

**Village of La Grange Park
Audit Report
For the Year Ended April 30, 2008**

Table of Contents

Independent Auditor's Report	1
Management's Discussion and Analysis	2 - 4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	5
Statement of Activities	6 - 7
Fund Financial Statements:	
Balance Sheet - Governmental Funds	8 - 9
Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Assets	10
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	11 - 12
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	13
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General and Special Revenue Fund Types	14 - 15
Statement of Net Assets - Proprietary Funds	16
Combined Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Fund Types	17
Combined Statement of Cash Flows - Proprietary Funds	18 - 19
Statement of Net Assets - Fiduciary Funds - Pension Trust Fund	20
Statement of Changes in Net Assets - Fiduciary Funds - Pension Trust Fund	21

(cont'd)

**Village of La Grange Park
Audit Report
For the Year Ended April 30, 2008**

Table of Contents (cont'd)

Basic Financial Statements (cont'd):

Fund Financial Statements (cont'd):

Statement of Changes in Net Assets - Fiduciary Funds -
Agency Fund

22

Notes to the Financial Statements

23 - 45

Required Supplementary Information - Statistical Information:

Illinois Municipal Retirement Fund - Schedule of Funding Progress

46

Police Pension Fund - Schedule of Funding Progress

47

Supplementary Information:

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Capital
Projects and Debt Service Fund Types

48 - 49

INDEPENDENT AUDITOR'S REPORT

This page has intentionally been left blank.

Selden Fox, LTD.

A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS
619 Enterprise Drive
Oak Brook, Illinois 60523-8835

630-954-1400
630-954-1327 FAX

email@seldenfox.com
www.seldenfox.com

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Village of La Grange Park
La Grange Park, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the statement of revenues, expenditures and changes in fund balance – budget and actual – General and Special Revenue Fund types of the **Village of LaGrange Park, Illinois** as of and for the year ended April 30, 2008, which collectively comprise the Village's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Village of La Grange Park, Illinois, as of April 30, 2008, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and the other required supplementary information listed in the table of contents are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally 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 on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying financial information listed as supplementary information in the accompanying table of contents is presented for additional analysis, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Selden Fox, Ltd.

October 7, 2008

This page has intentionally been left blank.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Village of La Grange Park
Management's Discussion and Analysis
April 30, 2008**

This narrative is offered as a means to allow the reader a better understanding of the accompanying financial statements. It highlights several important aspects of the Village of La Grange Park's financial condition, whether the financial condition is improving or worsening, and reviews the relationship between the different financial statements being presented.

Financial Statement Structure

The Village of La Grange Park's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and, 3) notes to the financial statements. The very end of the report also contains some supplementary information regarding the funding status of our pensions.

The government-wide financial statements, found on pages 5 through 7, are designed to provide readers a broad perspective of the Village's finances. This is done by consolidating all the Village's financial activity into one set of financial statements. The *statement of net assets* (page 5) presents information on all of the Village's assets and liabilities. The *statement of activities* (pages 6 and 7) presents information showing the sources and uses of Village monies that then changed the Village's net asset position during the most recent fiscal year. Both of these statements separate activities that are principally supported by taxes from those that are principally supported by user fees. The latter category for the Village of La Grange Park, described as "business-type activities", includes the provision of water and sewer services.

The fund financial statements begin on page 8 and continue through page 22. A *fund* is a group of accounts used to maintain control over resources that have been segregated for specific purposes. The Village of La Grange Park uses fund accounting because it represents generally accepted accounting principles for governmental organizations. In many cases it is also necessary in order to comply with legal requirements. There are three types of funds: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds account for those activities primarily supported by taxes. Sometimes, as is the case for our Motor Fuel Tax Fund, the state requires us to account for revenue derived from one specific tax separate from all other Village revenues. This ensures the revenue is spent for specific purposes. Proprietary funds account for those activities primarily supported by user fees. The Village of La Grange Park's two proprietary funds are the Water Fund and the Sewer Fund. You may note these are the two funds included in "business-type activities" in the government-wide financial statements described earlier. Fiduciary funds account for financial resources held for the benefit of parties outside the government. Our Police Pension Fund is one example.

The notes to the financial statements provide information necessary for the understanding of the statements. These notes begin on page 23 of this audit report.

Government-wide Financial Analysis

The Village of La Grange Park's assets exceeded its liabilities by \$17,033,931 as of April 30, 2008. This is an increase of \$1,198,956 over the prior year as both the Village's *governmental activities* and *business-type activities* resulted in an increase in net assets. Net assets as of April 30, 2007 (the prior year end) were \$15,834,975. The two largest components of the Village's assets are its cash and investments of \$3,321,788 and its investment in infrastructure which stands at \$14,332,297. Cash and investments are down \$736,504 from the previous year primarily because of a significant investment in infrastructure. Our Water Fund expended \$356,000 for a new water main along Maple Avenue and \$827,000 for a new water main along 31st Street, although part of the 31st Street expenditures were reimbursed through a grant. This activity is also the reason our infrastructure assets increased significantly. Noncurrent liabilities as of April 30, 2008 are \$7,095,000. Further information on the Village's long-term debt can be found on pages 36 and 37 of this audit report.

