of 1999, the Village approved the Master Plan for the Village Center and is currently in the process of updating it to reflect changing situations and objectives. This plan serves as a guide for public and private improvements within the Village Center and encourages the transformation of this area into the cultural and activity center of the community. In order to fund the improvements identified in the Master Plan, the Village Board approved the establishment of a Tax Increment Financing (TIF) District in February 2000. The boundaries of this district, although not identical, encompass almost the entire Village Center.

The establishment of this district has encouraged significant public and private investment within the Village Center. One major mixed-use project (Cook Street Plaza) encompassing 18,000 square feet of retail space on the first floor and residential condominium units on the second and third floors is near completion. Over 70% of the retail space is leased and a restaurant, a men's and women's clothing store and a wine and cheese shop have already opened in the project. The Village has recently purchased property in a key location within the Village Center and is in the process of developing a Request for Developer Qualifications for another mixed-use project which is to include this property. Business and façade grant programs have also been established in the TIF District to promote retail use of buildings in the Village Center and to encourage the restoration of existing historic buildings in the downtown. These grant programs have been very successful in encouraging significant private investment in the downtown and has generated over \$5.00 of private investment for every \$1.00 awarded.

Major Village Initiatives

For the Year. The Village, through its Corporate Authorities, has established a vision statement that reads as follows:

The vision of the Village of Barrington is to preserve and promote its unique small town heritage, preserve its distinct ecological and historical character, provide a moral and safe environment, maintain a high quality of life through the efficient use of community resources, and respond to future challenges through citizen participation in all civic, social, and cultural endeavors.

The community is committed to preserving the quality of its neighborhoods, the quality of education, and the diversity of leisure time activities. The community is dedicated to fostering an easily-accessible center of activity for the Barrington area, maintaining a prosperous economic base, protecting its extensive natural resources, and promoting public participation and communication.

Each year the Corporate Authorities participate in a Strategic Goal Setting process for the purpose of redefining and adjusting key goals and objectives. The Village utilizes this strategic goal setting process to establish a direction that is consistent with the Village's vision statement. The initiatives undertaken in the fiscal year ended December 31, 2005 were in response to the Goals and Objectives established by the Board in November 2004 and reconfirmed and expanded after the 2005 election.

One of the main priorities for the Village has been and continues to be economic development and downtown revitalization. In February of 2000, as stated previously, the Village Board approved a Tax Increment Financing District (TIF) that encompasses a majority of the property within the Village Center. With the establishment of the TIF District, the Village has been able to undertake numerous renovation projects within the Village Center. A Streetscape design has been finalized. Construction, including the burial of utility lines, the rehabilitation of sidewalks, and the installation of decorative light poles, on most of the major streets within the Village Center has either been completed or is currently under construction. In addition to the Streetscape project, the Village acquired property, subsequent to year end, at the southwest corner of Main and Hough and at the southwest corner of Liberty and North Hough Street. The Village intends to use these specific sites as leverage for the redevelopment of these and adjacent properties. The Village has also entered into a redevelopment agreement with the developers of the Cook Street Plaza Project that is nearing completion and has added to the Village Center 18,000 square feet of additional retail space.

The providing of additional parking for both shoppers and employees/employers within the Village Center and commuters continues to be a priority. As provided for in the Cook Street Plaza Redevelopment Agreement, the Village will ultimately own the first level of underground parking which includes 51 short-term parking spaces. The redevelopment objectives for the property at the corner of Main and Hough includes additional parking to meet the needs of the businesses located immediately west of Hough Street. In addition,

the Village has established a “fee in lieu of parking” concept for the Village Center whereby developers can contribute dollars to a fund, in lieu of providing onsite parking. These dollars are to be used to develop centralized public parking facilities in strategic locations within the Village Center. The Village has proposed the construction of a parking deck in the north commuter lot. Several objectives are to be addressed through this project including additional shopper and employee/employer parking for Main Street and other area businesses, employee/employer parking for businesses along Route 14 and at a minimum an additional 300 parking spaces for commuters. In 2005, the Village purchased property along Route 14 that will be developed as an additional point of ingress/egress from the commuter parking facility. Once completed, this improvement will provide direct access to Route 14 at a controlled intersection.

Infrastructure improvements continue to be a high priority for the Village. The Village’s annual street improvement program continued at its recommended level in 2005. Significant water and sewer system improvements were also undertaken in conjunction with the program. As a result of the drought in 2005, water conservation initiatives were instituted by the Village. In addition, the Village commissioned a water system study to identify alternative water sources and to determine what if any steps the Village needs to take to more effectively serve its current and future residents and businesses.

For the Future. The Village Board, through the goal setting process, has reconfirmed its commitment to the retention of high levels of services and the planning for and implementation of necessary infrastructure improvements and capital projects. The challenge that the Village faces in the future is controlling operating costs and prioritizing capital projects so that service levels can be maintained and projects can be effectively implemented utilizing the financial resources currently available to the Village.

Due to its deteriorating condition and the need for additional space, the Village will need to move forward with the renovation and expansion of the current or the construction of a new Public Works facility within the next 3 to 5 year period. Creating alternatives to finance this project so as to reduce the impact on taxpayers will be a challenge.

Upgrading of the Village’s water and sewer system will need to continue to be a priority over the next several years. Implementation of the recommendations outlined in the Water System study will need to be seriously considered. The methodology for setting rates to ensure funding for these and other projects and to encourage water conservation will be a point of discussion in 2006.

Another major issue that the Village will need to address in the future is transportation from the perspective of vehicular and rail traffic. In past surveys undertaken by the Village, traffic has been cited as a major concern of those responding. Growth within communities surrounding the BACOG area is taxing an already saturated highway system, thus increasing pressure to expand these systems. Based on the results of the previous study undertaken by the Village through its Transportation Advisory Committee (TAC), there is no easy answer to this issue. Per this committee’s recommendations, the Village President

and Board of Trustees drafted in 2002 a position statement calling for improvements to grading, signalization, and train gate coordination along Route 59 in order to improve traffic flow. The statement strongly opposed any widening of Route 59 or the pursuit of a bypass route. The sustainability of this position is yet to be determined.

Proposals to increase usage of both the Union Pacific and Elgin, Joliet & Eastern (EJ&E) rail systems for commuter and freight purposes will severely impact the Village unless improvements such as grade separation through the Village are required in conjunction with the expanded use of these rail systems. The Village will need to monitor closely these situations and aggressively pursue improvements that will minimize impacts of this expanded use of these rail systems through the Village.

Analysis of Factors Affecting Financial Condition

Cash Management. Cash temporarily idle during the year was invested in commercial bank time deposits, certificates of deposit, savings and loan time deposits, obligations of the U.S. Treasury, U.S. Agency securities, Illinois Metropolitan Investment Pool (IMET), and Illinois Funds Investment Pool (ILFD). Exceptions to these types of investments include investments made by the Police Pension Board in insurance annuities, Illinois Police Pension Fund Association (IPPPFA) Pool, equities, and GNMA's. The maturity dates of the non-pension investments ranged from 30 days to 5 years and the average yield on investments was 3.24% for non-pension funds and 5.6% for the pension trust funds. The higher rate of return for the pension trust funds is attributable to the type of investments available to the funds; the Police and Fire Pension Funds are able to invest in equity based mutual funds and therefore achieved a higher rate of return due to the increase in value of equities in 2005. The objectives of the Village's investment policy include:

1. **Safety -** Safety of principal is the foremost objective of the investment program. Investments of the Village shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. To attain this objective, diversification is required so that potential losses on individual securities and/or financial institutions do not exceed the income generated from the remainder of the portfolio.
2. **Liquidity -** The Village's investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements that may be reasonably anticipated within each of the Village's individual Funds.
3. **Return on Investments -** The investment portfolio of the Village shall be designed with the objective of attaining a market average rate of return throughout budgetary and economic cycles, taking into account the Village's risk constraints, the cash flow characteristics of the portfolio and legal restrictions for the return on investment.

Accordingly, deposits were either insured by federal depository insurance or were collateralized. All collateral on deposits were held by the Village's agent in the Village's

name. One hundred percent of the investments held by the Village at December 31, 2005, excluding those investments not subject to risk categorization, are classified in risk category 1 as defined by the Governmental Accounting Standards Board (GASB).

Risk Management. The Village of Barrington is proud of its twenty-four year association as a charter member of the Intergovernmental Risk Management Agency (IRMA). From an initial group of fourteen Illinois municipalities, IRMA today boasts a membership of seventy-seven units of local government. IRMA manages and funds first-party property losses, third-party liability claims, workers' compensation claims and public officials' liability claims of its members.

In addition, IRMA has established, and the Village actively participates in, a loss prevention and safety program which has resulted in better control of claims and management of losses. An indication of the Village's commitment to safety is the presence of the Village's active Health and Safety Committee which is made up of representatives of all operating departments of the Village. The purpose of the Health and Safety Committee is to simplify the exchange of ideas between supervisors and employees and enhance the awareness of the Village's and IRMA's Safety and Loss Prevention Programs. The Committee also reviews, recommends and develops programs to address safety concerns and training needs.

Also, the Village obtains its coverage for employee group health and life insurance through a self-funded insurance cooperative, Intergovernmental Personnel Benefit Cooperative (IPBC). The Village was a charter member of IPBC when it was formed in 1980 and membership in the cooperative has since increased to twenty-six. Membership in IPBC requires a three-year commitment and members can tailor their insurance plans to suit their unique organizational needs.

Pension Trust Funds. The Village sponsors single employer defined benefit pension plans for its sworn police and fire personnel. Each year an independent actuary engaged by the Village calculates the amount of the annual contribution that the Village must make to the pension plan to ensure the plan will be able to meet its future obligations to retired employees. As a matter of policy, the Village of Barrington fully funds each year's annual required contribution to the pension plans as determined by the actuary. As a result of the Village's conservative funding policy, based on the latest actuary report, the Village succeeded in funding 86.0 percent of the present value of projected benefits for the Police Pension Fund and 76.5 percent of the present value of projected benefits for the Firefighter's Pension Fund.

The Village also provides pension benefits for its non-sworn employees through the Illinois Municipal Retirement Fund (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its legally required annual contribution amount.

Additional information on the Village's pension arrangements and post-employment benefits can be found in Notes 1 and 4 (on page 37 and page 70 respectively) in the notes to the financial statements.

Awards and Acknowledgements

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING to the Village of Barrington for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2004. The Certificate of Achievement is a prestigious award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) whose contents conform to program standards. The CAFR must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The Village of Barrington has received a Certificate of Achievement for the last twenty-two consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements and we are submitting this year's report to the GFOA for consideration.

Acknowledgments. The timely preparation of the Comprehensive Annual Financial Report could not be accomplished without the efficient and dedicated services of the entire staff of the Financial Services Department. I would like to express my appreciation to all members of the department who helped and contributed to its preparation. A special note of thanks to Allison Chmelik, Heather McGovern and Erica Yiu. Without their knowledge, dedication, patience, and hard work completion of this report would not have been possible.

On behalf of the staff of the Financial Services Department, we would like to thank the Village President and members of the Board of Trustees, especially those members serving on the Administration and Finance Committee, for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Without their leadership and ongoing support for this department, preparation of this report could not have been accomplished.

Respectfully submitted,



Maggie Bosley
Manager of Financial Services/Treasurer

**Village of Barrington, Illinois
Principal Officials
December 31, 2005**

VILLAGE PRESIDENT

Karen Y. Darch

VILLAGE BOARD OF TRUSTEES

Elizabeth J. Raseman

Stephen M. Miller

Paul D. Hunt

Timothy J. Roberts

James A. Daluga

Jeffrey S. Anderson

VILLAGE CLERK

Ronald M. Koppelman

VILLAGE MANAGER

Denise M. Pieroni

DEPARTMENT HEADS

Manager of Financial Services

Maggie Bosley

Chief of Fire/EMS

James E. Arie

Chief of Police

Jeffrey L. Lawler

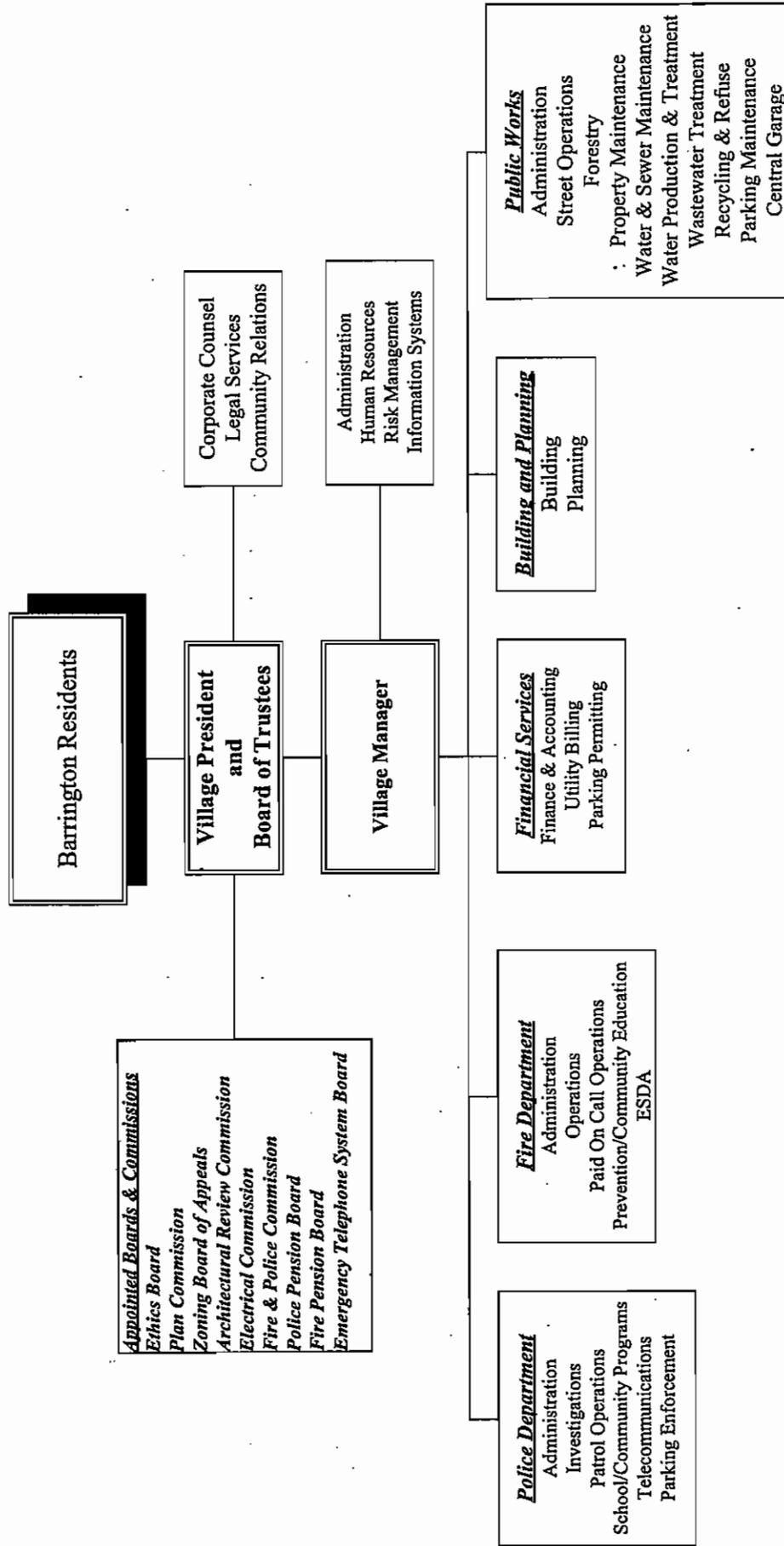
Director of Building and Planning

James C. Wallace, Jr

Director of Public Works

John M. Heinz

Village of Barrington 2005 Organization Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Barrington,
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2004

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Carla E. Perry

President

Jeffrey R. Emery

Executive Director

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

May 17, 2006

The Honorable Village President
Members of the Board of Trustees
Village of Barrington, Illinois

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information for the Village of Barrington, as of and for the year ended December 31, 2005, which collectively comprise the Village of Barrington's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village of Barrington, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Village of Barrington, Illinois as of December 31, 2005, and the results of its operations and the cash flows of its business type activities for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund schedules, as well as the information listed as supplemental and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of Barrington, Illinois. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

A handwritten signature in black ink that reads "Lauterbach + Amen LLP". The signature is written in a cursive, flowing style.

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis December 31, 2005

Our discussion and analysis of the Village of Barrington's financial performance provides an overview of the Village's financial activities for the fiscal year ended December 31, 2005. Please read it in conjunction with the transmittal letter on pages i – xi and the Village's financial statements, which begin on page 20.

Financial Highlights

- The Village's net assets, which equal total assets minus total liabilities, increased \$2,190,964 (2.95%), from \$74,278,473 in 2004 to \$76,469,437 at the end of the 2005 fiscal year. Unrestricted assets, assets that may be used to meet the Village's ongoing obligations to residents and creditors, increased from \$20,195,348 at the end of 2004 to \$20,569,736 at the end of the 2005 fiscal year (an increase of \$374,388 or 1.85%).
- At the end of fiscal year 2005, net assets of Governmental Activities had increased \$1,697,647 (3.48%) to a total of \$50,454,664. Unrestricted net assets of Governmental Activities at the end of 2005 were equal to \$14,653,714 (an increase of \$532,276 or 3.77%).
- At the end of 2005 Business-Type Activities net assets totaled \$26,014,773, with \$5,916,022 in unrestricted assets, reflecting an increase of \$493,317 (1.93%) in total net assets and a decrease of \$157,888 (2.60%) in unrestricted assets from the end of 2004.
- Revenues for Governmental Activities equaled \$17,668,507 in 2005, increasing from 2004 revenues of \$15,417,587 and exceeding total expenses of \$15,970,860 by \$1,697,647. In 2004 revenues exceeded total expenses of \$14,281,004 by \$1,136,583.
- Revenues for Business-Type Activities equaled \$6,488,329 in 2005, an increase of \$204,538 from 2004 revenues of \$6,283,791. Revenues for Business-Type Activities exceeded total expenses of \$5,995,012 by \$493,317 in 2005. In 2004 revenues exceeded expenses of \$6,075,692 by \$208,099.
- The ending fund balance for the General Fund equaled \$12,005,435, an increase of \$507,686 from the beginning balance of \$11,497,749. Of the total fund balance, \$7,048,543 (50.12% of 2005 expenditures) is unreserved and can be used to meet the Village's ongoing obligations to residents and creditors.

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 20 – 23) provide information about the activities of the Village of Barrington as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 24. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis December 31, 2005

Using this Annual Report (Continued)

Government-Wide Financial Statements

Fund financial statements also report the Village's operation in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

The government-wide financial statements provide readers with a broad overview of the Village of Barrington's finances, in a manner similar to a private-sector business. The government wide financial statements can be found on pages 20 – 23 of this report.

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

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

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-Type Activities). The Governmental Activities of the Village include general government, public safety, public works, and building and planning. The Business-Type Activities of the Village include waterworks and sewerage, recycling and refuse, and parking operations.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Barrington, like other local governments, 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, proprietary funds, and fiduciary funds.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis December 31, 2005

Using This Annual Report (Continued)

Governmental Funds

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

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

The Village maintains four 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, Debt Service Fund, Capital Projects Fund, and the TIF Redevelopment Fund all of which are considered major funds. The Village adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 24 – 28 of this report.

Proprietary Funds

The Village of Barrington maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as Business-Type Activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its waterworks and sewerage, recycling and refuse, and parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis December 31, 2005

Using This Annual Report (Continued)

Proprietary Funds (Continued)

The Village uses internal service funds to account for its fleet of vehicles and equipment as well as its Information Systems services and equipment. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund, the Parking Fund and the Recycling and Refuse Fund. The Waterworks and Sewerage Fund and the Parking Fund are both considered to be major funds of the Village while the Recycling and Refuse Fund is considered a non-major fund.

Both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 29 - 32 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village of Barrington's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 33 - 34 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 - 79 of this report.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis
December 31, 2005

Using This Annual Report (Continued)

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Barrington's Illinois Municipal Retirement Fund, police, and firefighters' employee pension obligations. Required supplementary information can be found on pages 80 - 86 of this report. The detailed budgetary comparison schedules for the major governmental funds, as well as the combining statements referred to earlier in connection with the internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 87 - 128 of this report.

Government Wide Financial Analysis

Net assets serve as a useful indicator of a government's financial position. The following tables (Table 1 and Table 2) illustrate the Village of Barrington's Net Assets, which equaled \$76,469,437 for the fiscal year ended December 31, 2005.

Table 1: Net Assets (in Millions)
Fiscal Year Ended December 31, 2005

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Current and Other Assets	\$ 26.2	\$ 24.4	\$ 7.8	\$ 7.7	\$ 34.0	\$ 32.1
Capital Assets	38.0	38.5	25.0	24.7	63.0	63.2
Total Assets	64.2	62.9	32.8	32.4	97.0	95.3
Long-Term Debt Outstanding	7.7	8.1	5.3	5.6	13.0	13.7
Other Liabilities	6.1	6.1	1.5	1.3	7.6	7.4
Total Liabilities	13.8	14.2	6.8	6.9	20.6	21.1
Net Assets						
Invested in Capital Assets, Net of Debt	29.7	29.6	19.4	18.7	49.1	48.3
Restricted	6.1	5.0	0.7	0.7	6.8	5.7
Unrestricted (Deficit)	14.6	14.1	5.9	6.1	20.5	20.2
Total Net Assets	\$ 50.4	\$ 48.7	\$ 26.0	\$ 25.5	\$ 76.4	\$ 74.2
	\$ 64.2	\$ 62.9	\$ 32.8	\$ 32.4	\$ 97.0	\$ 95.3

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis
December 31, 2005

Government Wide Financial Analysis (Continued)

**Table 2: Changes in Net Assets (in Millions)
Fiscal Year Ended December 31, 2005**

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Revenues						
Program Revenues						
Charges for Services	\$ 6.0	\$ 4.9	\$ 5.6	\$ 5.2	\$ 11.6	\$ 10.1
Operating Grants/Contributions	0.4	0.4	-	-	0.4	0.4
Capital Grants/Contributions	0.1	-	0.6	0.7	0.7	0.7
General Revenues						
Property Taxes	3.9	3.3	-	-	3.9	3.3
Sales Taxes	4.3	4.2	-	-	4.3	4.2
Other Taxes	2.1	2.1	-	-	2.1	2.1
Interest Income	0.5	0.3	0.2	0.3	0.7	0.6
Other Revenue Sources	0.3	0.2	0.1	0.1	0.4	0.3
Total Revenues	17.6	15.4	6.5	6.3	24.1	21.7
Expenses						
General Government	1.6	1.5	-	-	1.6	1.5
Public Safety	9.9	8.0	-	-	9.9	8.0
Public Works	3.5	3.8	-	-	3.5	3.8
Building and Planning	0.5	0.5	-	-	0.5	0.5
Waterworks & Sewerage	-	-	4.3	4.4	4.3	4.4
Parking System	-	-	0.8	0.8	0.8	0.8
Recycling & Refuse	-	-	0.9	0.9	0.9	0.9
Interest on Long-Term Debt	0.4	0.5	-	-	0.4	0.5
Total Expenses	15.9	14.3	6.0	6.1	21.9	20.4
Increase (Decrease) in Net Assets Before Transfers	1.7	1.1	0.5	0.2	2.2	1.3
Transfers	-	-	-	-	-	-
Increase (Decrease) in Net Assets	\$ 1.7	\$ 1.1	\$ 0.5	\$ 0.2	\$ 2.2	\$ 1.3
Net Assets-Beginning	48.7	47.6	25.5	25.3	74.2	72.9
Net Assets-Ending	\$ 50.4	\$ 48.7	\$ 26.0	\$ 25.5	\$ 76.4	\$ 74.2

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis December 31, 2005

Government Wide Financial Analysis (Continued)

The Village's net assets are composed of invested in capital assets net of related debt, restricted net assets, and unrestricted net assets. In 2005, net assets invested in capital assets net of related debt comprised 64.2% of net assets and reflect Village investments in capital assets and infrastructure (for example, land, streets, buildings, machinery, and equipment), less any related debt used to acquire those assets that remains outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village's net assets (approximately 8.9% of net assets) represents resources that are subject to external restrictions on how they may be used. The remaining 26.9% of assets, or approximately \$20.5 million, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

Net assets for Village Governmental Activities increased by approximately \$1.7 million in 2005 from a beginning total of \$48.7 million to an ending total of \$50.4 million. Unrestricted net assets, the portion of net assets that can be used to finance day-to-day operations without constraints, equaled \$14.6 million at the end of 2005.

Restricted assets for Governmental Activities equaled \$6.1 million and capital assets and infrastructure equaled \$29.7 million at the end of 2005.

Net assets of Business-Type Activities increased approximately \$.5 million in 2005, from a beginning total of \$25.5 million to an ending total of \$26.0 million. Net assets for Business-Type Activities included \$5.9 million in unrestricted net assets, approximately \$.7 million in restricted net assets, and \$19.4 million in capital assets and infrastructure.

Total Village revenues (excluding special items) equaled approximately \$24.1 million and exceeded the total cost of all programs and services, which equaled approximately \$21.9 million, by \$2.2 million. Because revenues exceeded the cost of all programs and services in 2005, Village net assets were increased by the \$2.2 million. Net assets increased for both Business-Type (increase of approximately \$.5 million) and Governmental (increase of approximately \$1.7 million) Activities in 2005.

VILLAGE OF BARRINGTON, ILLINOIS

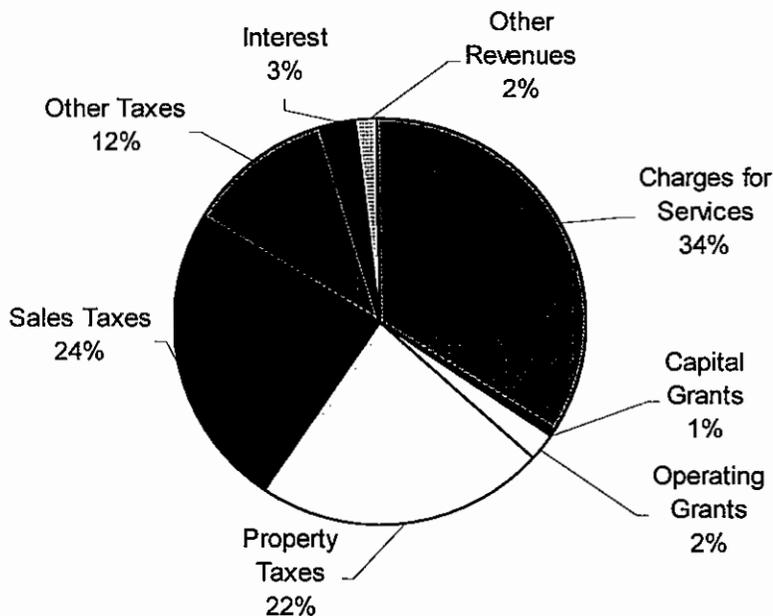
Management's Discussion and Analysis
December 31, 2005

Government Wide Financial Analysis (Continued)

Governmental Activities

Revenues for governmental activities (excluding special items) equaled \$17.6 million in 2005 while the cost of all programs and services equaled \$15.9 million. The following graph depicts the major revenue sources for the Village.

Revenues by Source - Governmental Activities



The graph depicts very clearly the balanced nature of the revenue sources that fund Village governmental activities. As illustrated by the graph, three revenue sources, Charges for Services, Sales Tax, and Property Taxes each provide at least 20% of the revenue that supports Governmental Activities. In addition, Other Taxes provides 12% of Governmental Activities revenue. The balanced nature of Governmental Activities revenue sources is a source of resiliency for the Village's financial condition as downturns in one revenue source are typically offset by increases in other sources.

The 'Program Revenues and Expenses' chart on the following page identifies the various governmental functions and illustrates the relationship between the program revenues supporting each function and the expenses associated with each function. As demonstrated in the chart, for each of the five governmental functions expenditures exceeded program revenues in 2005. These deficits are expected due to the fact that the governmental functions are primarily supported by General Revenues (for instance Property Taxes and Sales Taxes) rather than the Program Revenues.

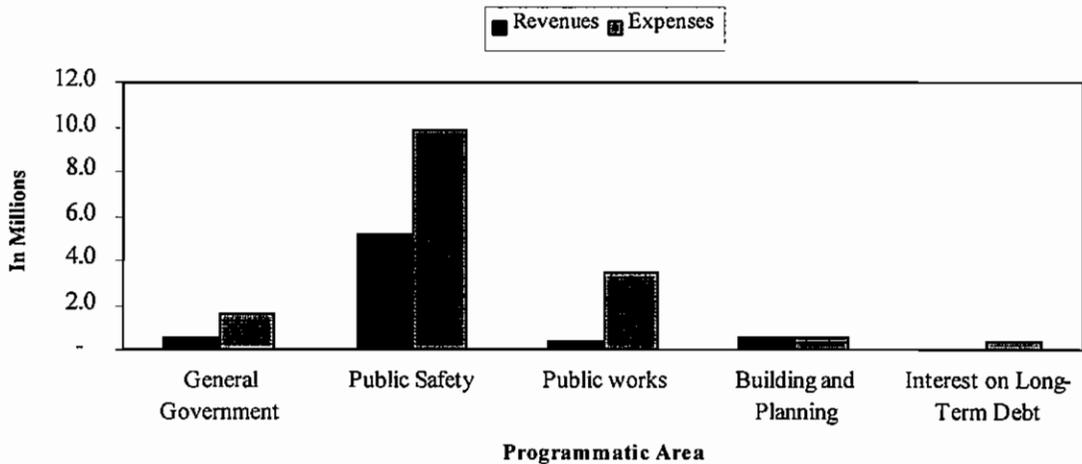
VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis
December 31, 2005

Government Wide Financial Analysis (Continued)

Governmental Activities (Continued)

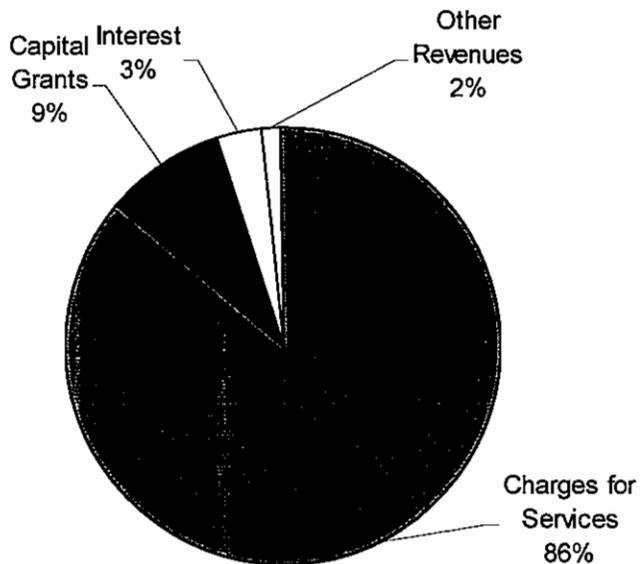
Program Revenues and Expenses - Governmental Activities



Business-type activities

Revenues supporting the Village's Business-Type Activities equaled \$6.5 million in 2005 (excluding special items) while expenses for those activities equaled \$6.0 million.

Revenues by Source - Business-Type Activities



VILLAGE OF BARRINGTON, ILLINOIS

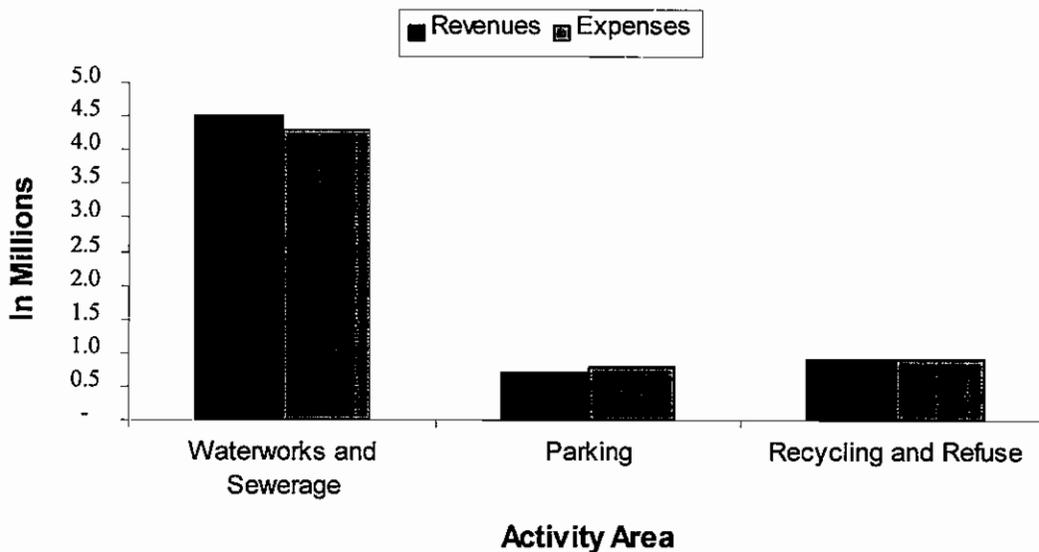
Management's Discussion and Analysis
December 31, 2005

Government Wide Financial Analysis (Continued)

Business-type activities (Continued)

In terms of revenues by source, Business-Type Activities derive the majority of their revenues (86%) from Charges for Services. This is appropriate as these Village functions are similar to private sector entities in that they are expected to provide services to residents and charge a fee for those services in an amount that supports ongoing operations as well as the continuing capital investments necessary to maintain capital assets (i.e. Water and Sewer Systems, Parking Lots). Another significant source of revenue for the Village's Business Type Activities in 2005 was connection charges which are classified as Capital Grants/Contributions.

Program Revenues and Expenses - Business-Type Activities



The above chart compares program revenues to expenses for waterworks and sewerage operations, parking operations, and recycling and refuse operations. As a whole Business-Type Activities had an increase in net assets of approximately \$500,000, however, the 'Program Revenues and Expenses' chart illustrates that parking and recycling and refuse operations had expenses that exceeded supporting program revenues (for recycling and refuse activities this is not clearly illustrated in the chart but an examination of the Statement of Revenues, Expenses, and Changes in Net Assets on Page 31 will verify the veracity of this statement). The parking fund expenses are also supported by interest income which is classified as a general revenue. Including the interest income with the program revenues results in total revenues exceeding expenses for the year. Revenues for waterworks and sewerage exceeded expenses.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis December 31, 2005

Government Wide Financial Analysis (Continued)

Business-type activities (Continued)

Expenses for the recycling and refuse activities exceeded revenues in 2005 due to an increase in the fees charged by the Solid Waste Agency of Northern Cook County (SWANCC) for the cost of disposal. At this time the Village has adequate recycling and refuse reserves to cover these additional fees, but as part of the biennial budget process for 2007/2008, the Village will establish rates at a level to cover the total operating costs of the recycling and refuse activities.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$16,906,503, an increase of \$1,534,579 from 2004 ending fund balance of \$15,371,924. This increase in governmental fund balance is primarily due to higher than projected revenues and a delay in some equipment purchases and capital project expenditures. Included in the total governmental fund balance is a negative fund balance of \$3,191,791 in the TIF Redevelopment Fund. This is an expected occurrence as the TIF Redevelopment Fund will be repaying all or a portion of the amounts loaned to it by other Village Funds throughout its existence (ending in 2023 unless extended), and therefore, the Fund is anticipated to have a negative fund balance for the majority of its duration.

The Village's General Fund is used to account for the resources and expenses associated with those services generally associated with a municipal government such as police protection, fire suppression and prevention, street maintenance, forestry, property maintenance, building code enforcement, zoning code enforcement, and general administration.

The Capital Improvement Fund provides the resources needed for the major construction projects in the Village including street improvements, sidewalk installation, and the construction of bikeways.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis
December 31, 2005

Financial Analysis of the Government's Funds (Continued)

Governmental Funds (Continued)

The TIF Redevelopment Fund is intended to encourage the redevelopment of the Village's Central Business District and provides resources for improvement of the infrastructure in the downtown as well as development projects. The Debt Service Fund is used to account for the revenues and expenditures necessary to service the Village's outstanding general obligation debt.

The General Fund, Debt Service Fund, Capital Improvement Fund, and TIF Redevelopment Fund had excesses of Revenues over Expenditures of \$507,686, \$15,325, \$402,372, and \$609,196, respectively. These excesses are the result of a combination of normal budgeted activity and, as indicated on the previous page, higher than projected revenues and a delay in some expenditures during 2005.

Proprietary funds

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

The Village reports the Waterworks and Sewerage Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water and sewer system. Water is produced from several wells located in the Village. After appropriate treatment, the water is then sold to all municipal customers and distributed through the Village's water main system. The Village sells water to municipal customers at rates that are intended to provide sufficient resources for current operations as well as necessary investments in the capital infrastructure supporting the water system. The wastewater system consists of the sanitary sewer main system for collection of wastewater and the wastewater treatment facility for the treatment and discharge of the collected wastewater. The wastewater system is also financed through charges for services.

The Village also reports the Motor Vehicle Parking System as a major proprietary fund. This fund accounts for the operations of the municipally owned commuter and central business district parking lots. The Fund is supported by revenues received from fare boxes, the sales of parking permits, and fines and forfeitures for parking violations.

The Recycling and Refuse Fund is a non-major proprietary fund that is used by the Village to account for the resources and expenses associated with the collection and disposal of solid waste and recyclables.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis December 31, 2005

General Fund Budgetary Highlights

Over the course of the fiscal year the Village Board revised the budget 2005 six times. Three of these budgetary changes, the second, the third and the fourth involved amendments to the Village's Official Compensation Plan and did not have any impact on the expenditure budget. The first budget amendment totaling \$437,150, which occurred towards the beginning of the year, involved both re-appropriating resources for the completion of projects that were budgeted but not completed in the preceding year, and increasing the expenditure budget in the General Fund, TIF Fund, Parking Fund and Information Systems Fund (these adjustments were made to provide additional funding for capital projects and contractual services and to correct an oversight in the original budget in the Information Systems Fund). The fifth budget amendment adjusted the General Fund expenditure budget by \$889,573 due to a full payment of the unfunded liability in the Fire Pension Fund. In addition, the fifth amendment provided additional funding for commodities in the Central Garage Fund due to the significant increases in the fuel prices during the year. The sixth budget amendment provided additional funding in the Recycling and Refuse Fund for contractual services due to an increase in operating costs.

The General Fund actual expenditures for 2005 of \$14,062,197 were lower than the budgeted expenditures of \$15,066,546 by \$1,004,349. The majority (86%) of this difference between budget and actual was in the General Government and Public Safety functions due to expenditures being both lower than anticipated and delayed until 2006.

Capital Assets and Debt Administration

Capital Assets

The Village of Barrington's investment in capital assets for its governmental and business type activities as of December 31, 2005 was \$62,995,471 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, park facilities, streets and related infrastructure, sidewalks, and bridges. The Village's total investment in capital assets decreased by \$203,793 due to a combination of depreciation, additions and deletions in 2005.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis
December 31, 2005

Capital Assets and Debt Administration (Continued)

Capital Assets (Continued)

**Table 3: Capital Assets - Net of Depreciation (in Millions)
Fiscal Year Ended, December 31, 2005**

	Governmental Activities	Business-type Activities	Total
Land	\$ 13,555,160	\$ 1,726,408	\$ 15,281,568
Buildings	10,666,707	-	10,666,707
Vehicles & Equipment	934,981	-	934,981
Infrastructure	12,818,622	23,293,593	36,112,215
Total	\$ 37,975,470	\$ 25,020,001	\$ 62,995,471

Major additions undertaken in 2005 included:

Acquisition of Land for Commuter Parking Lot Improvement	\$600,000
Replacement of Watermain, Cumnor Ave/Waverly Rd to Roslyn Rd	92,900
Replacement of Watermain, Roslyn Rd/Cumnor Ave to Exmoor Ave.	70,150
Installation of new Sanitary Sewer Lift Station to service Barrington Hills Country Club	150,000
Acquisition of new L-70E Wheel Loader	109,948
Acquisition of new F-550 Truck w/Aerial Bucket	88,362
	<u>\$1,111,360</u>

The fiscal year 2005 construction and equipment budgets included \$1,228,000 for those projects that were capitalized in 2005, principally for the replacement of infrastructure in the water and sewer system and acquisition of property for the enhancement of the commuter parking lot. In the 2006 budget, the majority of Capital Improvements will be completed using the resources on hand in the Capital Improvement Fund and the enterprise funds. Additional information on the Village's capital assets can be found in Note 3 on pages 56 - 58 of this report.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis
December 31, 2005

Capital Assets and Debt Administration (Continued)

Debt Administration

On December 31, 2005, the Village had four General Obligation debt issues outstanding. The first was the \$900,000 Installment Contract of 1997 with a remaining balance of \$215,000, proceeds from which were used to fund the purchase of land on Northwest Highway for the Public Safety Building. The second debt issue is the \$5,000,000 General Obligation Bonds issue, Series 1998 with a Moody's rating of Aa3 and a remaining balance of \$3,650,000, proceeds from which were used towards the construction of the new Village Hall and Public Safety Building. The third issue is the \$5,895,000 General Obligation Bonds issue, Series 1999 with a remaining balance of \$4,410,000 with a Moody's rating of Aa3 and a Moody's FSA insured rating for the 2010 through 2018 maturities of Aaa, proceeds from which were used towards the construction of the new Village Hall and Public Safety Building and the advance refunding of the 1992 General Obligation Refunding Bonds issue. The fourth debt issue is the \$2,600,000 General Obligation Waterworks and Sewerage Alternate Revenue Source Bonds, Series of 1999B with a remaining balance of \$1,810,000 with a Moody's rating of Aa3, proceeds from which were used towards improvements to the water and wastewater systems. In addition, the Village has also taken advantage of low interest loans from the Illinois Environmental Protection Agency and therefore owes the agency \$3,818,750. The following table (Table 4) illustrates the Village's outstanding debt.

**Table 4: Installment Contract, General Obligation Bonds, Revenue Bonds, and IEPA Loans
Fiscal Year Ended, December 31, 2005**

	Governmental Activities	Business-type Activities	Total
Installment Contract	\$ 215,000	\$ -	\$ 215,000
General Obligation Bonds	8,060,000	-	8,060,000
Alternate Revenue Bond	-	1,810,000	1,810,000
IEPA Loans	-	3,818,750	3,818,750
Total	\$ 8,275,000	\$ 5,628,750	\$ 13,903,750

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis
December 31, 2005

Capital Assets and Debt Administration (Continued)

Debt Administration (Continued)

Under current state statutes, the Village's general obligation bonded debt issuances are subject to a legal limitation as illustrated in the following table.

<u>Legal Debt Margin</u>	
2004 Equalized Assessed Valuation	519,255,502
Legal Limitation	8.625%
Legal Debt Limit	44,785,787
Current Amount of Debt Applicable to Limit	10,085,000
Ratio of General Obligation Debt Per Capita ⁽¹⁾	\$955.80

(1) There is an additional \$366,422 in the Debt Service Fund available for paying long-term debt obligations. This amount was subtracted from the \$10,085,000 in this calculation.

As shown in the table above, the Village's gross general obligation bonded debt is below the legal limit authorized under state statutes. Additional information on the Village's long-term debt can be found in Note 3 on pages 60 - 67 of this report.

Economic Factors and Next Year's Budget

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2006 budget and the associated property tax rates and charges for services. One of those factors is the economy. As discussed in the Transmittal Letter (Pages i - x), the Village is continuing to recover from a reduction in revenues due to the economic downturn during 2001 and 2002. This recovery is producing an austere fiscal environment and the Village has formulated its 2006 budget appropriately in order to maintain its financial condition.

Despite the cyclical challenges posed by the economic environment in 2001 and 2002, the Village maintains solid underlying demographic and economic characteristics. As discussed in the transmittal letter, Village residents have a high median income and property values in the Village for residential, commercial, and retail properties continue to increase.

VILLAGE OF BARRINGTON, ILLINOIS

Management's Discussion and Analysis
December 31, 2005

Economic Factors and Next Year's Budget (Continued)

In addition, the Village's sales tax base remains stable due to the presence of several automobile dealers including one that specializes in high retail luxury vehicles. In addition, several residential and commercial developments are expected to be completed in 2006 and these developments should provide solid growth in the future for both the Village's property tax and sales tax base.

The Village has taken these factors into account for the 2006 Budget. The total appropriated original budget across all Funds for 2006 was equal to \$27,257,308. This budget includes \$5,857,000 in capital expenditures across multiple funds as the Village invests in its capital assets and in the redevelopment of the downtown. The operating budget of \$21,120,308 represents a decrease of \$376,943 (1.76%) from the \$21,777,251 expended in 2005. The operating and capital budget in 2006 should provide an ending financial condition that will provide a solid basis for the 2007 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Village of Barrington's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Financial Services Department, Village of Barrington, 200 South Hough Street, Barrington, Illinois, 60010.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the Governmental Accounting Standards Board. The sets of statements include:

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

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

VILLAGE OF BARRINGTON, ILLINOIS

**Statement of Net Assets
December 31, 2005**

See Following Page

VILLAGE OF BARRINGTON, ILLINOIS

**Statement of Net Assets
December 31, 2005**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and Investments	\$ 18,404,171	\$ 6,166,427	\$ 24,570,598
Receivables - Net	5,812,875	839,172	6,652,047
Prepays	-	31,786	31,786
Deposits	1,266,836	-	1,266,836
Restricted Cash and Investments	-	707,500	707,500
Total Current Assets	<u>25,483,882</u>	<u>7,744,885</u>	<u>33,228,767</u>
Noncurrent Assets			
Capital Assets			
Land	13,555,160	1,726,408	15,281,568
Buildings	12,331,355	-	12,331,355
Sewer System	-	17,697,625	17,697,625
Water System	-	21,396,125	21,396,125
Land Improvements	-	1,565,727	1,565,727
Vehicles and Equipment	1,950,571	-	1,950,571
Infrastructure	19,167,079	-	19,167,079
Accumulated Depreciation	<u>(9,028,695)</u>	<u>(17,365,884)</u>	<u>(26,394,579)</u>
Total Capital Assets	<u>37,975,470</u>	<u>25,020,001</u>	<u>62,995,471</u>
Other Assets			
Net Pension Asset	<u>838,830</u>	<u>-</u>	<u>838,830</u>
Total Noncurrent Assets	<u>38,814,300</u>	<u>25,020,001</u>	<u>63,834,301</u>
Total Assets	<u>\$ 64,298,182</u>	<u>\$ 32,764,886</u>	<u>\$ 97,063,068</u>

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

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts and Retainage Payable	\$ 1,083,861	\$ 430,630	\$ 1,514,491
Accrued Payroll and Related	234,931	38,899	273,830
Accrued Interest Payable	23,631	-	23,631
Deposits and Other Payables	292,713	356,491	649,204
Unearned Revenue	3,342,690	160,428	3,503,118
Current Portion Long-Term Debt	708,138	385,804	1,093,942
Total Current Liabilities	<u>5,685,964</u>	<u>1,372,252</u>	<u>7,058,216</u>
Noncurrent Liabilities			
Compensated Absences Payable	472,554	107,932	580,486
Installment Contracts/Loans Payable	110,000	3,624,929	3,734,929
Alternate Revenue Bonds Payable	-	1,645,000	1,645,000
General Obligation Bonds Payable	7,575,000	-	7,575,000
Total Noncurrent Liabilities	<u>8,157,554</u>	<u>5,377,861</u>	<u>13,535,415</u>
Total Liabilities	<u>13,843,518</u>	<u>6,750,113</u>	<u>20,593,631</u>
NET ASSETS			
Invested in Capital Assets -			
Net of Related Debt	29,700,470	19,391,251	49,091,721
Restricted			
Special Revenues	1,511,608	-	1,511,608
Capital Projects	4,246,081	-	4,246,081
Debt Service	342,791	707,500	1,050,291
Unrestricted	<u>14,653,714</u>	<u>5,916,022</u>	<u>20,569,736</u>
Total Net Assets	<u>\$ 50,454,664</u>	<u>\$ 26,014,773</u>	<u>\$ 76,469,437</u>

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

VILLAGE OF BARRINGTON, ILLINOIS

Statement of Activities
Year Ended December 31, 2005

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/Contributions	Capital Grants/Contributions
Governmental Activities				
General Government	\$ 1,615,028	\$ 524,034	\$ 9,361	\$ -
Public Safety	9,860,769	5,053,995	112,329	-
Public Works	3,506,880	-	301,544	136,747
Building and Planning	538,706	468,856	-	-
Interest on Long-Term Debt	449,477	-	-	-
Total Governmental Activities	15,970,860	6,046,885	423,234	136,747
Business-Type Activities				
Waterworks and Sewerage	4,250,450	3,952,118	-	572,370
Parking	783,566	724,406	-	-
Recycling	960,996	944,476	-	-
Total Business-Type Activities	5,995,012	5,621,000	-	572,370
	\$ 21,965,872	\$ 11,667,885	\$ 423,234	\$ 709,117

General Revenues
 Taxes
 Property Taxes
 Sales Taxes
 Income Taxes
 Telecommunication/Utility Taxes
 Other Taxes
 Interest Income
 Miscellaneous
 Transfers - Internal Activity

Change in Net Assets

Beginning of Year

End of Year

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

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
\$ (1,081,633)	\$ -	\$ (1,081,633)
(4,694,445)	-	(4,694,445)
(3,068,589)	-	(3,068,589)
(69,850)	-	(69,850)
(449,477)	-	(449,477)
<u>(9,363,994)</u>	<u>-</u>	<u>(9,363,994)</u>
-	274,038	274,038
-	(59,160)	(59,160)
-	(16,520)	(16,520)
<u>-</u>	<u>198,358</u>	<u>198,358</u>
<u>(9,363,994)</u>	<u>198,358</u>	<u>(9,165,636)</u>
3,893,924	-	3,893,924
4,238,256	-	4,238,256
765,054	-	765,054
999,970	-	999,970
291,146	-	291,146
549,084	196,959	746,043
329,207	93,000	422,207
(5,000)	5,000	-
<u>11,061,641</u>	<u>294,959</u>	<u>11,356,600</u>
1,697,647	493,317	2,190,964
<u>48,757,017</u>	<u>25,521,456</u>	<u>74,278,473</u>
<u>\$ 50,454,664</u>	<u>\$ 26,014,773</u>	<u>\$ 76,469,437</u>

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

VILLAGE OF BARRINGTON, ILLINOIS

**Balance Sheet - Governmental Funds
December 31, 2005**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>TIF Redevelopment</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Investments	\$ 9,332,917	\$ 342,509	\$ 3,132,653	\$ 1,982,691	\$ 14,790,770
Receivables - Net of Allowances					
Taxes	3,624,241	851,853	158,249	19,871	4,654,214
Accrued Interest	18,236	-	2,667	-	20,903
Other	796,395	-	26,807	-	823,202
Due from Other Governments	99,608	-	173,225	-	272,833
Deposits					
Insurance	1,241,836	-	-	-	1,241,836
Other	-	-	-	25,000	25,000
Advances to Other Funds	-	-	4,600,000	-	4,600,000
Total Assets	<u>\$ 15,113,233</u>	<u>\$ 1,194,362</u>	<u>\$ 8,093,601</u>	<u>\$ 2,027,562</u>	<u>\$ 26,428,758</u>

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

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>TIF Redevelopment</u>	<u>Total Governmental Funds</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 255,902	\$ -	\$ 217,922	\$ 495,662	\$ 969,486
Retainage Payable	-	-	73,417	-	73,417
Accrued Payroll	229,503	-	-	-	229,503
Other Payables	93,197	-	75,825	123,691	292,713
Due to Other Funds	14,446	-	-	-	14,446
Advance from Other Funds	-	-	-	4,600,000	4,600,000
Unearned Revenues	<u>2,514,750</u>	<u>827,940</u>	<u>-</u>	<u>-</u>	<u>3,342,690</u>
Total Liabilities	<u>3,107,798</u>	<u>827,940</u>	<u>367,164</u>	<u>5,219,353</u>	<u>9,522,255</u>
Fund Balances					
Reserved - Advances	-	-	4,600,000	-	4,600,000
Reserved - Debt Service	-	366,422	-	-	366,422
Reserved - Restricted Revenues	1,223,043	-	288,565	-	1,511,608
Unreserved - Designated	3,733,849	-	1,272,150	-	5,005,999
Unreserved - Undesignated	<u>7,048,543</u>	<u>-</u>	<u>1,565,722</u>	<u>(3,191,791)</u>	<u>5,422,474</u>
Total Fund Balances	<u>12,005,435</u>	<u>366,422</u>	<u>7,726,437</u>	<u>(3,191,791)</u>	<u>16,906,503</u>
Total Liabilities and Fund Balances	<u>\$ 15,113,233</u>	<u>\$ 1,194,362</u>	<u>\$ 8,093,601</u>	<u>\$ 2,027,562</u>	<u>\$ 26,428,758</u>

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

VILLAGE OF BARRINGTON, ILLINOIS

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

December 31, 2005

Total Governmental Fund Balances	\$ 16,906,503
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital Assets used in Governmental Activities are not Financial Resources and therefore, are not Reported in the Funds.	37,135,355
A Net Pension Asset is not Considered to Represent a Financial Resource and Therefore is not Reported in the Funds.	838,830
Internal Service Funds are used by the Village to Charge the Costs of Vehicle and Equipment Management to Individual Funds. The Assets and Liabilities of the Internal Service Funds are Included in the Governmental Activities in the Statement of Net Assets.	4,444,213
Long-Term Liabilities are not Due and Payable in the Current Period and therefore are not Reported in the Funds.	
Installment Contracts Payable	(215,000)
General Obligation Bonds Payable	(8,060,000)
Compensated Absences Payable	(571,606)
Accrued Interest Payable	<u>(23,631)</u>
Net Assets of Governmental Activities	<u>\$ 50,454,664</u>

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

VILLAGE OF BARRINGTON, ILLINOIS

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2005

	General	Debt Service	Capital Improvements	TIF Redevelopment	Total Governmental Funds
Revenues					
Taxes	\$ 7,601,383	\$ 840,707	\$ 999,970	\$ 746,290	\$ 10,188,350
Licenses and Permits	468,856	-	-	-	468,856
Intergovernmental	423,234	-	136,747	-	559,981
Charges for Services	5,036,105	-	857	-	5,036,962
Fines and Forfeits	126,498	-	-	-	126,498
Village Property Usage	105,747	-	240,572	68,250	414,569
Investment Income	238,890	17,583	147,922	47,194	451,589
Miscellaneous	117,341	-	201,866	10,000	329,207
Interfund Charges	571,193	-	-	-	571,193
Total Revenues	14,689,247	858,290	1,727,934	871,734	18,147,205
Expenditures					
Current					
General Government	2,001,111	-	-	-	2,001,111
Public Safety	9,827,353	-	-	-	9,827,353
Public Works	1,695,027	-	-	-	1,695,027
Building and Planning	538,706	-	-	-	538,706
Capital Projects	-	-	1,325,562	202,538	1,528,100
Debt Service					
Principal Retirement	-	565,000	-	-	565,000
Interest and Fiscal Charges	-	392,329	-	60,000	452,329
Total Expenditures	14,062,197	957,329	1,325,562	262,538	16,607,626
Excess (Deficiency) of Revenues Over (Under) Expenditures	627,050	(99,039)	402,372	609,196	1,539,579
Other Financing Sources (Uses)					
Transfers In	-	114,364	-	-	114,364
Transfers Out	(119,364)	-	-	-	(119,364)
Total Other Financing Sources (Uses)	(119,364)	114,364	-	-	(5,000)
Net Change in Fund Balances	507,686	15,325	402,372	609,196	1,534,579
Fund Balance - January 1	11,497,749	351,097	7,324,065	(3,800,987)	15,371,924
Fund Balance - December 31	\$ 12,005,435	\$ 366,422	\$ 7,726,437	\$ (3,191,791)	\$ 16,906,503

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

VILLAGE OF BARRINGTON, ILLINOIS

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

Year Ended December 31, 2005

Net Change in Fund Balances - Total Governmental Funds	\$ 1,534,579
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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	56,465
Depreciation Expense	(655,671)

The Net Effect of Various Transactions Involving Capital Assets
is to Decrease Net Assets

Disposals - Cost	(5,179)
Disposals - Accumulated Depreciation	2,267

An Addition to a Net Pension Asset is not Considered to be an Increase in a
Financial Asset in the Governmental Funds.

Addition to Net Pension Asset	143,012
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The Issuance of Long-Term Debt Provides Current Financial Resources to
Governmental Funds, While the Repayment of the Principal on Long-Term
Debt Consumes the Current Financial Resources of the Governmental Funds.

Additions to Compensated Absences Payable	(251,610)
Retirement of Debt	565,000

Changes to Accrued Interest on Long-Term Debt in the Statement of Activities
does not Require the use of Current Financial Resources and, therefore, are not
Reported as Expenditures in the Governmental Funds.

	2,853
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Internal Service Funds are used by the Village to Charge the Costs of Information
Systems Management and Vehicle and Equipment Management to Individual Funds.
The Net Revenue of Certain Activities of Internal Service Funds is
Reported with Governmental Activities.

	<u>305,931</u>
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Changes in Net Assets of Governmental Activities	\$ 1,697,647
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF BARRINGTON, ILLINOIS

**Statement of Net Assets - Proprietary Funds
December 31, 2005**

See Following Page

VILLAGE OF BARRINGTON, ILLINOIS

**Statement of Net Assets - Proprietary Funds
December 31, 2005**

	Business-Type Activities - Enterprise Funds			Total	Governmental
	Waterworks and Sewerage	Motor Vehicle Parking System	Nonmajor Recycling and Refuse		Activities Internal Service
ASSETS					
Current Assets					
Cash and Investments	\$ 3,754,026	\$ 2,207,201	\$ 205,200	\$ 6,166,427	\$ 3,613,401
Receivables - Net of Allowances					
Accounts	719,083	10,519	95,416	825,018	30,556
Accrued Interest	5,951	1,343	-	7,294	11,167
Other	5,010	-	1,850	6,860	-
Prepays	10,419	1,091	20,276	31,786	-
Restricted Cash and Investments	707,500	-	-	707,500	-
Total Current Assets	<u>5,201,989</u>	<u>2,220,154</u>	<u>322,742</u>	<u>7,744,885</u>	<u>3,655,124</u>
Capital Assets					
Land	142,629	1,583,779	-	1,726,408	-
Sewer System	17,697,625	-	-	17,697,625	-
Water System	21,396,125	-	-	21,396,125	-
Land Improvements	-	1,565,727	-	1,565,727	-
Vehicles and Equipment	-	-	-	-	1,600,585
Accumulated Depreciation	(15,800,157)	(1,565,727)	-	(17,365,884)	(760,470)
Total Capital Assets	<u>23,436,222</u>	<u>1,583,779</u>	<u>-</u>	<u>25,020,001</u>	<u>840,115</u>
Total Assets	<u>28,638,211</u>	<u>3,803,933</u>	<u>322,742</u>	<u>32,764,886</u>	<u>4,495,239</u>

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

	Business-Type Activities - Enterprise Funds				Governmental
	Waterworks and Sewerage	Motor Vehicle Parking System	Nonmajor Recycling and Refuse	Total	Activities Internal Service
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 293,548	\$ 10,921	\$ 89,890	\$ 394,359	\$ 26,512
Retainage Payable	36,271	-	-	36,271	-
Accrued Payroll	30,094	7,016	1,789	38,899	5,428
Deposits Payable	34,293	322,198	-	356,491	-
Unearned Revenues	-	39,860	120,568	160,428	-
Compensated Absences Payable	19,007	6,042	1,934	26,983	19,086
IEPA Loans Payable	193,821	-	-	193,821	-
Alternate Revenue Bonds Payable	165,000	-	-	165,000	-
Total Current Liabilities	<u>772,034</u>	<u>386,037</u>	<u>214,181</u>	<u>1,372,252</u>	<u>51,026</u>
Noncurrent Liabilities					
Compensated Absences Payable	76,030	24,167	7,735	107,932	-
IEPA Loans Payable	3,624,929	-	-	3,624,929	-
Alternate Revenue Bonds Payable	1,645,000	-	-	1,645,000	-
Total Noncurrent Liabilities	<u>5,345,959</u>	<u>24,167</u>	<u>7,735</u>	<u>5,377,861</u>	<u>-</u>
Total Liabilities	<u>6,117,993</u>	<u>410,204</u>	<u>221,916</u>	<u>6,750,113</u>	<u>51,026</u>
NET ASSETS					
Invested in Capital Assets - Net					
of Related Debt	17,807,472	1,583,779	-	19,391,251	840,115
Restricted	707,500	-	-	707,500	-
Unrestricted	4,005,246	1,809,950	100,826	5,916,022	3,604,098
Total Net Assets	<u>\$ 22,520,218</u>	<u>\$ 3,393,729</u>	<u>\$ 100,826</u>	<u>\$ 26,014,773</u>	<u>\$ 4,444,213</u>

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

VILLAGE OF BARRINGTON, ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds
Year Ended December 31, 2005

	Business-Type Activities - Enterprise Funds				Governmental
	Waterworks and Sewerage	Motor Vehicle Parking System	Nonmajor Recycling and Refuse	Total	Activities Internal Service
Operating Revenues					
Licenses and Permits	\$ -	\$ 212,304	\$ -	\$ 212,304	\$ -
Charges for Services	3,915,114	326,594	939,916	5,181,624	75,864
Fines and Forfeits	-	142,581	-	142,581	-
Interfund Charges	-	-	-	-	1,004,376
Village Property Usage	-	12,740	-	12,740	-
Miscellaneous	37,004	30,187	4,560	71,751	-
Total Operating Revenues	3,952,118	724,406	944,476	5,621,000	1,080,240
Operating Expenses					
Administration	815,987	-	52,137	868,124	-
Operations	2,047,394	750,688	908,859	3,706,941	626,582
Capital Projects	513,994	27,961	-	541,955	190,694
Depreciation	662,611	4,917	-	667,528	95,901
Total Operating Expenses	4,039,986	783,566	960,996	5,784,548	913,177
Operating Income (Loss)	(87,868)	(59,160)	(16,520)	(163,548)	167,063
Nonoperating Revenues (Expenses)					
Investment Income	118,034	72,688	6,237	196,959	97,495
Connection Fees	572,370	-	-	572,370	-
Other Income	93,000	-	-	93,000	-
Gain (Loss) on Disposal of Assets	(15,395)	-	-	(15,395)	41,373
Interest Expense and Fiscal Charges	(195,069)	-	-	(195,069)	-
Total Nonoperating Revenues (Expenses)	572,940	72,688	6,237	651,865	138,868
Income (Loss) Before Transfers	485,072	13,528	(10,283)	488,317	305,931
Transfers In	-	-	5,000	5,000	-
Change in Net Assets	485,072	13,528	(5,283)	493,317	305,931
Net Assets - January 1	22,035,146	3,380,201	106,109	25,521,456	4,138,282
Net Assets - December 31	\$ 22,520,218	\$ 3,393,729	\$ 100,826	\$ 26,014,773	\$ 4,444,213

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

VILLAGE OF BARRINGTON, ILLINOIS

Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2005

	Business-Type Activities - Enterprise Funds				Governmental Activities Internal Service
	Waterworks and Sewerage	Motor Vehicle Parking System	Nonmajor Recycling and Refuse	Total	
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 4,587,463	\$ 732,667	\$ 940,336	\$ 6,260,466	\$ 96,951
Receipts from Interfund Services Provided	-	-	-	-	1,004,376
Payments to Employees	(1,515,783)	(375,648)	(106,198)	(1,997,629)	(315,282)
Payments to Suppliers	(1,660,233)	(372,020)	(849,906)	(2,882,159)	(506,580)
	<u>1,411,447</u>	<u>(15,001)</u>	<u>(15,768)</u>	<u>1,380,678</u>	<u>279,465</u>
Cash Flows from Noncapital Financing Activities					
Transfers In	-	-	5,000	5,000	-
Cash Flows from Capital and Related Financing Activities					
Purchase of Capital Assets	(385,435)	(600,000)	-	(985,435)	(198,310)
Proceeds from Sale of Capital Assets	-	-	-	-	47,968
Interest Expense	(195,069)	-	-	(195,069)	-
Payment of Principal	(348,694)	-	-	(348,694)	-
	<u>(929,198)</u>	<u>(600,000)</u>	<u>-</u>	<u>(1,529,198)</u>	<u>(150,342)</u>
Cash Flows from Investing Activities					
Interest Received	<u>118,034</u>	<u>72,688</u>	<u>6,237</u>	<u>196,959</u>	<u>97,495</u>
Net Change in Cash and Cash Equivalents	600,283	(542,313)	(4,531)	53,439	226,618
Cash and Cash Equivalents					
January 1	<u>3,861,243</u>	<u>2,749,514</u>	<u>209,731</u>	<u>6,820,488</u>	<u>3,386,783</u>
December 31	<u>\$ 4,461,526</u>	<u>\$ 2,207,201</u>	<u>\$ 205,200</u>	<u>\$ 6,873,927</u>	<u>\$ 3,613,401</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	<u>(87,868)</u>	<u>(59,160)</u>	<u>(16,520)</u>	<u>(163,548)</u>	<u>167,063</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash					
Provided by (Used in) Operating Activities:					
Depreciation Expense	662,611	4,917	-	667,528	95,901
Other Income	665,370	-	-	665,370	-
(Increase) Decrease in Current Assets	(30,025)	8,261	(4,140)	(25,904)	21,087
Increase (Decrease) in Current Liabilities	<u>201,359</u>	<u>30,981</u>	<u>4,892</u>	<u>237,232</u>	<u>(4,586)</u>
Net Cash Provided by Operating Activities	<u>\$ 1,411,447</u>	<u>\$ (15,001)</u>	<u>\$ (15,768)</u>	<u>\$ 1,380,678</u>	<u>\$ 279,465</u>

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

VILLAGE OF BARRINGTON, ILLINOIS

Statement of Net Assets - Fiduciary Funds
December 31, 2005

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 663,685	\$ 1,521,500
Investments		
Money Markets/Mutual Funds	5,768,520	-
U.S. Government and Agency Obligations	7,582,299	-
Equity Securities	5,140,709	-
Receivables		
Accrued Interest	73,829	756
Other	-	24,929
Prepaid Expenses	1,082	-
Due from Other Funds	14,446	-
	<u>19,244,570</u>	<u>1,547,185</u>
LIABILITIES		
Accounts Payable	32,922	26,764
Deposits Payable	-	1,520,421
	<u>32,922</u>	<u>1,547,185</u>
NET ASSETS		
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	<u>\$ 19,211,648</u>	<u>\$ -</u>

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

VILLAGE OF BARRINGTON, ILLINOIS

Statement of Changes in Net Assets - Fiduciary Funds
Year Ended December 31, 2005

	Pension Trust
Additions	
Contributions - Employer	\$ 1,700,042
Contributions - Plan Members	454,340
Total Contributions	<u>2,154,382</u>
Investment Income	
Interest Earned	587,904
Net Change in Fair Value	426,931
Total Investment Income	1,014,835
Less Investment Expenses	<u>(82,059)</u>
Net Investment Income	<u>932,776</u>
Total Additions	<u>3,087,158</u>
Deductions	
Administration	29,258
Benefits and Refunds	577,000
Total Deductions	<u>606,258</u>
Change in Net Assets	2,480,900
Plan Net Assets Held in Trust for Pension Benefits - January 1	<u>16,730,748</u>
Plan Net Assets Held in Trust for Pension Benefits - December 31	<u>\$ 19,211,648</u>

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

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VILLAGE OF BARRINGTON, ILLINOIS

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December 31, 2005**

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VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies

The Village of Barrington, Illinois, incorporated in 1865, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, waterworks and sewerage services, parking system services, refuse and recycling services and general administrative services.

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

A. Reporting Entity

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Barrington
Blended Component Units:	Police Pension Employees Retirement System Firefighters' Pension Employees Retirement System

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the Village.

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Blended Component Units

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, with the advice and consent of the Board of Trustees, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a nine-member pension board. The Village's President, Treasurer, Clerk, Attorney and Fire Chief, one elected pension beneficiary and three elected firefighters 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 FPERS 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 FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a pension trust fund.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 - Summary of Significant Accounting Policies (Continued)

B. 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 and fire safety, 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 waterworks and sewerage services, parking system and refuse and recycling services are classified as business-type activities.

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

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, building and planning, 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, operating and capital grants. Program revenues must be directly associated with the function (general government, public safety, public works, building and planning, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 - Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

Government-Wide Statements (Continued)

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

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

Fund Financial Statements

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

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

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.

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 Debt Service Fund is treated as a major fund and records all of the Village's long-term debt activity.

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 Capital Improvements Fund is a major fund and accounts for revenues and expenditures relative to the construction of capital improvements. The Tax Increment Financing (TIF) Redevelopment Fund is a major fund and accounts for revenues and expenditures relative to the administration of the TIF District and redevelopment activities.

Proprietary Funds

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Proprietary Funds (Continued)

The following is a description of the proprietary funds 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 two major enterprise funds. The Waterworks and Sewerage Fund accounts for the provision of water and sewer services to the residents and businesses of the Village. The Motor Vehicle Parking System Fund accounts for revenues and expenses related to public parking.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains two internal service funds. The Information Services Fund accounts for the cost of services to maintain information systems equipment used by the Village departments, and for the accumulation of funds for the replacement of such equipment. The Central Garage Fund accounts for the cost of operating a maintenance facility for vehicular equipment used by other Village departments; a monthly charge to other funds is assessed which provides for the cost of mechanics, fuel, repair parts, replacement of vehicular equipment, and other expenses.

The Village's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, public works, building and planning, etc.).

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

B. 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 assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

Agency Funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains one agency fund. The Escrow/Deposits Fund accounts for performance bonds and funds held on behalf of developers, individuals, and other entities.

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.

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Measurement Focus (Continued)

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

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets.

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

Basis of Accounting

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

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Basis of Accounting (Continued)

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, utility taxes, hotel/motel taxes, fines, 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 funds, pension trust funds and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds, and of the Village's internal service 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.

D. Assets, Liabilities, and Net Assets or Equity

Cash and Investments

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

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Assets 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 are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

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.

Prepays

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

Restricted Assets

Certain enterprise fund resources required to be set aside for the repayment of alternate revenue source bonds and IEPA low interest loans are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Additional enterprise fund resources are required to be set aside for future capital replacement in accordance with grant restrictions.

Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 to \$50,000 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.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Capital Assets (Continued)

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 and stormsewers are capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. The valuation basis for general capital assets is 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 is the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

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

Buildings	40 Years
Vehicles and Equipment	5 - 20 Years
Water and Sewerage Infrastructure	75 Years
Other Infrastructure	60 Years

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.

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.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Long-term Obligations

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

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

Unearned Revenue

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

Fund Equity

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

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 1 – Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Fund Equity (Continued)

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

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

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

NOTE 2 – Stewardship, Compliance and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles. All departments of the Village submit requests for appropriation to the Village's budget officer so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested funding for the next fiscal year.

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

The budget officer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year the corporate authorities considered and approved several supplementary appropriations.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 2 – Stewardship, Compliance and Accountability (Continued)

B. Deficit Fund Equity

The TIF Redevelopment Fund has deficit fund equity of \$3,191,791 as of the date of this report. This deficit balance was planned and appropriate future funding measures have been adopted.

NOTE 3 – Detail Notes on All Funds

A. 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. The deposits and investments of the pension trust funds are held separately from those of other 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, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund.

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.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

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.

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

Village – Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end the carrying amount of the Village's deposits for governmental, business-type and agency activities totaled \$15,652,715 and the bank balances totaled \$15,918,511.

Investments. At year-end, the Village has the following investments and maturities:

Investment Type	Investment Maturities (in Years)				
	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
U.S. Agency Obligations	\$ 5,009,619	\$ 349,375	\$ 4,660,244	\$ -	\$ -
Illinois Funds	5,346,172	5,346,172	-	-	-
IMET	791,092	791,092	-	-	-
Total	\$ 11,146,883	\$ 6,486,639	\$ 4,660,244	\$ -	\$ -

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 attempts to limit the Village's exposure to interest rate risk by attempting to match its investments with anticipated cash flow requirements.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Village – Credit Risk, Custodial Credit Risk, and Concentration Risk (Continued)

Interest Rate Risk (Continued). Unless matched to a specific cash flow requirement, or controlled by specific ordinance, the Village will not directly invest in securities maturing more than five (5) years from the date of purchase. Reserve funds may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Village's investment policy also prescribes to the "prudent person" rule, which states, "investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as possible income to be derived." As of December 31, 2005, all of the Village's U.S. Agency Obligations were rated AAA by Standard and Poor's. Also, the Village's investment in Illinois Funds and IMET were both rated AAAM by Standard and Poor's.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy limits custodial credit risk by not maintaining funds in any institution not willing or capable of pledging required collateral for funds in excess of FDIC insurable limits. Furthermore, the amount of collateral provided shall not be less than 110 percent of the fair market value of the net amount of public funds secured and that all pledged collateral will be held in safekeeping by an independent third party depository designated by the Village. At December 31, 2005, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk – Investments. In the case of investments, 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 attempts to limit the Village's custodial credit risk for its investments by requiring that securities be held by a third party custodian designated by the Village and evidenced by safekeeping receipts. At December 31, 2005, all U.S. Treasury Obligations and Agency Securities are categorized as insured, registered, or held by the Village or its agent in the Village's name. The Village's investment in Illinois Funds and IMET are noncategorizable.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Village – Credit Risk, Custodial Credit Risk, and Concentration Risk (Continued)

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that in no case shall the following diversification limits be exceeded unless specifically authorized by the Board of Trustees:

- A. No financial institution shall hold more than 50% of the Village's investment portfolio, exclusive of U.S. Treasury securities in safekeeping.
- B. Monies deposited at a financial institution shall not exceed 65% of the capital stock and surplus of that institution.
- C. Commercial paper shall not exceed 30% of the Village's investment portfolio.
- D. Deposits in the Illinois Funds shall not exceed 50% of the investment portfolio.
- E. Deposits in the Illinois Metropolitan Investment Fund (IMET) shall not exceed 15% of the investment portfolio.

At December 31, 2005 all of the Village's investments are in compliance with the guidelines outlined above in the Village's investment policy. The Village's investment in Illinois Funds represents more than 5% of net assets available.

Police Pension Fund – Credit Risk, Custodial Credit Risk, and Concentration Risk

Investments. The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2005.

Investment Type	Investment Maturities (in Years)				
	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Obligations	\$ 1,553,811	\$ -	\$ -	\$ 1,553,811	\$ -
U.S. Agency Obligations	3,119,789	-	455,650	1,544,617	1,119,522
IPPFA Group Trust	3,289,146	3,289,146	-	-	-
Money Market	560,597	560,597	-	-	-
Total	\$ 8,523,343	\$ 3,849,743	\$ 455,650	\$ 3,098,428	\$ 1,119,522

Interest Rate Risk. It is the policy of the Police Pension Board to attempt to invest funds as shown in the following table.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Police Pension Fund – Credit Risk, Custodial Credit Risk, and Concentration Risk
(Continued)

Interest Rate Risk (Continued)

<u>Investment Type</u>	<u>Acceptable Range</u>	<u>Actual Range</u>
Fixed Income Securities	50-75%	53%
Equity Securities/Corporate Stocks	20-35%	35%
Equity Securities/Life Insurance	5-10%	7%
Cash Holdings	0-25%	5%

Credit Risk. The Fund limits its exposure to credit risk, the risk that the issuers of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investment policy of the Fund does not contain any provisions specifying the quality of securities the Board can invest in. As of December 31, 2005, the credit ratings of the fund's debt securities ranged from AA to AAA (Standard and Poors).

Custodial Credit Risk – Deposits. Custodial credit risk for deposits with financial institutions is the risk that in the event of a banks failure, the Fund's deposits may not be returned to them. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

Custodial Credit Risk – Investments. The Police Pension Board limits its exposure to custodial risk by utilizing an independent, third party institution, selected by the Police Pension Board, to act as custodian for its securities. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Police Pension Board will not be able to recover the value of its investments that are in the possession of an outside party.

Concentration of Credit Risk. At December 31, 2005, the Fund had greater than five percent of its fixed income portfolio in FHLB notes (6.18%), FNMA notes (31.17%), and FHLMC notes (29.39%). The investment policy diversifies its fixed income holdings with a range of 50% to 75% and a target of 59%.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Firefighters' Pension Fund – Credit Risk, Custodial Credit Risk, and Concentration Risk

Investments. At year-end, the Firefighters' Pension Fund has the following investments and maturities:

Investment Type	Investment Maturities (in Years)				
	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Obligations	\$ 966,103	\$ -	\$ 299,863	\$ -	\$ 666,240
U.S. Agency Obligations	1,942,596	297,424	1,257,698	387,474	-
Illinois Funds	543,527	543,527	-	-	-
Money Market	27,173	27,173	-	-	-
Total	\$ 3,479,399	\$ 868,124	\$ 1,557,561	\$ 387,474	\$ 666,240

Interest Rate Risk. The Fund's investment policy limits its exposure to interest rate risk by stating that as assets become available for investment, they should be in proportion over time with the Fund's liabilities.

Credit Risk. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. Other than investing in securities issued by the U.S. Government and/or its agencies, the Fund's investment policy does not further limit exposure to credit risk. As of December 31, 2005, all of the Fund's debt securities were triple A rated.

Custodial Credit Risk – Deposits. The Fund's investment policy does not limit its exposure to custodial credit risk for deposits. At December 31, 2005, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk – Investments. The Fund's investment policy does not limit its exposure to custodial credit risk for investments. At December 31, 2005, all U.S. Treasury Obligations and Agency Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investment in Illinois Funds is noncategorizable.

Concentration of Credit Risk. The Fund does not have a formal written policy with regards to concentration credit risk for investments. The Fund's investment in the Illinois Funds and Vanguard represent more than 5% of net assets available for benefits.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

B. Property Taxes

Property taxes for 2005 attach as an enforceable lien on January 1, 2005, on property values assessed as of the same date. Taxes are levied (by passage of a Tax Levy Ordinance) and filed with both Lake and Cook County by the fourth Tuesday of December. Tax bills are prepared by Cook County and issued on or about February 1, 2006 and August 1, 2006 and are payable in two installments, on or about March 1, 2006, and September 1, 2006. Tax bills are prepared by Lake County and issued on or about April 1, 2006 and are payable in two installments, on or about June 1, 2006 and September 1, 2006. The Counties collect such taxes and remit them periodically. The allowance for uncollectible taxes has been determined to be zero.

C. Capital Assets

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets-Not Being Depreciated				
Land	\$ 13,555,978	\$ -	\$ 818	\$ 13,555,160
Other Capital Assets				
Buildings	12,331,355	-	-	12,331,355
Vehicles and Equipment	1,908,002	198,310	155,741	1,950,571
Infrastructure	19,114,975	56,465	4,361	19,167,079
	<u>33,354,332</u>	<u>254,775</u>	<u>160,102</u>	<u>33,449,005</u>
Less Accumulated Depreciation				
Buildings	1,358,788	305,860	-	1,664,648
Vehicles and Equipment	1,048,832	115,905	149,147	1,015,590
Infrastructure	6,020,917	329,807	2,267	6,348,457
	<u>8,428,537</u>	<u>751,572</u>	<u>151,414</u>	<u>9,028,695</u>
Total Other Capital Assets	<u>24,925,795</u>	<u>(496,797)</u>	<u>8,688</u>	<u>24,420,310</u>
Total Capital Assets	<u>\$ 38,481,773</u>	<u>\$ (496,797)</u>	<u>\$ 9,506</u>	<u>\$ 37,975,470</u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

C. Capital Assets (Continued)

Governmental Activities (Continued)

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 141,936
Public Safety	176,428
Public Works	<u>337,307</u>
	655,671
Internal Services	<u>95,901</u>
	 <u><u>\$ 751,572</u></u>

Capital assets held by the Village’s internal service funds are charged to various functions based on their usage of the assets.

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets - Not Being Depreciated				
Land	\$ 1,126,408	\$ 600,000	\$ -	\$ 1,726,408
Other Capital Assets				
Sewer System	17,517,928	184,865	5,168	17,697,625
Water System	21,222,175	200,570	26,620	21,396,125
Land Improvements	<u>1,565,727</u>	<u>-</u>	<u>-</u>	<u>1,565,727</u>
	<u>40,305,830</u>	<u>385,435</u>	<u>31,788</u>	<u>40,659,477</u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

C. Capital Assets (Continued)

Business-Type Activities (Continued)

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Less Accumulated Depreciation				
Sewer System	\$ 7,677,650	\$ 306,828	\$ 2,550	\$ 7,981,928
Water System	7,476,287	355,783	13,841	7,818,229
Land Improvements	1,560,810	4,917	-	1,565,727
	<u>16,714,747</u>	<u>667,528</u>	<u>16,391</u>	<u>17,365,884</u>
 Total Other Capital Assets	 <u>23,591,083</u>	 <u>(282,093)</u>	 <u>15,397</u>	 <u>23,293,593</u>
 Total Capital Assets	 <u>\$ 24,717,491</u>	 <u>\$ 317,907</u>	 <u>\$ 15,397</u>	 <u>\$ 25,020,001</u>

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

Waterworks and Sewerage	\$ 662,611
Motor Vehicle Parking System	<u>4,917</u>
	<u>\$ 667,528</u>

D. Interfund Receivables, Payables and Transfers

Interfund Balances

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Police Pension	General	\$ 8,725
Firefighters' Pension	General	<u>5,721</u>
		<u>\$ 14,446</u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

D. Interfund Receivables, Payables and Transfers (Continued)

Interfund Balances (Continued)

Interfund balances result from the time lag between when transactions are recorded in the accounting system and payments between funds are made.

Advances To/From Other Funds

The Capital Improvement Fund has advanced \$4,600,000 to the TIF Redevelopment Fund. The amount payable to the Capital Improvement Fund is related to Capital Improvement Fund reserves advanced to the TIF Redevelopment Fund for the purpose of furthering the Village's objective to redevelop and revitalize the Village's downtown business district.

Interfund Transfers

Interfund transfers for the year consisted of the following:

	<u>Transfer Out</u>
	<u>General</u>
Transfer In	
Debt Service	\$ 114,364
Recycling and Refuse	5,000
	<u> </u>
	<u>\$ 119,364</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 BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

E. Long-Term Debt

General Obligation Bonds

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

	Balances January 1	Issuances	Retirements	Balances December 31
\$5,000,000 General Obligation Bond, Series of 1998 dated January 12, 1998 due in annual installments of \$25,000 to \$400,000 plus interest at 4.10% - 6.10% through June 1, 2018	\$ 3,870,000	\$ -	\$ 220,000	\$ 3,650,000
\$5,895,000 General Obligation Refunding Bond, Series of 1999 dated January 25, 1999 due in annual installments of \$185,000 to \$435,000 plus interest at 4.00% - 6.00% through December 15, 2018	4,655,000	-	245,000	4,410,000
	\$ 8,525,000	\$ -	\$ 465,000	\$ 8,060,000

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

E. Long-Term Debt (Continued)

Alternate Revenue Source Bond

The Village also issues bonds where the Village pledges income derived from specific revenue sources to pay debt service. Alternate revenue source bonds have been issued for proprietary purposes, they are direct obligations that are backed by the full faith and credit of the Village. Alternate revenue bonds currently outstanding are as follows:

	Balances January 1	Issuances	Retirements	Balances December 31
\$2,600,000 General Obligation Waterworks and Sewerage Alternate Revenue Source Bond Series of 1999B dated May 1, 1999 due in annual installments of \$55,000 to \$240,000 plus interest at 4.0% - 6.0% through December 15, 2014.	<u>\$ 1,970,000</u>	<u>\$ -</u>	<u>\$ 160,000</u>	<u>\$ 1,810,000</u>

Installment Contract Payable

The Village has entered into an installment contract to provide funds for the acquisition of real property. The installment contract currently outstanding is as follows:

	Balances January 1	Issuances	Retirements	Balances December 31
Real Property Installment Contract of 1997 dated October 1, 1997 due in annual installments of \$75,000 to \$110,000 through October 1, 2007.	<u>\$ 315,000</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 215,000</u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

E. Long-Term Debt (Continued)

IEPA Loans Payable

The Village has entered into an agreement with the IEPA to provide \$4,462,000 in low interest financing for waterworks and sewerage improvements. As of the date of this report the total amount owed to the IEPA is \$3,818,750 including interest during construction. IEPA Loans currently outstanding are as follows:

	Balances January 1	Issuances	Retirements	Balances December 31
\$1,649,301 IEPA Loan of 2001 dated June 20, 2001 due in semi-annual installments of \$54,046 including interest at 2.535% through December 15, 2020	\$ 1,414,462	\$ -	\$ 72,694	\$ 1,341,768
\$1,885,195 IEPA Loan of 2002 dated December 15, 2002 due in semi-annual installments of \$37,951 including interest at 2.905% through December 15, 2021	1,726,978	-	79,856	1,647,122
\$887,776 IEPA Loan of 2002 dated September 25, 2002 due in semi-annual installments, including interest at 2.570% through June 1, 2023	<u>866,005</u>	<u>-</u>	<u>36,145</u>	<u>829,860</u>
	<u>\$ 4,007,445</u>	<u>\$ -</u>	<u>\$ 188,695</u>	<u>\$ 3,818,750</u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

E. Long-Term Debt (Continued)

Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 338,275	\$ 297,967	\$ 45,550	\$ 590,692	\$ 118,138
General Obligation Bonds	8,525,000	-	465,000	8,060,000	485,000
Installment Contract	315,000	-	100,000	215,000	105,000
	<u>\$ 9,178,275</u>	<u>\$ 297,967</u>	<u>\$ 610,550</u>	<u>\$ 8,865,692</u>	<u>\$ 708,138</u>
Business-type Activities					
Compensated Absences	\$ 119,539	\$ 77,188	\$ 61,812	\$ 134,915	\$ 26,983
Alternate Revenue Bond	1,970,000	-	160,000	1,810,000	165,000
IEPA Loans	4,007,445	-	188,695	3,818,750	193,821
	<u>\$ 6,096,984</u>	<u>\$ 77,188</u>	<u>\$ 410,507</u>	<u>\$ 5,763,665</u>	<u>\$ 385,804</u>

Payments on the general obligation bonds and installment contracts are made by the Debt Service Fund. Payments on the alternate revenue bonds and the IEPA bonds are made by the Waterworks and Sewerage Fund. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$19,086 of internal service funds compensated absences are included in the above amounts. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

E. 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 December 31	Governmental Activities			
	Installment Contract		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2006	\$ 105,000	\$ 9,807	\$ 485,000	\$ 349,654
2007	110,000	5,016	510,000	324,926
2008	-	-	530,000	298,980
2009	-	-	560,000	273,080
2010	-	-	580,000	249,900
2011	-	-	610,000	225,600
2012	-	-	640,000	199,750
2013	-	-	670,000	172,626
2014	-	-	705,000	144,224
2015	-	-	735,000	114,324
2016	-	-	780,000	83,150
2017	-	-	820,000	51,000
2018	-	-	435,000	17,400
Total	\$ 215,000	\$ 14,823	\$ 8,060,000	\$ 2,504,614

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

E. Long-Term Debt (Continued)

Debt Service Requirements to Maturity (Continued)

Fiscal Year Ending December 31	Business-type Activities			
	Alternate Revenue Source Bond		IEPA Loans	
	Principal	Interest	Principal	Interest
2006	\$ 165,000	\$ 78,106	\$ 193,821	\$ 101,890
2007	175,000	68,206	199,087	96,625
2008	180,000	58,800	204,495	91,216
2009	190,000	51,600	210,052	85,659
2010	200,000	44,000	215,761	79,950
2011	210,000	36,000	221,627	74,085
2012	220,000	27,600	227,651	68,060
2013	230,000	18,800	233,840	61,871
2014	240,000	9,600	240,198	55,513
2015	-	-	246,730	48,981
2016	-	-	253,440	42,271
2017	-	-	260,334	35,377
2018	-	-	267,415	28,296
2019	-	-	274,692	21,019
2020	-	-	282,164	13,543
2021	-	-	181,067	6,552
2022	-	-	55,792	2,378
2023	-	-	50,584	928
Total	\$ 1,810,000	\$ 392,712	\$ 3,818,750	\$ 914,214

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

E. 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."

Equalized Assessed Valuation - 2004	<u>\$ 519,255,502</u>
Legal Debt Limit - 8.625% of Assessed Valuation	44,785,787
Amount of Debt Application to Debt Limit	
Installment Contracts	215,000
General Obligation Bonds	8,060,000
Alternate Revenue Source Bonds	<u>1,810,000</u>
Legal Debt Margin	<u>\$ 34,700,787</u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3- Detail Notes on All Funds (Continued)

E. Long-Term Debt (Continued)

Alternate Revenue Source Bond and IEPA Loan Ordinance Disclosures

Waterworks and Sewerage Fund

The alternate revenue source bond and IEPA Loan ordinances require that all monies held in the Waterworks and Sewerage Fund be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

<u>Accounts</u>	<u>Amounts</u>	<u>Nature of Authorized Expenditures</u>
Operation and Maintenance	Amount sufficient to pay operation and maintenance costs for the system for the current month and up to the time of the next monthly accounting for the moneys and crediting to the accounts.	Expense of operating, maintaining and repairing the system.
Alternate Bond and Interest	Amount sufficient to pay the amount of interest and principal becoming due on the next succeeding interest and principal payment date.	Paying principal and interest on the bonds.
Junior Bond and Interest	Amount sufficient to pay the amount of interest and principal becoming due on the next succeeding interest and principal payment date.	Paying principal and interest on the bonds.
Depreciation Repair and Replacement	Such reasonable amount as the corporate authorities shall determine.	Extraordinary maintenance, necessary repairs and replacements to the system.
General	The amount remaining after payment into the above accounts.	To make up any deficiencies in the above accounts or for any other lawful corporate purpose.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

F. Fund Equity

Fund Balance – Reservations/Designations

The following is a schedule of fund equity reservations/designations as of the date of this report:

	<u>Beginning Balances</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Ending Balances</u>
Reserved - Restricted Revenues				
General Fund				
Motor Fuel Tax	\$ 375,050	\$ 316,678	\$ 290,000	\$ 401,728
Memorial Donations	198,406	31,102	6,624	222,884
Emergency 911 System	262,529	243,144	254,560	251,113
Special Service Area Snow Removal	24,375	25,670	43,403	6,642
Special Service Area Chippendale	65,015	32,108	32,250	64,873
DUI Fines	6,660	8,352	-	15,012
Working Cash	190,287	-		190,287
Foreign Fire	-	31,447	-	31,447
Hotel/Motel	23,691	18,337	2,971	39,057
Total General Fund	<u>1,146,013</u>	<u>706,838</u>	<u>629,808</u>	<u>1,223,043</u>
Capital Improvement Fund				
Public Benefit	<u>280,107</u>	<u>8,458</u>	<u>-</u>	<u>288,565</u>
Totals	<u>\$ 1,426,120</u>	<u>\$ 715,296</u>	<u>\$ 629,808</u>	<u>\$ 1,511,608</u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 3 – Detail Notes on All Funds (Continued)

F. Fund Equity (Continued)

Fund Balance – Reservations/Designations (Continued)

	<u>Amount</u>
Designated	
General Fund	
Insurance	\$ 1,241,836
Equipment Purchases	1,992,013
Contingencies	<u>500,000</u>
	<u>\$ 3,733,849</u>
Capital Improvements Fund	
Village Facilities	\$ 522,150
Village Center Parking	600,000
Road Projects	100,000
Bikeway	<u>50,000</u>
	<u>\$ 1,272,150</u>
Reserved - Advances	
Capital Improvements Fund	<u>\$ 4,600,000</u>
Reserved Restricted Accounts	
Waterworks and Sewerage Fund	<u>\$ 707,500</u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information

A. Risk Management

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and medical benefits for retirees are provided through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverage from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years. The Village's payments to IPBC are displayed on the financial statements as expenditures/expenses in the appropriate funds.

Intergovernmental Risk Management Agency (IRMA)

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

Each member appoints one delegate along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Each member assumes the first \$2,500 of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. The coverage provided by IRMA are generally consistent with the coverage in the prior year.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

B. 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 attorneys, 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.

Solid Waste Agency of Northern Cook County (SWANCC)

The Village's contract with the Solid Waste Agency of Northern Cook County provides that each member is liable for its proportionate share of annual operating and fixed costs. The Village's share of these costs is expected to be funded through tipping fees paid by refuse haulers. In addition, the Village is obligated for any costs arising from defaults in payment obligations by other members.

C. Post-employment Benefits

In addition to providing pension benefits, the Village provides certain health care insurance benefits for retired employees. In accordance with Village policy, substantially all of the Village's employees may become eligible for those benefits if they reach retirement age while working for the Village. The retirees pay an annual premium that is equal to the actuarially determined cost for each plan year. Accordingly, no liability has been recorded for post-retirement health care benefits. The Village also extends COBRA health and dental benefits to all former employees and dependents as required by federal law. These individuals pay 100 percent of the premium.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

D. Joint Venture

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended. SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members.

SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors. The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available from SWANCC's administrative office at 2700 Patriot Blvd., Suite 110, Glenview, Illinois 60026.

E. Employee Retirement System – Defined Benefit Pension Plans

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is also a single-employer pension plan. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The Police and Firefighters' Pension Plans also issue separate reports that may be obtained by writing the Village of Barrington, 200 South Hough Street, Barrington Illinois 60010. 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 BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

E. 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' plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members 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. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by the Illinois Compiled Statutes.

Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2005 was 8.73 percent.

Police Pension Plan

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

At December 31, 2004 the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	14
Current Employees Vested and Nonvested	<u>32</u>
Total	<u><u>46</u></u>

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

E. Employee Retirement System – Defined Benefit Pension Plans (Continued)

Plan Descriptions, Provisions and Funding Policies (Continued)

Police Pension Plan (Continued)

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half 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. Employees with at least 8 years but, less than 20 years of credited service, may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer 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.

Covered employees are required to contribute 9.91% of their base salary, as of January 1, 2001, 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 2033, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

Firefighters' Pension Plan

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

E. Employee Retirement System – Defined Benefit Pension Plans (Continued)

Plan Descriptions, Provisions and Funding Policies (Continued)

Firefighters' Pension Plan (Continued)

At December 31, 2004 the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	-
Current Employees Vested and Nonvested	<u>35</u>
Total	<u>35</u>

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held at the date of retirement. The monthly pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years, but less than 20 years of credited service, may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter 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.

Covered employees are required to contribute 9.455% of their base salary, as of August 6, 1999, to the Firefighters' 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 as actuarially determined by an enrolled actuary. By the year 2033, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

E. Employee Retirement System – Defined Benefit Pension Plans (Continued)

Plan Descriptions, Provisions and Funding Policies (Continued)

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 in the period in which employee services are performed. 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. Investments that do not have any established market, if any, are reported at estimated fair value.

Significant Investments

There are no investments (other than U.S. Government and U.S. Government - guaranteed obligations) in any one organization that represent 5 percent or more of net assets available for benefits for either the Police or Firefighters' Pension Plans. Information for IMRF is not available.

Related Party Transactions

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

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

E. Employee Retirement System – Defined Benefit Pension Plans (Continued)

Annual Pension Cost and Net Pension Obligation

The pension liability was determined in accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Government Employers." There was no net pension obligation for the IMRF Plan. The pension liability for the Police and Firefighters' Pension Plans is as follows:

	Police Pension	Firefighters' Pension	Totals
Annual Required Contribution	\$ 283,592	\$ 152,095	\$ 435,687
Interest on the NPO	(16,997)	(36,252)	(53,249)
Adjustment to the ARC	9,975	21,274	31,249
	276,570	137,117	413,687
Annual Pension Cost	276,570	137,117	413,687
Actual Contribution	327,861	228,838	556,699
	(51,291)	(91,721)	(143,012)
Increase in the NPO	(51,291)	(91,721)	(143,012)
	(212,458)	(483,360)	(695,818)
NPO January 1, 2004	(212,458)	(483,360)	(695,818)
	\$ (263,749)	\$ (575,081)	\$ (838,830)
NPO December 31, 2004	\$ (263,749)	\$ (575,081)	\$ (838,830)

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

E. Employee Retirement System – Defined Benefit Pension Plans (Continued)

Annual Pension Cost and Net Pension Obligation (Continued)

The Village annual pension cost for the current period and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	8.73%	15.05%	10.62%
Employee	4.50%	9.91%	9.455%
Annual Pension Cost	\$318,555	\$276,570	\$137,117
Contributions Made	\$318,555	\$327,861	\$228,838
Actuarial Valuation Date	12/31/2003	12/31/2004	12/31/2004
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	27 Years	29 Years	29 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	8.00% Compounded Annually	7.50% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.50%	5.50%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF BARRINGTON, ILLINOIS

Notes to the Financial Statements
December 31, 2005

NOTE 4 – Other Information (Continued)

E. Employee Retirement System – Defined Benefit Pension Plans (Continued)

Trend Information

Employer annual pension cost (APC) and actual contributions are as follows:

	Fiscal Year Ended	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	12/31/02	\$ 37,046	\$ 229,504	\$ 136,406
	12/31/03	61,218	275,959	139,220
	12/31/04	246,281	276,570	137,117
Actual Contributions	12/31/02	37,046	267,190	191,176
	12/31/03	61,218	264,526	220,811
	12/31/04	246,281	327,861	228,838
Percentage of APC Contributed	12/31/02	100.00%	116.4%	140.2%
	12/31/03	100.00%	95.9%	158.6%
	12/31/04	100.00%	118.5%	166.9%
Net Pension Obligation	12/31/02	-	(223,891)	(401,769)
	12/31/03	-	(212,458)	(483,360)
	12/31/04	-	(263,749)	(575,081)

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
 - Illinois Municipal Retirement Fund (IMRF)
 - Police Pension Fund
 - Firefighters' Pension Fund

- Employer Contributions
 - Illinois Municipal Retirement Fund (IMRF)
 - Police Pension Fund
 - Firefighters' Pension Fund

- Budgetary Comparison Schedules – General Fund

Notes to the Required Supplementary Information

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

VILLAGE OF BARRINGTON, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Funding Progress

December 31, 2005

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)
2000	\$ 10,588,105	\$ 8,398,737	126.07%	\$ (2,189,368)	3,187,642	(68.68%)
2001	11,085,631	8,994,790	123.25%	(2,090,841)	3,218,937	(64.95%)
2002	10,743,960	10,044,780	106.96%	(699,180)	3,430,190	(20.38%)
2003	10,756,461	10,759,698	99.97%	3,237	3,559,190	0.09%
2004	10,858,090	11,736,976	92.51%	878,886	3,600,605	24.41%
2005	11,509,375	12,197,467	94.36%	688,092	3,648,971	18.86%

VILLAGE OF BARRINGTON, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Employer Contributions
December 31, 2005

<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
2000	\$ 122,087	\$ 122,087	100.00%
2001	99,465	99,465	100.00%
2002	37,046	37,046	100.00%
2003	61,218	61,218	100.00%
2004	246,281	246,281	100.00%
2005	318,555	318,555	100.00%

VILLAGE OF BARRINGTON, ILLINOIS

Police Pension Fund

Required Supplementary Information
 Schedule of Funding Progress
 December 31, 2005

Actuarial Valuation Date	(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)
12/31/99	\$ 12,002,529	\$ 11,482,073	104.53%	\$ (520,456)	\$ 1,710,365	(30.43%)
12/31/00	12,757,976	12,740,360	100.14%	(17,616)	1,865,832	(0.94%)
12/31/01	13,336,223	13,551,840	98.41%	215,617	1,761,207	12.24%
12/31/02	13,845,011	14,905,200	92.89%	1,060,189	1,921,611	55.17%
12/31/03	12,880,584	14,703,752	87.60%	1,823,168	1,989,138	91.66%
12/31/04	13,834,291	16,072,685	86.07%	2,238,394	2,179,091	102.72%

VILLAGE OF BARRINGTON, ILLINOIS

Police Pension Fund

Required Supplementary Information
Employer Contributions
December 31, 2005

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
12/31/99*	\$ 130,924	\$ 84,706	154.56%
12/31/00	166,433	150,035	110.93%
12/31/01	184,265	217,286	84.80%
12/31/02	267,190	224,696	118.91%
12/31/03	264,526	283,592	93.28%
12/31/04	327,861	283,592	115.61%

* Eight month fiscal period.

VILLAGE OF BARRINGTON, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
 Schedule of Funding Progress
 December 31, 2005

Actuarial Valuation Date	(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)
12/31/99	\$ 904,962	\$ 798,970	113.27%	\$ (105,992)	\$ 1,225,091	(8.65%)
12/31/00	1,257,082	985,155	127.60%	(271,927)	1,233,082	(22.05%)
12/31/01	1,618,756	1,547,236	104.62%	(71,520)	1,370,597	(5.22%)
12/31/02	2,035,523	1,987,449	102.42%	(48,074)	1,481,057	(3.25%)
12/31/03	2,404,966	3,082,145	78.03%	677,179	1,653,101	40.96%
12/31/04	2,896,454	3,784,000	76.54%	887,546	2,155,666	41.17%

VILLAGE OF BARRINGTON, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Employer Contributions
December 31, 2005

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
12/31/99*	\$ 127,236	\$ 81,663	155.81%
12/31/00	177,508	139,013	127.69%
12/31/01	201,305	121,636	165.50%
12/31/02	191,176	143,273	133.43%
12/31/03	220,811	152,095	145.18%
12/31/04	228,838	152,095	150.46%

* Eight month fiscal period.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 7,721,750	\$ 7,721,750	\$ 7,601,383
Licenses and Permits	339,250	339,250	468,856
Intergovernmental	378,000	378,000	423,234
Charges for Services	4,584,403	4,584,403	5,036,105
Fines and Forfeitures	86,500	86,500	126,498
Village Property Usage	85,000	85,000	105,747
Investment Income	238,625	238,625	238,890
Miscellaneous	24,950	24,950	117,341
Interfund Charges	571,193	571,193	571,193
Total Revenues	<u>14,029,671</u>	<u>14,029,671</u>	<u>14,689,247</u>
Expenditures			
General Government	2,389,455	2,361,794	2,001,111
Public Safety	9,405,461	10,332,772	9,827,353
Public Works	1,757,085	1,768,085	1,695,027
Building and Planning	589,821	603,895	538,706
Total Expenditures	<u>14,141,822</u>	<u>15,066,546</u>	<u>14,062,197</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(112,151)</u>	<u>(1,036,875)</u>	<u>627,050</u>
Other Financing Sources (Uses)			
Transfers Out			
Debt Service Fund	(114,364)	(114,364)	(114,364)
Recycling and Refuse Fund	(5,000)	(5,000)	(5,000)
Total Other Financing Sources (Uses)	<u>(119,364)</u>	<u>(119,364)</u>	<u>(119,364)</u>
Net Change in Fund Balance	<u>\$ (231,515)</u>	<u>\$ (1,156,239)</u>	507,686
Fund Balance - January 1			<u>11,497,749</u>
Fund Balance - December 31			<u>\$ 12,005,435</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 – Major Governmental General, Debt Service and Capital Projects Funds
- Budgetary Comparison Schedules – Enterprise Funds
- Budgetary Comparison Schedules – Internal Service Fund
- Schedules – Fiduciary Funds
- Schedules of Governmental Capital Assets

GENERAL FUND

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

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.

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.

Capital Improvement Fund

The Capital Improvements Fund is used to accumulate funds for specific capital improvements, repairs, and/or replacement of municipal equipment or other tangible property, both real and personal, as provided by state statute.

Village Center Tax Increment Financing (TIF) Redevelopment

The Village Center Tax Increment Financing (TIF) Redevelopment Fund is used to account for expenditures relating to the administration of the TIF District and redevelopment activities and improvements provided for in the TIF project plan.

ENTERPRISE FUNDS

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

ENTERPRISE FUNDS (Continued)

Waterworks and Sewerage Fund

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

Recycling and Refuse Fund

The Recycling and Refuse Fund is used to account for the provision of recycling and refuse collection services for a fee. All activities are accounted for including administration, operations, maintenance, and billing and collection.

Motor Vehicle Parking System Fund

The Motor Vehicle Parking System Fund is used to account for the provision of public parking services for a fee. All activities are accounted for including administration, operations, maintenance, financing and related debt service, and billing and collections.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies, or to other governmental units, on a cost-reimbursement basis.

Information Systems Fund

The Information Systems Fund is used to account for the cost of services to maintain information systems equipment used by Village departments, and for the accumulation of funds for the replacement of such equipment.

Central Garage Fund

The Central Garage Fund is used to account for the cost of operating a maintenance facility for vehicular equipment used by other Village departments. A monthly charge to other funds is assessed which provides for the cost of mechanics, fuel, repair parts, replacement of vehicular equipment, and other expenses.

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement pensions for the Village's sworn police personnel. Most rules and regulations of the fund are established by the Pension Division of the Illinois Department of Insurance. Resources are contributed by sworn police personnel at rates fixed by state statutes and by the Village through an annual property tax levy.

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement pensions for the Village's sworn firefighter/paramedic personnel. Most rules and regulations of the fund are established by the Pension Division of the Illinois Department of Insurance. Resources are contributed by sworn firefighter/paramedic personnel at rates fixed by state statutes and by the Village through an annual property tax levy.

AGENCY FUND

Escrow/Deposits Fund

The Escrow/Deposits Fund is used to account for performance bonds and funds held on behalf of developers, individuals, and other entities.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 2,170,750	\$ 2,170,750	\$ 2,306,927
Sales Tax	4,660,000	4,660,000	4,238,256
Auto Rental Tax	20,000	20,000	20,878
Use Tax	80,000	80,000	116,270
Income Tax	650,000	650,000	765,054
Replacement Tax	97,500	97,500	104,522
Foreign Fire Insurance Tax	27,500	27,500	31,447
Hotel/Motel Tax	16,000	16,000	18,029
Total Taxes	7,721,750	7,721,750	7,601,383
Licenses and Permits			
Dog Tags	1,000	1,000	2,707
Liquor Licenses	48,000	48,000	45,342
Tobacco Licenses	750	750	1,000
Sidewalk Café Licenses	500	500	400
Amusement Device Licenses	-	-	3,000
Food and Vendor Permits	6,000	6,000	10,105
Building Permits	225,000	225,000	298,431
Electrical Permits	27,500	27,500	51,713
Plumbing Permits	20,000	20,000	42,480
Elevator Inspection Fees	5,000	5,000	8,308
Sprinkler Permits	250	250	-
Temporary Occupancy Permits	2,000	2,000	2,350
Other	3,250	3,250	3,020
Total Licenses and Permits	339,250	339,250	468,856

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Intergovernmental			
Motor Fuel Tax Allotment	\$ 296,000	\$ 296,000	\$ 301,544
Federal/State Police Grant	-	-	20,596
Dial-A-Ride Contributions	9,500	9,500	9,361
DARE/School Officer Programs	72,500	72,500	91,733
Total Intergovernmental	378,000	378,000	423,234
Charges for Services			
EMS Transport - Non-Residents	95,000	95,000	70,137
EMS Transport - Village Residents	130,000	130,000	129,881
Police Services - Barrington Hills	2,100	2,100	2,011
Shared Services - Inverness	1,126,672	1,126,672	1,265,680
Shared Services - Inverness - Police Pension	109,178	109,178	41,000
Shared Services - BCFPD - Firefighters' Pension	286,880	286,880	743,125
Shared Services - BCFPD	2,571,122	2,571,122	2,417,727
Emergency 911 Surcharge	175,000	175,000	232,840
State Highway Reimbursement	12,500	12,500	14,661
Escrow Reimbursement - Engineering	1,500	1,500	2,170
Escrow Reimbursement - Plan Commission	1,500	1,500	11,127
Escrow Reimbursement - Appearance Review	250	250	-
Escrow Reimbursement - Building Plan Review	1,000	1,000	350
Escrow Reimbursement - Zoning Board of Appeals	1,000	1,000	2,028
Police Special Events	3,201	3,201	12,765
EMS/Fire Special Events	3,000	3,000	3,764
False Alarm Fees	4,000	4,000	7,710
Liquor License Application Fee	4,000	4,000	4,475
Sign Fee	2,500	2,500	3,190

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Charges for Services (Continued)			
Driveway/Culvert Fee	\$ 1,500	\$ 1,500	\$ 5,260
Plan Exam	30,000	30,000	39,303
ZBA/ARC/PC Petitions	15,000	15,000	23,800
Miscellaneous Fees	7,500	7,500	3,101
Total Charges for Services	<u>4,584,403</u>	<u>4,584,403</u>	<u>5,036,105</u>
Fines and Forfeitures			
Traffic Fines - Cook County	80,000	80,000	106,721
Traffic Fines - Lake County	-	-	4,080
DUI Fines	4,500	4,500	8,352
Overweight Fines	1,000	1,000	5,127
Miscellaneous	1,000	1,000	2,218
Total Fines and Forfeitures	<u>86,500</u>	<u>86,500</u>	<u>126,498</u>
Village Property Usage			
Cable TV Fees	<u>85,000</u>	<u>85,000</u>	<u>105,747</u>
Investment Income			
Interest Income			
Interest Income	236,625	236,625	258,207
Interest Income/Real Estate Taxes	2,000	2,000	1,359
Unrealized Gain (Loss) on Investments	<u>-</u>	<u>-</u>	<u>(20,676)</u>
Total Interest	<u>238,625</u>	<u>238,625</u>	<u>238,890</u>

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Miscellaneous			
Other Income	\$ 750	\$ 750	\$ 75,645
Donations	20,000	20,000	13,385
Public Safety Memorial Project	-	-	24,742
Sale of Equipment	-	-	449
Printed Materials	1,700	1,700	845
BACOG Newsletter Contribution	500	500	1,600
Signal Maintenance Reimbursement	2,000	2,000	-
Cruise Nights - 50/50 Raffle	-	-	675
Total Miscellaneous	<u>24,950</u>	<u>24,950</u>	<u>117,341</u>
Interfund Charges			
Water and Sewer Utilities	362,221	362,221	362,221
Recycling and Refuse	60,657	60,657	60,657
Motor Vehicle Parking System	114,411	114,411	114,411
Central Garage	33,904	33,904	33,904
Total Interfund Charges	<u>571,193</u>	<u>571,193</u>	<u>571,193</u>
Total Revenues	<u>\$ 14,029,671</u>	<u>\$ 14,029,671</u>	<u>\$ 14,689,247</u>

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
General Government			
Village Board			
Administration	\$ 158,129	\$ 128,789	\$ 121,726
Community Relations	180,236	175,207	168,327
Legal Services	195,900	302,032	302,031
Administrative Services			
Administration	518,968	519,544	492,195
Accounting and Finance	336,398	336,398	323,956
Human Resources	136,749	136,749	119,578
Risk Management	863,075	763,075	473,298
Total General Government	<u>2,389,455</u>	<u>2,361,794</u>	<u>2,001,111</u>
Public Safety			
Police			
Administration	1,123,534	1,138,230	972,907
Investigations	392,139	392,139	384,456
Patrol Operations	2,515,504	2,515,504	2,497,969
Community/School Programs	317,641	317,641	297,751
Telecommunications	408,515	431,015	396,020
Fire/EMS			
Administration	476,866	511,656	485,216
Fire Operations	3,809,162	4,630,238	4,516,414
Fire/POC Operations	197,665	197,665	119,330
Fire Prevention/Community Education	139,735	173,984	154,822
ESDA	24,700	24,700	2,468
Total Public Safety	<u>9,405,461</u>	<u>10,332,772</u>	<u>9,827,353</u>

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Public Works			
Administration	\$ 211,065	\$ 211,065	\$ 177,091
Street Operations	968,719	985,719	984,832
Forestry	309,690	315,390	310,562
Village Property Maintenance	267,611	255,911	222,542
Total Public Works	<u>1,757,085</u>	<u>1,768,085</u>	<u>1,695,027</u>
Building and Planning			
Building	387,518	384,092	354,245
Planning	202,303	219,803	184,461
Total Building and Planning	<u>589,821</u>	<u>603,895</u>	<u>538,706</u>
Total Expenditures	<u>\$ 14,141,822</u>	<u>\$ 15,066,546</u>	<u>\$ 14,062,197</u>

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures (Detail) - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
General Government			
Village Board			
Administration			
Personnel Services	\$ 49,012	\$ 18,412	\$ 18,271
Professional Development	62,650	63,310	63,310
Contractual Services	22,650	24,690	24,170
Commodities	4,000	4,000	2,704
Budget Reserve	1,440	-	-
Interfund Charges	18,377	18,377	13,271
Total Administration	158,129	128,789	121,726
Community Relations			
Personnel Services	29,963	29,963	28,017
Program Expenditures	140,700	135,180	130,246
Interfund Charges	9,573	10,064	10,064
Total Community Relations	180,236	175,207	168,327
Legal Services			
Contractual Services	195,900	302,032	302,031
Total Village Board	534,265	606,028	592,084
Administrative Services			
Administration			
Personnel Services	394,357	394,933	392,537
Professional Development	15,675	15,675	8,723
Contractual Services	40,500	40,500	28,941
Commodities	7,650	7,650	7,391
Program Expenditures	5,485	5,485	5,108
Interfund Charges	55,301	55,301	49,495
Total Administration	518,968	519,544	492,195

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures (Detail) - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
General Government (Continued)			
Administrative Services (Continued)			
Accounting and Finance			
Personnel Services	\$ 284,698	\$ 284,698	\$ 281,056
Professional Development	2,235	2,235	1,805
Contractual Services	45,865	45,865	40,340
Commodities	3,600	3,600	755
Total Accounting and Finance	336,398	336,398	323,956
Human Resources			
Personnel Services	107,749	107,749	96,893
Professional Development	8,600	8,600	7,868
Contractual Services	15,250	13,950	10,780
Commodities	650	650	336
Program Expenditures	2,000	2,000	-
Equipment Purchases	2,500	3,800	3,701
Total Human Resources	136,749	136,749	119,578
Risk Management			
Professional Development	4,300	4,300	94
Contractual Services	858,775	758,775	473,204
Total Risk Management	863,075	763,075	473,298
Total Administrative Services	1,855,190	1,755,766	1,409,027
Total General Government	2,389,455	2,361,794	2,001,111
Public Safety			
Police			
Administration			
Personnel Services	601,138	601,684	582,576
Professional Development	3,430	3,550	3,548
Contractual Services	76,880	72,370	47,959

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures (Detail) - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Public Safety (Continued)			
Police (Continued)			
Administration (Continued)			
Commodities	\$ 10,925	\$ 11,565	\$ 11,561
Program Expenditures	7,190	11,520	11,520
Equipment Purchases	140,280	154,430	50,004
Interfund Charges	283,691	283,111	265,739
Total Police Administration	<u>1,123,534</u>	<u>1,138,230</u>	<u>972,907</u>
Investigations			
Personnel Services	369,168	368,483	361,254
Professional Development	1,480	1,147	695
Contractual Services	3,965	4,298	4,298
Commodities	4,975	5,660	5,658
Interfund Charges	12,551	12,551	12,551
Total Investigations	<u>392,139</u>	<u>392,139</u>	<u>384,456</u>
Patrol Operations			
Personnel Services	2,424,119	2,424,119	2,410,334
Professional Development	26,595	21,975	20,412
Contractual Services	21,035	22,885	22,881
Commodities	40,660	43,430	43,423
Program Expenditures	3,095	3,095	919
Total Patrol Operations	<u>2,515,504</u>	<u>2,515,504</u>	<u>2,497,969</u>
Community/School Programs			
Personnel Services	306,186	304,833	287,140
Professional Development	1,765	1,765	174
Contractual Services	1,085	1,085	479
Commodities	8,605	9,958	9,958
Total Community/School Programs	<u>317,641</u>	<u>317,641</u>	<u>297,751</u>

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures (Detail) - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Public Safety (Continued)			
Police (Continued)			
Telecommunications			
Professional Development	\$ 11,090	\$ 11,090	\$ -
Contractual Services	357,425	379,925	370,660
Program Expenditures	40,000	40,000	25,360
Total Telecommunications	408,515	431,015	396,020
Total Police	4,757,333	4,794,529	4,549,103
Fire/EMS			
Administration			
Personnel Services	394,066	418,413	394,958
Professional Development	8,590	8,590	5,620
Contractual Services	55,920	59,643	59,642
Commodities	7,750	9,160	9,152
Program Expenditures	10,540	15,850	15,844
Total Administration	476,866	511,656	485,216
Fire Operations			
Personnel Services	3,298,036	4,136,266	4,136,266
Professional Development	21,605	20,253	18,427
Contractual Services	84,470	68,668	64,344
Commodities	52,590	52,590	51,101
Equipment Purchases	156,700	156,700	73,034
Interfund Charges	195,761	195,761	173,242
Total Fire Operations	3,809,162	4,630,238	4,516,414

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures (Detail) - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Public Safety (Continued)			
Fire/EMS (Continued)			
Fire/POC Operations			
Professional Development	\$ 1,715	\$ 6,055	\$ 6,047
Contractual Services	191,550	187,210	109,625
Commodities	4,400	4,400	3,658
Total Fire/POC Operations	197,665	197,665	119,330
Fire Prevention/Community Education			
Personnel Services	129,735	163,984	149,014
Professional Development	2,280	2,280	1,120
Contractual Services	2,080	2,080	1,031
Commodities	5,640	5,640	3,657
Total Fire Prevention/Comm Education	139,735	173,984	154,822
ESDA			
Professional Development	500	500	323
Contractual Services	3,300	3,300	1,435
Commodities	200	200	-
Equipment Purchases	20,700	20,700	710
Total ESDA	24,700	24,700	2,468
Total Fire/EMS	4,648,128	5,538,243	5,278,250
Total Public Safety	9,405,461	10,332,772	9,827,353

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures (Detail) - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Public Works			
Administration			
Personnel Services	\$ 203,565	\$ 203,565	\$ 173,369
Professional Development	925	925	688
Contractual Services	5,925	5,925	2,615
Commodities	650	650	419
Total Administration	211,065	211,065	177,091
Street Operations			
Personnel Services	442,356	482,756	482,733
Professional Development	2,175	4,837	4,837
Contractual Services	175,280	158,213	158,213
Commodities	112,535	98,265	98,265
Program Expenditures	43,139	61,082	61,081
Equipment Purchases	7,500	574	-
Interfund Charges	185,734	179,992	179,703
Total Street Operations	968,719	985,719	984,832
Forestry			
Personnel Services	83,560	105,260	105,204
Professional Development	2,570	3,540	3,536
Contractual Services	182,850	165,880	165,334
Commodities	21,975	21,975	17,753
Interfund Charges	18,735	18,735	18,735
Total Forestry	309,690	315,390	310,562
Village Property Maintenance			
Personnel Services	150,748	129,048	102,693
Contractual Services	97,500	104,500	100,207

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

General Fund

Schedule of Expenditures (Detail) - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Public Works (Continued)			
Village Property Maintenance (Continued)			
Commodities	\$ 14,750	\$ 17,750	\$ 15,029
Interfund Charges	4,613	4,613	4,613
Total Village Property Maintenance	<u>267,611</u>	<u>255,911</u>	<u>222,542</u>
Total Public Works	<u>1,757,085</u>	<u>1,768,085</u>	<u>1,695,027</u>
Building and Planning			
Building			
Personnel Services	298,916	299,390	292,729
Professional Development	3,570	3,570	875
Contractual Services	39,636	39,636	29,643
Commodities	4,795	4,795	2,608
Budget Reserve	3,900	-	-
Interfund Charges	36,701	36,701	28,390
Total Building	<u>387,518</u>	<u>384,092</u>	<u>354,245</u>
Planning			
Personnel Services	157,613	157,613	144,275
Professional Development	9,275	9,275	3,994
Contractual Services	19,595	37,095	28,939
Commodities	3,400	3,400	1,677
Program Expenditures	2,265	2,265	-
Interfund Charges	10,155	10,155	5,576
Total Planning	<u>202,303</u>	<u>219,803</u>	<u>184,461</u>
Total Building and Planning	<u>589,821</u>	<u>603,895</u>	<u>538,706</u>
Total Expenditures	<u>\$ 14,141,822</u>	<u>\$ 15,066,546</u>	<u>\$ 14,062,197</u>

VILLAGE OF BARRINGTON, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 843,656	\$ 843,656	\$ 840,707
Investment Income			
Interest Income	6,000	6,000	17,066
Interest Income/Real Estate Taxes	500	500	517
Total Revenues	<u>850,156</u>	<u>850,156</u>	<u>858,290</u>
Expenditures			
Debt Service			
Principal Retirement	565,000	565,000	565,000
Interest and Fiscal Charges	393,020	393,020	392,329
Total Expenditures	<u>958,020</u>	<u>958,020</u>	<u>957,329</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(107,864)	(107,864)	(99,039)
Other Financing Sources			
Transfers In			
General Fund	114,364	114,364	114,364
Net Change in Fund Balance	<u>\$ 6,500</u>	<u>\$ 6,500</u>	15,325
Fund Balance - January 1			<u>351,097</u>
Fund Balance - December 31			<u>\$ 366,422</u>

VILLAGE OF BARRINGTON, ILLINOIS

Capital Improvements - Capital Projects Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,240,000	\$ 1,240,000	\$ 999,970
Licenses and Permits	100	100	-
Intergovernmental	-	-	136,747
Charges for Services	5,000	5,000	857
Village Property Usage	290,000	290,000	240,572
Investment Income	93,000	93,000	147,922
Miscellaneous	75,000	75,000	201,866
Total Revenues	1,703,100	1,703,100	1,727,934
Expenditures			
Capital Projects	2,141,250	2,376,250	1,325,562
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (438,150)	\$ (673,150)	402,372
Fund Balance - January 1			7,324,065
Fund Balance - December 31			\$ 7,726,437

VILLAGE OF BARRINGTON, ILLINOIS

Capital Improvements - Capital Projects Fund

Schedule of Revenues - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Taxes			
Utility Tax/Electricity	\$ 375,000	\$ 375,000	\$ 398,615
Utility Tax/Gas	190,000	190,000	229,042
Telecommunications Tax	675,000	675,000	372,313
Total Taxes	1,240,000	1,240,000	999,970
Licenses and Permits			
Annexation Impact Fee	100	100	-
Intergovernmental			
Federal/State Grants	-	-	136,747
Charges for Services			
Shared Service Charges - BCFPD	5,000	5,000	857
Village Property Usage			
Rental Income	290,000	290,000	240,572
Investment Income	93,000	93,000	147,922
Miscellaneous			
Project Contributions	75,000	75,000	100,000
Vacation Proceeds	-	-	100,000
Other	-	-	1,866
Total Miscellaneous	75,000	75,000	201,866
Total Revenues	\$ 1,703,100	\$ 1,703,100	\$ 1,727,934

VILLAGE OF BARRINGTON, ILLINOIS

Capital Improvements - Capital Projects Fund

Schedule of Expenditures (Detail) - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Capital Projects			
Village Facilities			
Village Hall	\$ 125,000	\$ 125,000	\$ -
Highways and Streets Improvements			
Street Maintenance Program	1,395,000	1,395,000	1,118,815
Hart Road	350,000	350,000	-
Route 14 Beautification	90,000	90,000	500
Traffic Control Facilities			
Signal Preemption System	10,000	10,000	1,433
Flint Creek Restoration			
Fox Point	-	235,000	147,758
Pedestrian Programs			
Sidewalk Program	40,000	40,000	22,298
New Residential Sidewalks	45,000	45,000	37,376
Bikeway Program			
Flint Creek Tributary - Corridor #9	-	-	(2,618)
Grove Avenue - Corridor #1	86,250	86,250	-
Total Expenditures	<u>\$ 2,141,250</u>	<u>\$ 2,376,250</u>	<u>\$ 1,325,562</u>

VILLAGE OF BARRINGTON, ILLINOIS

TIF Redevelopment - Capital Projects Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 500,000	\$ 500,000	\$ 746,290
Village Property Usage			
Rental Income	68,750	68,750	68,250
Investment Income			
Interest Income	6,000	6,000	46,660
Interest Income/Real Estate Tax	150	150	534
Miscellaneous			
Donations	-	-	10,000
Total Revenues	<u>574,900</u>	<u>574,900</u>	<u>871,734</u>
Expenditures			
Economic Development	5,850,000	5,954,000	202,538
Debt Service			
Interest and Fiscal Agent Fees	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
Total Expenditures	<u>5,910,000</u>	<u>6,014,000</u>	<u>262,538</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,335,100)	(5,439,100)	609,196
Other Financing Sources			
Debt Issuance	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (335,100)</u>	<u>\$ (439,100)</u>	609,196
Fund Balance - January 1			<u>(3,800,987)</u>
Fund Balance - December 31			<u>\$ (3,191,791)</u>

VILLAGE OF BARRINGTON, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Sales	\$ 1,570,000	\$ 1,570,000	\$ 1,661,449
Sewer Sales	1,967,500	1,967,500	2,253,665
Industrial Surcharge	500	500	-
Miscellaneous - Meter Sales and Other	38,250	38,250	37,004
Total Operating Revenues	<u>3,576,250</u>	<u>3,576,250</u>	<u>3,952,118</u>
Operating Expenses Before Depreciation			
Administration			
Public Works	735,781	735,781	712,024
Utility Billing	111,274	111,274	103,963
Operations			
Conveyance/Distribution System Maintenance	1,269,748	1,269,748	813,654
Water Production and Treatment	416,062	377,256	356,445
Wastewater Treatment	852,683	893,489	877,295
Capital Projects	1,222,500	1,222,500	513,994
Total Operating Expenses Before Depreciation	<u>4,608,048</u>	<u>4,610,048</u>	<u>3,377,375</u>
Operating Income (Loss) Before Depreciation	(1,031,798)	(1,033,798)	574,743
Depreciation	-	-	662,611
Operating Income (Loss)	<u>(1,031,798)</u>	<u>(1,033,798)</u>	<u>(87,868)</u>
Nonoperating Revenues (Expenses)			
Investment Income	74,000	74,000	118,034
Connection Fees	400,000	400,000	572,370
Other Income	3,500	3,500	93,000
Gain (Loss) on Disposal of Fixed Assets	-	-	(15,395)
Interest Expense and Fiscal Agent Fees	(203,948)	(203,948)	(195,069)
Total Nonoperating Revenues (Expenses)	<u>273,552</u>	<u>273,552</u>	<u>572,940</u>
Change in Net Assets	<u>\$ (758,246)</u>	<u>\$ (760,246)</u>	485,072
Net Assets - January 1			<u>22,035,146</u>
Net Assets - December 31			<u>\$ 22,520,218</u>

VILLAGE OF BARRINGTON, ILLINOIS

Waterworks and Sewerage Fund

Schedule of Changes in Retained Earnings - Reserved - Restricted Accounts
Year Ended December 31, 2005

	Operation and Maintenance	Alternate Bond and Interest	Senior Bond and Interest	Junior Bond and Interest	Senior Bond Reserve	Junior Bond Reserve	Depreciation Repair and Replacement	Totals
Increases								
Intrafund Transfers In	\$ -	\$ 247,706	\$ -	\$ 295,711	\$ -	\$ -	\$ -	\$ 543,417
Decreases								
Bond Principal Retirement	-	160,000	-	188,694	-	-	-	348,694
Bond Interest Charges	-	87,706	-	107,017	-	-	-	194,723
Total Decreases	-	247,706	-	295,711	-	-	-	543,417
Net Increase (Decrease)	-	-	-	-	-	-	-	-
Account Balances - January 1	325,000	25,000	-	17,500	-	-	340,000	707,500
Account Balances - December 31	\$ 325,000	\$ 25,000	\$ -	\$ 17,500	\$ -	\$ -	\$ 340,000	\$ 707,500

VILLAGE OF BARRINGTON, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Administration			
Public Works			
Personnel Services	\$ 300,401	\$ 313,647	\$ 313,629
Professional Development	8,150	8,150	3,964
Contractual Services	52,700	38,604	19,455
Commodities	2,075	1,955	1,551
Interfund Charges	372,455	373,425	373,425
Total Public Works	735,781	735,781	712,024
Utility Billing			
Personnel Services	80,114	84,114	84,066
Professional Development	800	800	21
Contractual Services	22,680	19,180	14,056
Commodities	1,135	635	25
Interfund Charges	6,545	6,545	5,795
Total Utility Billing	111,274	111,274	103,963
Total Administration	847,055	847,055	815,987
Operations			
Conveyance/Distribution System Maintenance			
Personnel Services	559,531	559,531	545,571
Professional Development	3,115	3,115	2,002
Contractual Services	102,250	102,250	60,611
Commodities	85,795	85,795	64,604
Programs	378,500	378,500	2,520
Capital Expenditures	7,500	7,500	5,289
Interfund Charges	133,057	133,057	133,057
Total Conveyance/Distribution System Maintenance	1,269,748	1,269,748	813,654

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operations (Continued)			
Water Production and Treatment			
Personnel Services	\$ 120,431	\$ 124,585	\$ 124,582
Professional Development	1,765	1,765	1,095
Contractual Services	250,050	194,026	173,890
Commodities	29,213	42,277	42,275
Interfund Charges	14,603	14,603	14,603
Total Water Production and Treatment	<u>416,062</u>	<u>377,256</u>	<u>356,445</u>
Wastewater Treatment			
Personnel Services	454,635	462,824	447,935
Professional Development	2,530	3,080	3,075
Contractual Services	336,575	376,025	375,484
Commodities	38,650	31,267	30,508
Interfund Charges	20,293	20,293	20,293
Total Wastewater Treatment	<u>852,683</u>	<u>893,489</u>	<u>877,295</u>
Total Operations	<u>2,538,493</u>	<u>2,540,493</u>	<u>2,047,394</u>
Capital Projects	1,622,500	1,650,500	899,429
Less Nonoperating Items			
Fixed Assets Capitalized	<u>(400,000)</u>	<u>(428,000)</u>	<u>(385,435)</u>
Total Capital Projects	<u>1,222,500</u>	<u>1,222,500</u>	<u>513,994</u>
Total Operating Expenses	<u>\$ 4,608,048</u>	<u>\$ 4,610,048</u>	<u>\$ 3,377,375</u>

VILLAGE OF BARRINGTON, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Capital Assets and Depreciation
Year Ended December 31, 2005**

	Capital Assets			
	Balances January 1	Additions	Retirements/ Transfers	Balances December 31
Land	\$ 142,629	\$ -	\$ -	\$ 142,629
Sewer System	17,517,928	184,865	5,168	17,697,625
Water System	21,222,175	200,570	26,620	21,396,125
Total Capital Assets	\$ 38,882,732	\$ 385,435	\$ 31,788	\$ 39,236,379
		Accumulated Depreciation		
	Balances January 1	Additions	Retirements/ Transfers	Balances December 31
Land	\$ -	\$ -	\$ -	\$ -
Sewer System	7,677,650	306,828	2,550	7,981,928
Water System	7,476,287	355,783	13,841	7,818,229
Total Accumulated Depreciation	\$ 15,153,937	\$ 662,611	\$ 16,391	\$ 15,800,157
Total Capital Assets (Net of Accumulated Depreciation)	\$ 23,728,795			\$ 23,436,222

VILLAGE OF BARRINGTON, ILLINOIS

Motor Vehicle Parking System - Enterprise Fund

Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operating Revenues			
Licenses and Permits			
Parking Lot 2 CNW Permits	\$ 70,000	\$ 70,000	\$ 68,179
Parking Permits	115,000	115,000	122,780
Employee/Employer Permits	15,000	15,000	21,345
Charges for Services			
Parking Fees	310,000	310,000	326,594
Fines and Forfeitures			
Parking Fines	140,000	140,000	142,581
Village Property Usage			
Rental Income	40,000	10,000	12,740
Miscellaneous			
Other	50	30,050	30,187
Total Operating Revenues	<u>690,050</u>	<u>690,050</u>	<u>724,406</u>
Operating Expenses Before Depreciation			
Operations	832,664	840,164	750,688
Capital Projects	1,005,000	405,000	27,961
Total Operating Expenses Before Depreciation	<u>1,837,664</u>	<u>1,245,164</u>	<u>778,649</u>
Operating Income (Loss) Before Depreciation	(1,147,614)	(555,114)	(54,243)
Depreciation	-	-	4,917
Income (Loss)	(1,147,614)	(555,114)	(59,160)
Nonoperating Revenues			
Investment Income	60,000	60,000	72,688
Change in Net Assets	<u>\$ (1,087,614)</u>	<u>\$ (495,114)</u>	13,528
Net Assets - January 1			<u>3,380,201</u>
Net Assets - December 31			<u>\$ 3,393,729</u>

VILLAGE OF BARRINGTON, ILLINOIS

Motor Vehicle Parking System - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operations			
Administrative Services			
Personnel Services	\$ 37,549	\$ 37,549	\$ 28,485
Professional Development	600	600	46
Contractual Services	111,550	108,761	82,706
Commodities	2,180	2,180	-
Interfund Charges	137,692	140,481	140,481
Total Administrative Services	289,571	289,571	251,718
Public Works			
Personnel Services	100,251	93,942	75,239
Contractual Services	104,200	116,600	116,599
Commodities	25,470	26,879	26,879
Total Public Works	229,921	237,421	218,717
Police Department			
Personnel Services	303,345	303,345	271,924
Contractual Services	5,532	5,502	4,004
Commodities	4,295	4,325	4,325
Total Police Department	313,172	313,172	280,253
Total Operations	832,664	840,164	750,688

This schedule is continued on the following page.

VILLAGE OF BARRINGTON, ILLINOIS

Motor Vehicle Parking System - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual (Continued)
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Capital Projects			
Capital Expense			
Train Station Renovation			
Capital Expenditures	\$ 5,000	\$ 5,000	\$ -
Downtown Redevelopment			
Capital Expenditures	1,000,000	-	-
Commuter Lot			
Contractual	-	50,000	18,761
Capital Expenditures	-	950,000	609,200
	1,005,000	1,005,000	627,961
Less Nonoperating Items			
Capital Assets Capitalized	-	(600,000)	(600,000)
Total Capital Projects	1,005,000	405,000	27,961
Total Operating Expenses	\$ 1,837,664	\$ 1,245,164	\$ 778,649

VILLAGE OF BARRINGTON, ILLINOIS

Motor Vehicle Parking System - Enterprise Fund

Schedule of Capital Assets and Depreciation
Year Ended December 31, 2005

	Capital Assets			
	Balances January 1	Additions	Retirements/ Transfers	Balances December 31
Land	\$ 983,779	\$ 600,000	\$ -	\$ 1,583,779
Parking Lot Construction	1,565,727	-	-	1,565,727
Total Capital Assets	<u>\$ 2,549,506</u>	<u>\$ 600,000</u>	<u>\$ -</u>	<u>\$ 3,149,506</u>
	Accumulated Depreciation			
	Balances January 1	Additions	Retirements/ Transfers	Balances December 31
Land	\$ -	\$ -	\$ -	\$ -
Parking Lot Construction	1,560,810	4,917	-	1,565,727
Total Accumulated Depreciation	<u>\$ 1,560,810</u>	<u>\$ 4,917</u>	<u>\$ -</u>	<u>\$ 1,565,727</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>\$ 988,696</u>			<u>\$ 1,583,779</u>

VILLAGE OF BARRINGTON, ILLINOIS

Recycling and Refuse - Enterprise Fund

Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Refuse Collections	\$ 935,750	\$ 935,750	\$ 939,916
Miscellaneous			
Other	600	600	-
Biodegradable Bags	4,500	4,500	4,560
Total Operating Revenues	<u>940,850</u>	<u>940,850</u>	<u>944,476</u>
Operating Expenses			
Administration	55,243	55,243	52,137
Operations	877,667	908,867	908,859
Total Operating Expenses	<u>932,910</u>	<u>964,110</u>	<u>960,996</u>
Operating Income (Loss)	7,940	(23,260)	(16,520)
Nonoperating Revenues			
Investment Income	2,100	2,100	6,237
Income (Loss) Before Transfers	10,040	(21,160)	(10,283)
Transfers In			
General Fund	5,000	5,000	5,000
Change in Net Assets	<u>\$ 15,040</u>	<u>\$ (16,160)</u>	(5,283)
Net Assets - January 1			<u>106,109</u>
Net Assets - December 31			<u>\$ 100,826</u>

VILLAGE OF BARRINGTON, ILLINOIS

Recycling and Refuse - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Administration			
Administrative Services			
Utility Billing			
Personnel Services	\$ 44,103	\$ 46,363	\$ 46,356
Professional Development	35	35	-
Contractual Services	8,050	5,790	4,046
Commodities	540	540	-
Interfund Charges	2,515	2,515	1,735
Total Administration	<u>55,243</u>	<u>55,243</u>	<u>52,137</u>
Operations			
Recycling/Refuse Operations			
Personnel Services	62,081	59,850	59,842
Professional Development	100	-	-
Contractual Services	708,500	744,723	744,723
Commodities	21,750	19,058	19,058
Interfund Charges	85,236	85,236	85,236
Total Operations	<u>877,667</u>	<u>908,867</u>	<u>908,859</u>
Total Operating Expenses	<u>\$ 932,910</u>	<u>\$ 964,110</u>	<u>\$ 960,996</u>

VILLAGE OF BARRINGTON, ILLINOIS

Internal Service Funds

Combining Statement of Net Assets
December 31, 2005

	<u>Information Systems</u>	<u>Central Garage</u>	<u>Totals</u>
ASSETS			
Current Assets			
Cash and Investments	\$ 885,360	\$ 2,728,041	\$ 3,613,401
Receivables			
Accounts Receivable	25,864	4,692	30,556
Accrued Interest	1,218	9,949	11,167
Total Current Assets	<u>912,442</u>	<u>2,742,682</u>	<u>3,655,124</u>
Capital Assets			
Vehicles and Equipment	-	1,600,585	1,600,585
Accumulated Depreciation	-	(760,470)	(760,470)
Total Capital Assets	<u>-</u>	<u>840,115</u>	<u>840,115</u>
Total Assets	<u>\$ 912,442</u>	<u>\$ 3,582,797</u>	<u>\$ 4,495,239</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 5,730	\$ 20,782	\$ 26,512
Accrued Payroll	1,405	4,023	5,428
Compensated Absences Payable	4,850	14,236	19,086
Total Current Liabilities	<u>11,985</u>	<u>39,041</u>	<u>51,026</u>
NET ASSETS			
Invested in Capital Assets	-	840,115	840,115
Unrestricted	900,457	2,703,641	3,604,098
Total Net Assets	<u>\$ 900,457</u>	<u>\$ 3,543,756</u>	<u>\$ 4,444,213</u>

VILLAGE OF BARRINGTON, ILLINOIS

Internal Service Funds

Combining Statement of Revenues, Expenses and
Changes in Net Assets
Year Ended December 31, 2005

	<u>Information Systems</u>	<u>Central Garage</u>	<u>Totals</u>
Operating Revenues			
Charges for Services	\$ 33,473	\$ 42,391	\$ 75,864
Interfund Charges	<u>220,288</u>	<u>784,088</u>	<u>1,004,376</u>
Total Operating Revenues	<u>253,761</u>	<u>826,479</u>	<u>1,080,240</u>
Operating Expenses			
Operations	148,952	477,630	626,582
Capital Projects	62,932	127,762	190,694
Depreciation	<u>-</u>	<u>95,901</u>	<u>95,901</u>
Total Operating Expenses	<u>211,884</u>	<u>701,293</u>	<u>913,177</u>
Operating Income (Loss)	<u>41,877</u>	<u>125,186</u>	<u>167,063</u>
Nonoperating Revenues (Expenses)			
Investment Income	20,928	76,567	97,495
Gain on Sale of Capital Assets	<u>-</u>	<u>41,373</u>	<u>41,373</u>
Total Nonoperating Revenues	<u>20,928</u>	<u>117,940</u>	<u>138,868</u>
Change in Net Assets	62,805	243,126	305,931
Net Assets - January 1	<u>837,652</u>	<u>3,300,630</u>	<u>4,138,282</u>
Net Assets - December 31	<u>\$ 900,457</u>	<u>\$ 3,543,756</u>	<u>\$ 4,444,213</u>

VILLAGE OF BARRINGTON, ILLINOIS

Internal Service Funds

**Combining Statement of Cash Flows
Year Ended December 31, 2005**

	Information Systems	Central Garage	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 58,997	\$ 37,954	\$ 96,951
Receipts from Interfund Services Provided	220,288	784,088	1,004,376
Payments to Employees	(85,543)	(229,739)	(315,282)
Payments to Suppliers	(136,365)	(370,215)	(506,580)
	<u>57,377</u>	<u>222,088</u>	<u>279,465</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	-	(198,310)	(198,310)
Proceeds from Sale of Capital Assets	-	47,968	47,968
	<u>-</u>	<u>(150,342)</u>	<u>(150,342)</u>
Cash Flows from Investing Activities			
Interest Received	20,928	76,567	97,495
	<u>20,928</u>	<u>76,567</u>	<u>97,495</u>
Net Change in Cash and Cash Equivalents	78,305	148,313	226,618
Cash and Cash Equivalents			
January 1	<u>807,055</u>	<u>2,579,728</u>	<u>3,386,783</u>
December 31	<u>\$ 885,360</u>	<u>\$ 2,728,041</u>	<u>\$ 3,613,401</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	<u>41,877</u>	<u>125,186</u>	<u>167,063</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities			
Depreciation Expense	-	95,901	95,901
(Increase) Decrease in Current Assets	25,524	(4,437)	21,087
Increase (Decrease) in Current Liabilities	(10,024)	5,438	(4,586)
	<u>(10,024)</u>	<u>5,438</u>	<u>(4,586)</u>
Net Cash Provided by Operating Activities	\$ 57,377	\$ 222,088	\$ 279,465

VILLAGE OF BARRINGTON, ILLINOIS

Information Systems - Internal Service Fund

Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Shared Services - BCFPD	\$ 11,500	\$ 11,500	\$ 33,473
Interfund Charges			
Information Systems - Services	189,945	189,945	121,711
Information Systems - Depreciation	98,577	98,577	98,577
Total Operating Revenues	<u>300,022</u>	<u>300,022</u>	<u>253,761</u>
Operating Expenses Before Depreciation			
Operations	188,928	191,928	148,952
Capital Projects	231,511	231,511	62,932
Total Operating Expenses	<u>420,439</u>	<u>423,439</u>	<u>211,884</u>
Operating Income (Loss)	(120,417)	(123,417)	41,877
Nonoperating Revenues			
Investment Income	16,250	16,250	20,928
Change in Net Assets	<u>\$ (104,167)</u>	<u>\$ (107,167)</u>	62,805
Net Assets - January 1			<u>837,652</u>
Net Assets - December 31			<u>\$ 900,457</u>

VILLAGE OF BARRINGTON, ILLINOIS

Information Systems - Internal Service Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operations			
Administrative Services			
Information Systems			
Personnel Services	\$ 83,442	\$ 85,552	\$ 85,543
Professional Development	9,150	7,040	2,392
Contractual Services	90,050	93,050	55,930
Commodities	2,050	2,050	851
Interfund Charges	4,236	4,236	4,236
Total Operations	<u>188,928</u>	<u>191,928</u>	<u>148,952</u>
Capital Projects			
Capital Expense			
Capital Equipment	<u>231,511</u>	<u>231,511</u>	<u>62,932</u>
Total Operating Expenses	<u>\$ 420,439</u>	<u>\$ 423,439</u>	<u>\$ 211,884</u>

VILLAGE OF BARRINGTON, ILLINOIS

Central Garage - Internal Service Fund

Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Shared Services - BCFPD	\$ 92,000	\$ 92,000	\$ 42,391
Interfund Charges			
Vehicle Maintenance	456,292	456,292	429,343
Vehicle Depreciation	354,746	354,746	354,745
Total Operating Revenues	<u>903,038</u>	<u>903,038</u>	<u>826,479</u>
Operating Expenses Before Depreciation			
Operations	455,124	490,360	477,630
Capital Projects	357,900	386,900	127,762
Total Operating Expenses	<u>813,024</u>	<u>877,260</u>	<u>605,392</u>
Operating Income (Loss) Before Depreciation	90,014	25,778	221,087
Depreciation	-	-	95,901
Operating Income (Loss)	<u>90,014</u>	<u>25,778</u>	<u>125,186</u>
Nonoperating Revenues (Expenses)			
Investment Income	62,500	62,500	76,567
Gain on Sale of Capital Assets	50,175	50,175	41,373
Total Nonoperating Revenues	<u>112,675</u>	<u>112,675</u>	<u>117,940</u>
Change in Net Assets	<u>\$ 202,689</u>	<u>\$ 138,453</u>	243,126
Net Assets - January 1			<u>3,300,630</u>
Net Assets - December 31			<u>\$ 3,543,756</u>

VILLAGE OF BARRINGTON, ILLINOIS

Central Garage - Internal Service Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Operations			
Public Works			
Personnel Services	\$ 234,932	\$ 234,932	\$ 229,739
Professional Development	1,850	3,470	3,469
Contractual Services	20,060	20,060	18,802
Commodities	162,730	196,346	190,290
Interfund Charges	35,552	35,552	35,330
Total Operations	455,124	490,360	477,630
Capital Projects			
Capital Expense			
Capital Equipment	526,900	586,900	326,072
Less Nonoperating Items			
Capital Assets Capitalized	(169,000)	(200,000)	(198,310)
Total Capital Projects	357,900	386,900	127,762
Total Operating Expenses	\$ 813,024	\$ 877,260	\$ 605,392

VILLAGE OF BARRINGTON, ILLINOIS

Central Garage - Internal Service Fund

Schedule of Capital Assets and Depreciation
Year Ended December 31, 2005

	Capital Assets			
	Balances January 1	Additions	Retirements/ Transfers	Balances December 31
Vehicles and Equipment	\$ 1,558,016	\$ 198,310	\$ 155,741	\$ 1,600,585
	Accumulated Depreciation			
	Balances January 1	Additions	Retirements/ Transfers	Balances December 31
Vehicles and Equipment	\$ 813,715	\$ 95,901	\$ 149,146	\$ 760,470
Total Capital Assets (Net of Accumulated Depreciation)	\$ 744,301			\$ 840,115

VILLAGE OF BARRINGTON, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Plan Assets
December 31, 2005**

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
Assets			
Cash and Cash Equivalents	\$ 120,158	\$ 543,527	\$ 663,685
Investments			
Money Markets/Mutual Funds	4,856,436	912,084	5,768,520
U.S. Government and Agency Obligations	4,673,600	2,908,699	7,582,299
Equity Securities	4,910,658	230,051	5,140,709
Receivables - Accrued Interest	57,314	16,515	73,829
Prepays	577	505	1,082
Due from Other Funds	<u>8,725</u>	<u>5,721</u>	<u>14,446</u>
 Total Assets	 14,627,468	 4,617,102	 19,244,570
Liabilities			
Accounts Payable	<u>26,497</u>	<u>6,425</u>	<u>32,922</u>
Net Plan Assets Held in Trust for Pension Benefits			
(A schedule of funding progress is presented following the notes to the financial statements)	<u>\$ 14,600,971</u>	<u>\$ 4,610,677</u>	<u>\$ 19,211,648</u>

VILLAGE OF BARRINGTON, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Net Plan Assets
Year Ended December 31, 2005

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 362,068	\$ 1,337,974	\$ 1,700,042
Contributions - Plan Members	245,723	208,617	454,340
Total Contributions	<u>607,791</u>	<u>1,546,591</u>	<u>2,154,382</u>
Investment Income			
Interest Earned	461,632	126,272	587,904
Net Change in Fair Value	361,548	65,383	426,931
Total Investment Income	<u>823,180</u>	<u>191,655</u>	<u>1,014,835</u>
Less Investment Expenses	<u>(71,613)</u>	<u>(10,446)</u>	<u>(82,059)</u>
Net Investment Income	<u>751,567</u>	<u>181,209</u>	<u>932,776</u>
Total Additions	<u>1,359,358</u>	<u>1,727,800</u>	<u>3,087,158</u>
Deductions			
Administration	18,768	10,490	29,258
Benefits and Refunds			
Benefits	573,913	-	573,913
Refunds	-	3,087	3,087
Total Deductions	<u>592,681</u>	<u>13,577</u>	<u>606,258</u>
Change in Net Assets	<u>766,677</u>	<u>1,714,223</u>	<u>2,480,900</u>
Plan Net Assets Held in Trust for Pension Benefits - January 1	<u>13,834,294</u>	<u>2,896,454</u>	<u>16,730,748</u>
Plan Net Assets Held in Trust for Pension Benefits - December 31	<u>\$ 14,600,971</u>	<u>\$ 4,610,677</u>	<u>\$ 19,211,648</u>

VILLAGE OF BARRINGTON, ILLINOIS

Police Pension Fund - Pension Trust Fund

Schedule of Changes in Plan Net Assets - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 375,320	\$ 375,320	\$ 362,068
Contributions - Plan Members	226,500	226,500	245,723
Total Contributions	601,820	601,820	607,791
Investment Income			
Interest Earned	390,000	390,000	461,632
Net Change in Fair Value	390,000	390,000	361,548
Total Investment Income	780,000	780,000	823,180
Less Investment Expenses	(87,250)	(87,250)	(71,613)
Net Investment Income	692,750	692,750	751,567
Total Additions	1,294,570	1,294,570	1,359,358
Deductions			
Administration	30,300	30,300	18,768
Benefits and Refunds			
Benefits	759,800	759,800	573,913
Refunds	-	-	-
Total Deductions	790,100	790,100	592,681
Change in Net Assets	<u>\$ 504,470</u>	<u>\$ 504,470</u>	766,677
Plan Net Assets Held in Trust for Pension Benefits - January 1			<u>13,834,294</u>
Plan Net Assets Held in Trust for Pension Benefits - December 31			<u>\$ 14,600,971</u>

VILLAGE OF BARRINGTON, ILLINOIS

Firefighters' Pension Fund - Pension Trust Fund

Schedule of Changes in Plan Net Assets - Budget and Actual
Year Ended December 31, 2005

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 476,396	\$ 476,396	\$ 1,337,974
Contributions - Plan Members	286,880	286,880	208,617
Total Contributions	<u>763,276</u>	<u>763,276</u>	<u>1,546,591</u>
Investment Income			
Interest Earned	67,500	67,500	126,272
Net Change in Fair Value	<u>67,500</u>	<u>67,500</u>	<u>65,383</u>
Total Investment Income	135,000	135,000	191,655
Less Investment Expenses	<u>(5,000)</u>	<u>(6,201)</u>	<u>(10,446)</u>
Net Investment Income	<u>130,000</u>	<u>128,799</u>	<u>181,209</u>
Total Additions	<u>893,276</u>	<u>892,075</u>	<u>1,727,800</u>
Deductions			
Administration	15,150	15,150	10,490
Benefits and Refunds			
Refunds	<u>30,000</u>	<u>28,799</u>	<u>3,087</u>
Total Deductions	<u>45,150</u>	<u>43,949</u>	<u>13,577</u>
Change in Net Assets	<u>\$ 848,126</u>	<u>\$ 848,126</u>	1,714,223
Plan Net Assets Held in Trust for Pension Benefits - January 1			<u>2,896,454</u>
Plan Net Assets Held in Trust for Pension Benefits - December 31			<u>\$ 4,610,677</u>

VILLAGE OF BARRINGTON, ILLINOIS

Agency Fund

Statement of Changes in Assets and Liabilities
December 31, 2005

Escrow Fund	<u>Balances January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances December 31</u>
ASSETS				
Cash and Investments	\$ 1,397,632	\$ 123,868	\$ -	\$ 1,521,500
Receivables - Accrued Interest	417	339	-	756
Receivables - Other	<u>23,934</u>	<u>995</u>	<u>-</u>	<u>24,929</u>
Total Assets	<u>\$ 1,421,983</u>	<u>\$ 125,202</u>	<u>\$ -</u>	<u>\$ 1,547,185</u>
LIABILITIES				
Accounts Payable	\$ 14,495	\$ 12,269	\$ -	\$ 26,764
Deposits Payable	<u>1,407,488</u>	<u>112,933</u>	<u>-</u>	<u>1,520,421</u>
Total Liabilities	<u>\$ 1,421,983</u>	<u>\$ 125,202</u>	<u>\$ -</u>	<u>\$ 1,547,185</u>

SUPPLEMENTAL SECTION

VILLAGE OF BARRINGTON, ILLINOIS

**Schedule of Insurance in Force
December 31, 2005**

Coverage	Amount of Coverage	Expiration Date of Coverage
General Liability	\$10,000,000 Per Occurrence	12/31/05
Police Professional Liability	\$10,000,000 Per Occurrence	12/31/05
Employee Benefits Liability	\$10,000,000 Per Occurrence	12/31/05
Automobile Liability	\$10,000,000 Per Occurrence	12/31/05
Uninsured/Underinsured Motorist	\$500,000 Per Occurrence	12/31/05
Public Officials Liability	\$10,000,000 Per Occurrence	12/31/05
Workers' Compensation	\$51,500,000 Per Occurrence	12/31/05
Employer's Liability	\$1,000,000 Per Occurrence	12/31/05
First Party Property	\$250,000,000 Per Occurrence	12/31/05
Crime and Fidelity		
a. Employee Theft	\$5,000,000 Per Occurrence	12/31/05
b. Forgery or Alteration	\$5,000,000 Per Occurrence	12/31/05
c. Computer Fraud	\$5,000,000 Per Occurrence	12/31/05
d. Theft, Disappearance and Destruction (Including Premises Burglary)	\$2,500,000 Per Occurrence	12/31/05
e. Credit Card Forgery	\$5,000,000 Per Occurrence	12/31/05
Boiler/Machinery	\$50,000,000 Per Occurrence	12/31/05
Public Officials Bond	Statutory Requirements	12/31/05

The Village of Barrington participates in the Intergovernmental Risk Management Agency established January 1, 1979. Each community pays a contribution to this Agency based on annual revenues. Annual aggregate coverage is limited to \$10,000,000 per member for all lines of coverage where payment is to be made from the IRMA loss fund. 2005 Agency aggregate cap (100% supplemental assessment level) will be \$75,894,495 where payment is to be made from the liability loss fund.

VILLAGE OF BARRINGTON, ILLINOIS

Long-Term Debt Requirements

**Real Property Installment Contract of 1997
December 31, 2005**

Date of Contract	August 26, 1997
Date of Maturity	October 1, 2007
Amount of Contract	\$900,000
Interest Rate	4.56%
Interest Date	October 1
Payable at	Suburban Bank Barrington

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2006	\$ 105,000	\$ 9,807	\$ 114,807
2007	<u>110,000</u>	<u>5,016</u>	<u>115,016</u>
	<u>\$ 215,000</u>	<u>\$ 14,823</u>	<u>\$ 229,823</u>

VILLAGE OF BARRINGTON, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Bond Series of 1998
December 31, 2005

Date of Issue January 12, 1998
 Date of Maturity June 1, 2018
 Authorized Issue \$5,000,000
 Denomination of Bonds \$5,000
 Interest Rates 4.10% - 6.10%
 Interest Dates June 1 and December 1
 Principal Maturity Date December 1, 2017
 Payable at Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Tax Levy Year	Bond Numbers	Tax Levy Requirements		Totals	Interest Due on	
			Principal	Interest		June 1	December 1
2006	2005	271-316	\$ 230,000	\$ 158,654	\$ 388,654	2006	\$ 79,327
2007	2006	317-365	245,000	149,226	394,226	2007	74,613
2008	2007	366-415	250,000	139,180	389,180	2008	69,590
2009	2008	416-467	260,000	128,680	388,680	2009	64,340
2010	2009	468-522	275,000	117,500	392,500	2010	58,750
2011	2010	523-580	290,000	105,400	395,400	2011	52,700
2012	2011	581-641	305,000	92,350	397,350	2012	46,175
2013	2012	642-705	320,000	78,626	398,626	2013	39,313
2014	2013	706-773	340,000	64,224	404,224	2014	32,112
2015	2014	774-844	355,000	48,924	403,924	2015	24,462
2016	2015	845-920	380,000	32,950	412,950	2016	16,475
2017	2016	921-1000	400,000	16,800	416,800	2017	8,400
			\$ 3,650,000	\$ 1,132,514	\$ 4,782,514		\$ 566,257

Schedule of Long-Term Debt Requirements
General Obligation Refunding Bond Series of 1999
December 31, 2005

Date of Issue January 25, 1999
 Date of Maturity December 15, 2018
 Authorized Issue \$5,895,000
 Denomination of Bonds \$5,000
 Interest Rates 4.00% - 6.00%
 Interest Dates June 15 and December 15
 Principal Maturity Date December 15, 2018
 Payable at Firststar Bank Milwaukee

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Tax Levy Year	Bond Numbers	Tax Levy Requirements		Totals	Interest Due on	
			Principal	Interest		June 15	December 15
2006	2005	298-348	\$ 255,000	\$ 191,000	\$ 446,000	2006	\$ 95,500
2007	2006	349-401	265,000	175,700	440,700	2007	87,850
2008	2007	402-457	280,000	159,800	439,800	2008	79,900
2009	2008	458-517	300,000	144,400	444,400	2009	72,200
2010	2009	518-578	305,000	132,400	437,400	2010	66,200
2011	2010	579-642	320,000	120,200	440,200	2011	60,100
2012	2011	643-709	335,000	107,400	442,400	2012	53,700
2013	2012	710-779	350,000	94,000	444,000	2013	47,000
2014	2013	780-852	365,000	80,000	445,000	2014	40,000
2015	2014	853-928	380,000	65,400	445,400	2015	32,700
2016	2015	929-1008	400,000	50,200	450,200	2016	25,100
2017	2016	1009-1092	420,000	34,200	454,200	2017	17,100
2018	2017	1093-1179	435,000	17,400	452,400	2018	8,700
			<u>\$ 4,410,000</u>	<u>\$ 1,372,100</u>	<u>\$ 5,782,100</u>		<u>\$ 686,050</u>
							<u>\$ 686,050</u>

VILLAGE OF BARRINGTON, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Waterworks and Sewerage Alternate Revenue Source Bond Series of 1999B
December 31, 2005

Date of Issue: May 1, 1999
 Date of Maturity: December 15, 2014
 Authorized Issue: \$2,600,000
 Denomination of Bonds: \$5,000
 Interest Rates: 4.00% - 6.00%
 Interest Dates: June 15 and December 15
 Principal Maturity Date: December 15, 2014
 Payable at: Firstar Bank Milwaukee

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Tax Levy Year	Bond Numbers	Tax Levy Requirements		Totals	Interest Due on	
			Principal	Interest		June 15	December 15
2006	2005	159-191	\$ 165,000	\$ 78,106	\$ 243,106	2006	\$ 39,053
2007	2006	192-226	175,000	68,206	243,206	2007	34,103
2008	2007	227-262	180,000	58,800	238,800	2008	29,400
2009	2008	263-300	190,000	51,600	241,600	2009	25,800
2010	2009	301-340	200,000	44,000	244,000	2010	22,000
2011	2010	341-382	210,000	36,000	246,000	2011	18,000
2012	2011	383-426	220,000	27,600	247,600	2012	13,800
2013	2012	427-472	230,000	18,800	248,800	2013	9,400
2014	2013	473-520	240,000	9,600	249,600	2014	4,800
			\$ 1,810,000	\$ 392,712	\$ 2,202,712		\$ 196,356
							\$ 196,356

VILLAGE OF BARRINGTON, ILLINOIS

Long-Term Debt Requirements

**IEPA Loan of 2001
December 31, 2005**

Date of Contract	December 15, 2001
Date of Maturity	December 15, 2020
Amount of Loan	\$1,649,301
Interest Rate	2.535%
Interest Date	June 15 and December 15
Payable at	Illinois Environmental Protection Agency
Loan Number	L17-1616

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Requirements		
	Principal	Interest	Totals
2006	\$ 74,548	\$ 33,544	\$ 108,092
2007	76,450	31,643	108,093
2008	78,400	29,692	108,092
2009	80,400	27,692	108,092
2010	82,451	25,641	108,092
2011	84,555	23,538	108,093
2012	86,712	21,380	108,092
2013	88,924	19,168	108,092
2014	91,192	16,900	108,092
2015	93,519	14,573	108,092
2016	95,904	12,188	108,092
2017	98,351	9,741	108,092
2018	100,859	7,233	108,092
2019	103,433	4,659	108,092
2020	106,070	2,020	108,090
	<u>\$ 1,341,768</u>	<u>\$ 279,612</u>	<u>\$ 1,621,380</u>

VILLAGE OF BARRINGTON, ILLINOIS

Long-Term Debt Requirements

IEPA Loan of 2002

December 31, 2005

Date of Contract	December 15, 2002
Date of Maturity	December 15, 2021
Amount of Loan	\$1,885,195
Interest Rate	2.905%
Interest Date	June 15 and December 15
Payable at	Illinois Environmental Protection Agency
Loan Number	L17-1238

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	<u>Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2006	\$ 82,193	\$ 47,256	\$ 129,449
2007	84,598	44,851	129,449
2008	87,073	42,376	129,449
2009	89,621	39,828	129,449
2010	92,243	37,206	129,449
2011	94,943	34,506	129,449
2012	97,721	31,728	129,449
2013	100,580	28,869	129,449
2014	103,523	25,926	129,449
2015	106,552	22,897	129,449
2016	109,670	19,779	129,449
2017	112,879	16,570	129,449
2018	116,182	13,267	129,449
2019	119,582	9,867	129,449
2020	123,081	6,367	129,448
2021	126,681	2,767	129,448
	<u>\$ 1,647,122</u>	<u>\$ 424,060</u>	<u>\$ 2,071,182</u>

VILLAGE OF BARRINGTON, ILLINOIS

Long-Term Debt Requirements

**IEPA Loan of 2002
December 31, 2005**

Date of Contract	September 25, 2002
Date of Maturity	June 1, 2023
Amount of Loan	\$887,776
Interest Rate	2.570%
Interest Date	June 15 and December 15
Payable at	Illinois Environmental Protection Agency
Loan Number	L17-1480

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Requirements		
	Principal	Interest	Totals
2006	\$ 37,080	\$ 21,090	\$ 58,170
2007	38,039	20,131	58,170
2008	39,022	19,148	58,170
2009	40,031	18,139	58,170
2010	41,067	17,103	58,170
2011	42,129	16,041	58,170
2012	43,218	14,952	58,170
2013	44,336	13,834	58,170
2014	45,483	12,687	58,170
2015	46,659	11,511	58,170
2016	47,866	10,304	58,170
2017	49,104	9,066	58,170
2018	50,374	7,796	58,170
2019	51,677	6,493	58,170
2020	53,014	5,156	58,170
2021	54,385	3,785	58,170
2022	55,792	2,378	58,170
2023	50,584	928	51,512
	<u>\$ 829,860</u>	<u>\$ 210,542</u>	<u>\$ 1,040,402</u>

STATISTICAL SECTION
(Unaudited)

VILLAGE OF BARRINGTON, ILLINOIS

Governmental Revenues by Source (1)
Last Ten Fiscal Years

December 31, 2005 (Unaudited)

Fiscal Year	April 30, 1997	April 30, 1998	April 30, 1999	Eight Months Ended December 31, 1999	Year Ended December 31, 2000	Year Ended December 31, 2001	Year Ended December 31, 2002	Year Ended December 31, 2003	Year Ended December 31, 2004	Year Ended December 31, 2005
Taxes										
Property Taxes	\$ 2,011,819	\$ 2,015,918	\$ 2,539,288	\$ 1,971,992	\$ 2,646,712	\$ 2,636,694	\$ 2,684,199	\$ 2,669,532	\$ 2,845,535	\$ 3,147,634
Sales Tax	3,732,266	4,196,115	4,559,552	3,353,037	5,014,257	4,670,622	4,352,592	4,520,109	4,179,395	4,238,256
Photo Finishing Tax	17,209	18,097	19,089	13,858	20,660	22,919	9,415	-	-	-
State Income Tax	385,750	424,191	445,078	284,312	493,473	485,179	446,733	624,763	650,813	765,054
Auto Rental Tax	13,091	12,419	11,332	9,857	16,179	18,326	14,276	12,847	16,236	20,878
Local Use Tax	83,082	88,670	96,693	72,008	120,009	113,738	91,141	90,967	105,438	116,270
Replacement Tax (2)	67,747	77,653	88,609	48,656	93,735	95,891	59,009	68,769	76,973	104,522
Foreign Fire Insurance Tax	19,484	18,153	17,464	16,801	18,335	19,158	24,430	32,600	35,703	31,447
Hotel/Motel Tax	-	-	-	-	-	-	16,894	16,521	16,650	18,029
	<u>6,330,448</u>	<u>6,851,216</u>	<u>7,777,105</u>	<u>5,770,521</u>	<u>8,423,350</u>	<u>8,062,527</u>	<u>7,698,689</u>	<u>8,036,108</u>	<u>7,926,743</u>	<u>8,442,090</u>
Licenses and Permits	163,017	339,725	390,314	211,370	218,269	508,380	195,767	311,609	430,846	468,856
Intergovernmental Revenues	309,367	327,702	338,984	222,724	444,684	382,466	359,691	382,823	396,879	423,234
Charges for Services (3)	1,872,930	2,406,517	2,539,029	1,915,799	2,529,805	2,996,697	3,147,358	3,363,105	3,993,355	5,036,105
Fines and Forfeitures	111,484	97,248	99,703	63,658	96,332	85,892	73,777	80,385	80,497	126,498
Village Property Usage	-	-	-	192,982	314,361	212,113	238,024	87,585	96,090	105,747
Investment Income	228,385	325,900	387,138	213,604	554,336	694,798	203,615	252,983	163,134	256,473
Miscellaneous Revenues (3)	115,084	165,372	309,644	3,750	1,137,069	950,724	541,531	716,924	788,141	688,534
Total	<u>\$ 9,130,715</u>	<u>\$ 10,513,680</u>	<u>\$ 11,841,917</u>	<u>\$ 8,594,408</u>	<u>\$ 13,718,216</u>	<u>\$ 13,893,597</u>	<u>\$ 12,458,452</u>	<u>\$ 13,231,522</u>	<u>\$ 13,875,685</u>	<u>\$ 15,547,537</u>

(1) Includes all Governmental Fund types except Capital Projects Fund.

(2) The Village did not separately classify replacement tax prior to 1994.

(3) Prior to 1997, interfund administrative charges were classified as charges for services. Since 1997, these charges have been reported as miscellaneous revenue.

Data Source: Village Records

VILLAGE OF BARRINGTON, ILLINOIS

Governmental Expenditures by Function (1)
Last Ten Fiscal Years

December 31, 2005 (Unaudited)

Fiscal Year	April 30, 1997	April 30, 1998	April 30, 1999	Eight Months Ended December 31, 1999	Year Ended December 31, 2000	Year Ended December 31, 2001	Year Ended December 31, 2002	Year Ended December 31, 2003	Year Ended December 31, 2004	Year Ended December 31, 2005
General Government (2)	\$ 2,033,260	\$ 1,945,837	\$ 2,269,195	\$ 933,525	\$ 1,670,246	\$ 1,803,251	\$ 1,961,544	\$ 2,343,124	\$ 2,011,550	\$ 2,001,111
Public Safety	4,336,803	4,941,507	5,418,881	4,059,445	6,192,243	6,863,678	6,942,907	7,210,189	7,869,718	9,827,353
Public Works	-	-	-	841,190	1,829,578	1,820,362	1,519,773	1,619,527	1,648,192	1,695,027
Building and Planning	-	-	-	338,067	581,974	455,480	457,629	441,905	511,132	538,706
Economic Development	-	-	-	120,797	185,861	180,401	174,197	-	-	-
Highways and Streets	1,072,639	856,321	1,441,729	-	-	-	-	-	-	-
Miscellaneous (2)	294,138	212,238	166,735	-	-	-	-	-	-	-
Debt Service	472,355	469,290	807,940	934,770	972,915	977,097	964,941	962,065	952,761	957,329
Total	\$ 8,209,195	\$ 8,425,193	\$ 10,104,480	\$ 7,227,794	\$ 11,432,817	\$ 12,100,269	\$ 12,020,991	\$ 12,576,810	\$ 12,993,353	\$ 15,019,526

(1) Includes all Governmental Fund types except Capital Projects Fund.

(2) Risk management included in General Government for December 31, 1999

Data Source: Village Records

VILLAGE OF BARRINGTON, ILLINOIS

Property Tax Levies and Collections
Last Ten Fiscal Years

December 31, 2005 (Unaudited)

(1) Year of Levy	Tax Levy	Lake County Extensions	Cook County Extensions	Total Extensions	Lake County Collections	Cook County Collections	Total Collections	Percent of Extension Collected
1995	\$ 1,871,270	\$ 998,374	\$ 907,923	\$ 1,906,297	\$ 1,002,026	\$ 934,511	\$ 1,936,537	101.59%
1996	1,968,640	926,739	981,516	1,908,255	929,606	969,063	1,898,669	99.50%
1997	2,363,877	1,186,210	1,106,751	2,292,961	1,185,323	1,183,898	2,369,221	103.33%
1998	2,423,095	1,272,209	1,209,181	2,481,390	1,272,235	1,158,300	2,430,535	97.95%
1999	2,579,774	1,241,949	1,285,098	2,527,047	1,273,653	1,295,582	2,569,235	101.67%
2000	2,602,369	1,278,915	1,340,283	2,619,198	1,358,545	1,291,492	2,650,037	101.18%
2001	2,571,281	1,276,118	1,361,494	2,637,612	1,304,586	1,362,619	2,667,205	101.12%
2002	2,670,394	1,244,030	1,413,089	2,657,119	1,239,186	1,449,775	2,688,961	101.20%
2003	2,831,155	1,285,642	1,486,336	2,771,978	1,363,120	1,441,246	2,804,366	101.17%
2004	3,047,690	1,512,794	1,582,002	3,094,796	1,535,684	1,593,754	3,129,438	101.12%

(1) Since this schedule is prepared on a tax levy year basis, rather than a fiscal year basis, it cannot be directly tied into the financial section statements and schedules.

Data Sources: Cook and Lake County Extension Offices

VILLAGE OF BARRINGTON, ILLINOIS

Assessed and Estimated Value of Taxable Property
Last Ten Fiscal Years

December 31, 2005 (Unaudited)

<u>Tax Levy Year</u>	<u>Equalized Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio of Equalized Assessed Value to Estimated Actual Value</u>
1995	\$ 326,740,606	\$ 980,221,818	0.333
1996	332,486,427	997,459,281	0.333
1997	341,029,045	1,023,087,135	0.333
1998	364,674,406	1,094,023,218	0.333
1999	380,999,465	1,142,998,395	0.333
2000	390,287,260	1,170,861,780	0.333
2001	431,224,878	1,293,674,634	0.333
2002	457,681,703	1,373,045,109	0.333
2003	475,619,193	1,426,857,579	0.333
2004	519,255,502	1,557,766,506	0.333

Data Source: Cook and Lake County Tax Extension Offices

VILLAGE OF BARRINGTON, ILLINOIS

Property Tax Rates Per \$100 Assessed Valuation
Direct and Overlapping Governments
Last Ten Fiscal Years

December 31, 2005 (Unaudited)

Tax Levy Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
(1) Tax Rates										
(2) Unit School District #220	3.185	3.200	3.398	3.646	3.591	3.596	3.793	3.736	3.542	3.381
(2) College District #512	0.282	0.288	0.299	0.283	0.287	0.351	0.329	0.309	0.314	0.275
(2) Barrington Public Library District	0.206	0.202	0.214	0.210	0.220	0.210	0.211	0.206	0.204	0.197
(2) Barrington Park District	0.347	0.337	0.341	0.335	0.328	0.418	0.417	0.533	0.567	0.542
(2) Village of Barrington	0.600	0.575	0.696	0.681	0.667	0.661	0.613	0.572	0.584	0.590
Barrington Township	0.049	0.050	0.053	0.051	0.051	0.053	0.047	0.038	0.034	0.028
(3) Barrington Township Road and Bridge	-	-	-	-	-	-	-	-	-	-
Barrington Township General Assistance	0.006	0.006	0.006	0.006	0.006	0.006	0.005	0.003	0.002	0.002
Cook County Mosquito	0.010	0.010	0.011	0.010	0.010	0.011	0.010	0.009	0.010	0.009
Cook County Sanitarium TB	0.008	0.008	0.008	0.008	0.008	0.008	0.007	0.006	0.004	0.001
Cook County Forest Preserve	0.072	0.074	0.074	0.072	0.070	0.069	0.067	0.061	0.050	0.060
County of Cook	0.994	0.989	0.919	0.911	0.854	0.824	0.746	0.690	0.630	0.593
(4) Metro Water Reclamation District	0.495	0.492	0.451	0.444	0.419	0.415	0.401	0.371	0.361	0.347
County of Lake	0.052	0.525	0.531	0.531	0.521	0.521	0.516	0.502	0.490	0.465
Lake County Forest Preserve	0.156	0.156	0.155	0.157	0.187	0.231	0.221	0.232	0.225	0.219
Palatine Township	0.074	0.075	0.078	0.057	0.052	0.050	0.042	0.041	0.042	0.038
Palatine Township Road and Bridge	0.095	0.097	0.102	0.084	0.087	0.086	0.077	0.074	0.078	0.070
Palatine Township General Asst.	0.014	0.014	0.014	0.011	0.010	0.009	0.008	0.008	0.009	0.008
Cuba Township	0.082	0.082	0.082	0.084	0.084	0.084	0.083	0.078	0.076	0.077
Cuba Township Gravel	0.060	0.060	0.060	0.060	0.060	0.060	0.030	0.145	0.135	0.030
Cuba Township Road and Bridge	0.027	0.027	0.027	0.028	0.028	0.029	0.030	0.030	0.030	0.135
Ela Township	0.109	0.109	0.106	0.105	0.100	0.094	0.096	0.093	0.086	0.085
Ela Township Gravel	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.029	0.030
Ela Township Road and Bridge	0.013	0.013	0.013	0.012	0.011	0.011	0.012	0.013	0.011	0.011
(5) Consolidated Elections	0.029	-	0.027	-	0.023	-	-	-	-	-
Special Tax District #1 - Cook County	0.093	0.099	0.010	0.094	0.099	0.100	0.100	0.100	0.100	0.100
Special Tax District #1 - Lake County	0.099	0.090	0.099	0.112	0.092	0.098	0.094	0.106	0.100	0.108
Special Tax District #3 - Lake County	0.497	0.494	0.479	0.474	0.450	0.401	0.341	0.312	0.286	0.279

- (1) Property tax rates are per \$100 of assessed valuation
- (2) Listed rates are an average of the Cook and Lake County rates.
- (3) Barrington Township in no longer levying for Road and Bridge.
- (4) Metro Water Reclamation District submitted by the Cook County Extension Office as of 1991.
- (5) Consolidated elections levy is every other year.

Data Source: Cook County and Lake County Tax Extension Offices

VILLAGE OF BARRINGTON, ILLINOIS

Ratio of General Obligation Bonded Debt to
Assessed Valuation and Bonded Debt Per Capita
Last Ten Fiscal Years

December 31, 2005 (Unaudited)

Fiscal Year	(1) Population	(2) Assessed Value	(3) Outstanding General Obligation Bonded Debt	Less Debt Service Funds	Net General Obligation Bonded Debt	Ratio of Outstanding General Obligation Bonded Debt to Assessed Value	Outstanding General Obligation Bonded Debt Per Capita
4/30/97	9,538	\$ 332,486,427	\$ 1,635,000	\$ 255,822	\$ 1,379,178	.41%	\$ 144.60
4/30/98	9,538	341,029,045	6,250,000	334,079	5,915,921	1.73%	620.25
4/30/99	9,538	364,674,406	10,870,000	503,019	10,366,981	2.84%	1,086.91
12/31/99	9,538	364,674,406	10,525,000	335,965	10,189,035	2.79%	1,068.26
12/31/00	10,168	380,999,465	10,835,000	365,496	10,469,504	2.75%	1,029.65
12/31/01	10,168	390,287,260	10,365,000	497,414	9,867,586	2.53%	970.45
12/31/02	10,168	431,224,878	9,880,000	503,318	9,376,682	2.17%	922.18
12/31/03	10,168	457,681,703	9,370,000	375,522	8,994,478	1.97%	884.59
12/31/04	10,168	475,619,193	8,840,000	351,097	8,488,903	1.78%	834.86
12/31/05	10,168	519,255,502	8,275,000	366,422	7,908,578	1.52%	777.79

Data Sources

- (1) Updated 1990 census figures used for fiscal years ending 1996 through 1999. 2000 census figures used for fiscal years ending 2000 through 2005.
- (2) Equalized value from Cook and Lake County Tax Extension Offices.
- (3) Excludes Special Service Area Bonds.

VILLAGE OF BARRINGTON, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
December 31, 2005 (Unaudited)**

Governmental Unit	(1) Gross Debt	(2) Percentage of Debt Applicable to Village	(3) Village's Share of Debt
Village of Barrington	\$ 8,275,000	100.00%	\$ 8,275,000
Barrington Park District	14,090,000	90.53%	12,755,677
Barrington Library District	710,000	21.14%	150,094
Unit School District #220	122,275,000	20.69%	25,298,698
College District #512	79,705,000	2.84%	2,263,622
Lake County Forest Preserve	198,471,926	1.10%	2,183,191
County of Lake	8,302,000	1.10%	91,322
Cook County Forest Preserve District	132,855,000	0.24%	318,852
County of Cook	3,093,165,000	0.24%	7,423,596
Metropolitan Water Reclamation District	1,329,123,000	0.24%	3,189,895
Total Overlapping Debt	4,978,696,926		53,674,947
Totals	\$ 4,986,971,926		\$ 61,949,947

Data Sources

- (1) Source: Individual Governmental Unit's Annual Financial Reports.
- (2) Determined by ratio of assessed value of property subject to taxation in Village of Barrington to value of property subject to taxation in overlapping unit. Cook and Lake County Tax Extension Offices.
- (3) Amount in column (2) multiplied by amount in column (1).

VILLAGE OF BARRINGTON, ILLINOIS

**Ratio of Annual Debt Service Expenditures for General
Bonded Debt to Total General Governmental Expenditures (1)
Last Ten Fiscal Years**

December 31, 2005 (Unaudited)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures (Percent)</u>
4/30/97	\$ 360,000	\$ 112,355	\$ 472,355	\$ 8,209,195	5.75%
4/30/98	385,000	84,290	469,290	8,425,193	5.57%
4/30/99	500,000	307,940	807,940	10,104,480	8.00%
12/31/99	420,000	514,770	934,770	7,227,794	12.93%
12/31/00	440,000	532,915	972,915	11,432,817	8.51%
12/31/01	470,000	507,097	977,097	12,100,269	8.08%
12/31/02	485,000	479,531	964,531	12,020,991	8.02%
12/31/03	510,000	452,065	962,065	12,576,810	7.65%
12/31/04	530,000	422,761	952,761	12,993,353	7.33%
12/31/05	565,000	392,329	957,329	15,019,526	6.37%

(1) Includes all Governmental Fund types except Capital Projects Fund.

Data Source: Village Records

VILLAGE OF BARRINGTON, ILLINOIS

**Demographic Statistics
Last Ten Fiscal Years**

December 31, 2005 (Unaudited)

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>(2) Per Capita Income</u>	<u>(2) Median Age</u>	<u>(3) Education Level in Years of Formal Schooling</u>	<u>(4) School Enrollment</u>	<u>(5) Unemployment Percentage</u>
4/30/97	9,538	\$ 40,078	37	16	2,804	2.2%
4/30/98	9,538	42,053	37	16	2,860	2.2%
4/30/99	9,538	44,547	38	16	2,918	2.2%
12/31/99	9,538	47,188	38	16	2,976	2.2%
12/31/00	9,538	49,987	38	16	3,036	2.2%
12/31/01	10,168	43,942	39	16	3,041	2.7%
12/31/02	10,168	43,942	39	16	3,041	2.7%
12/31/03	10,168	43,942	39	16	3,041	2.7%
12/31/04	10,168	43,942	39	16	3,041	2.7%
12/31/05	10,168	43,942	39	16	3,041	2.7%

Data Sources

- (1) A revised 1990 Census Population figure is used for 1997 through 2000. The 2001 through 2005 figures are based on the 2000 Census Population number.
- (2) Estimates based on the 1990 Census Population and Housing (NIPC) for the Village of Barrington are used for 1997 through 2000. The 2001 through 2005 figures are based on the 2000 Census Population number.
- (3) 1990 Census Population and Housing (NIPC) for the Village of Barrington used for 1997 through 2000. The 2001 through 2005 figures are based on the 2000 Census Population number.
- (4) Estimates based on the 1990 Census Population and Housing (NIPC) for the Village of Barrington used for 1997 through 2000. The 2001 through 2005 figures are based on the 2000 Census Population number.
- (5) 1990 Census Population and Housing (NIPC) for the Village of Barrington used for 1997 through 2000. The 2001 through 2005 figures are based on the 2000 Census Population number.

VILLAGE OF BARRINGTON, ILLINOIS

Property Value and Construction
Last Ten Fiscal Years

December 31, 2005 (Unaudited)

Fiscal Year	Number of Permits Issued	Construction Value	(1) Property Value		
			Commercial	Residential	Other
4/30/97	379	\$ 10,026,924	\$ 359,085,341	\$ 628,399,347	\$ 9,974,593
4/30/98	513	36,163,014	368,311,369	644,544,895	10,230,871
4/30/99	585	30,045,653	393,848,358	689,234,627	10,940,232
12/31/99	439	13,421,568	393,848,358	689,234,627	10,940,232
12/31/00	478	27,698,902	422,909,406	708,659,005	11,429,984
12/31/01	612	32,594,063	433,218,859	725,934,304	11,708,618
12/31/02	504	19,154,428	478,659,615	802,078,273	12,936,746
12/31/03	554	16,013,280	477,656,931	894,570,702	817,479
12/31/04	646	25,666,270	487,240,329	952,312,113	875,037
12/31/05	703	34,363,658	472,439,685	974,176,425	973,248

Data Sources

- (1) Information compiled from County Assessment and Treasurer's records computed to market value from actual equalized assessed value. Other: Railroad, Farm, Churches and other nonprofit property on tax rolls. 12/31/05 data is based on the 2004 EAV.

VILLAGE OF BARRINGTON, ILLINOIS

Schedule of Ten Largest Real Estate Taxpayers

December 31, 2005 (Unaudited)

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Total Taxable Valuation</u>	<u>Percentage of Village's Assessed Valuation</u>
Garlands Senior Living Center	Senior Residences	\$ 33,329,282	6.42 %
Hamilton Partners	Office Building	21,426,357	4.13
Wlesh Buildings	Office Building	14,949,222	2.88
MotorWerks	Automobile Dealership	10,976,499	2.11
The Foundry Center, Inc.	Retail Stores/Mall	9,290,211	1.79
Jetco Properties	Grocery & Retail Store	7,990,842	1.54
Pepsico	Research Laboratory	7,520,715	1.45
Bourns/GE Capital	Office Building	6,981,762	1.34
SBC	Office Building	5,654,415	1.09
The Pepper Companies	Offices	5,337,900	1.03
Total		<u>\$ 123,457,205</u>	<u>23.78 %</u>

Data Sources

Lake County Board of Review and Tax Extension Offices.
Barrington and Cuba Township Offices for Property Index Records.

VILLAGE OF BARRINGTON, ILLINOIS

General Information December 31, 2005 (Unaudited)

Date of Incorporation	1865
Form of Government	President / Board of Trustees
Geographic Location	Northwest suburb of Chicago
Area	5.1 square miles

Municipal Services and Facilities

Center Lane Miles of Streets	
State	25
County	2
Village	47
Number of Street Lights	705
Fire Protection	
Number of Responding Stations	3
Number of Volunteers	29
Full Time Fire Chief	1
Full Time Deputy Fire Chief	1
Full Time Fire Lieutenants	9
Number of Full Time Firefighter/Paramedics	22
Number of Paramedics	1
I. S. O. Rating - Village	4
I. S. O. Rating - District	5
Police Protection	
Number of Stations	1
Number of Sworn Officers	34
Public Safety Officers	2
Crossing Guards	9
Municipal Water Department	
Number of Metered Customers	4,275
Average Daily Consumption	1,754,690
Miles of Water Main	88
Capacity - Gallons per Day	5,760,000
Storage - Gallons	3,100,000
Average Water Produced Daily	1,799,386

VILLAGE OF BARRINGTON, ILLINOIS

General Information - Continued
December 31, 2005 (Unaudited)

Municipal Services and Facilities - Continued

Ten Largest Water/Sewer Users	Gallons	Percent of Water Metered
Pepsico	61,501,000	13.27%
Barrington High School	8,543,000	1.84%
The Garlands	7,765,000	1.68%
Governors Park	4,382,000	0.95%
Good Shepherd Health	3,665,000	0.79%
Motor Werks	3,362,000	0.73%
Fast Eddie's Car Wash	2,748,000	0.59%
Brian Properties	2,739,000	0.59%
Good Shepherd Manor	2,544,000	0.55%
Langendorf Park	2,542,000	0.55%
	<u>99,791,000</u>	<u>21.54%</u>
Sewers		
Sanitary Sewers - Miles		64
Storm Sewers - Miles		49
Building Permits Issued		703
Recreation and Cultural		
Number of Parks		5
Park Area - Acres		150
Number of Libraries		1
Library Statistics		
Number of Volumes		267,629
Audio Recordings		20,598
Video Recordings		17,477
Periodicals (Subscriptions) (Not Including Those Available On-line)		453
Registered Borrowers		48,191
Circulation		705,222
Library Employees		
Full - Time		41
Part - Time		46

VILLAGE OF BARRINGTON, ILLINOIS

General Information - Continued
December 31, 2005 (Unaudited)

Municipal Services and Facilities - Continued

Employees

Full - Time Employees	128
Part - Time Employees	11

Elections

Number of Registered Voters	6,507
Number of Votes Cast in Last Municipal Election	3,246
Percentage of Voters Voting in Last Municipal Election	49.88%

Bond Rating (Moody's Investor Services)

General Obligation Bond Series of 1998 (Moody's)	Aa3
General Obligation Bond Series of 1999 (Moody's)	Aa3
(Moody's FSA Insured Rating for the 2010 through 2018 maturities)	Aaa
General Obligation Bond Series of 1999B (Moody's)	Aa3
(Waterworks and Sewerage Alternate Revenue Source)	

Data Sources:

Village of Barrington reports from the following departments:

- Village Manager's Office
- Financial Services
- Fire/EMS
- Police
- Public Works
- Building and Planning

Barrington Head Librarian

Barrington Park District Personnel

Village of Barrington Deputy Village Clerk