Fund Financial Statement Analysis

The Village of La Grange Park has six governmental funds. These funds are displayed on the balance sheet found on pages eight and nine. Governmental funds use a modified accrual basis of accounting designed to measure current financial resources. Consequently, the reader will notice the balance sheet does not show fixed assets or long-term liabilities. The related income statements (combined statement of revenues, expenditures and changes in fund balance) are found on pages 11 and 12.

The General Fund (first column) is used to account for most of the Village's general operating activity. This includes activity for the administration department, police department, fire department, public works department, and the building department. Including the effect of operating transfers, the General Fund's revenues exceeded its expenditures by \$592,081. This result is considerably more favorable than last year's (when revenues exceeded expenditures by \$135,949) and has significantly improved the General Fund's financial position. Revenues were down by 3.9% [\$7,162,457 versus \$7,453,405], while expenditures decreased 1.5% [\$6,266,471 this year versus \$6,364,106 last year]. Both of these decreases were largely the result of Cook County changing the way it distributes real estate tax. The county now distributes the police pension portion of real estate taxes directly to the pension fund. This change decreased both revenues and expenses by \$230,838. Total General Fund expenditures were \$558,840 under budget for the year.

The financial statements for the two proprietary funds begin on page 16. Proprietary funds use an accrual basis of accounting designed to measure total economic resources. Therefore, unlike governmental funds, the balance sheet does show *property and equipment* assets and long-term *bonds payable*. The combined increase in net assets for the Water and Sewer Funds is \$711,273. This increase mostly reflects increased investment in property and equipment. The largest component of property and equipment is infrastructure, which includes reservoirs, water mains and sewer lines.

The financial statements for the fiduciary funds begin on page 20.

Capital Assets and Long-term Debt

The Village of La Grange Park issued \$5,645,000 in bonds on April 18, 2006. The proceeds from these "General Obligation Sewer Alternate Bonds" were spent during the fiscal year ended April 30, 2007 on four sewer projects designed to provide some level of flood relief. The first principal payment on these bonds was scheduled for December 1, 2007 with the bonds being paid off over a twenty-year period primarily using revenue derived from a wastewater service charge. The bonds are rated A1 by Moody's.

Condensed Financial Information from the Government-wide Financial Statements

	Governmental Activities		Business-type Activities		Total	
	2007-2008	2006-2007	2007-2008	2006-2007	2007-2008	2006-2007
Assets	\$ 9,431,299	\$ 9,175,800	\$ 15,381,021	\$ 15,029,928	\$ 24,812,320	\$ 24,205,728
Liabilities	1,626,350	1,858,534	6,152,039	6,512,219	7,778,389	8,370,753
Net assets	\$ 7,804,949	\$ 7,317,266	\$ 9,228,982	\$ 8,517,709	\$ 17,033,931	\$ 15,834,975
Revenues	\$ 7,531,700	\$ 7,691,046	\$ 3,598,103	\$ 3,078,224	\$ 11,129,803	\$ 10,769,270
Expenses	7,044,017	6,898,008	2,886,830	2,309,856	9,930,847	9,207,864
Net change	\$ 487,683	\$ 793,038	\$ 711,273	\$ 768,368	\$ 1,198,956	\$ 1,561,406

Responsibility

Governmental Accounting Standards Board Statement Number 34 mandates that all local government financial statements include a Management Discussion and Analysis section. The goal is to give readers an objective, readable overview of the government's financial statements. The Village of La Grange Park's finance director is responsible for preparing this section. Consequently, any questions regarding this narrative specifically or the Village's audit report generally, may be addressed to the Finance Director, Village of La Grange Park, 447 N. Catherine Avenue, La Grange Park, IL 60526.

BASIC FINANCIAL STATEMENTS

This page has intentionally been left blank.

**Village of La Grange Park
Statement of Net Assets
April 30, 2008**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Cash and investments	\$ 2,533,486	\$ 774,467	\$ 3,307,953
Receivables	1,934,163	520,886	2,455,049
Internal balances	199,058	(13,743)	185,315
Accrued interest income	1,339	322	1,661
Prepaid items	4,989	3,557	8,546
Deferred bond issuance costs	24,389	75,808	100,197
Temporarily restricted assets:			
Cash	13,835	-	13,835
Insurance deposits	309,006	70,222	379,228
Capital assets (net of accumulated depreciation):			
Buildings and building improvements	631,363	545,369	1,176,732
Infrastructure	2,003,250	12,329,047	14,332,297
Machinery and equipment	451,298	864,260	1,315,558
Vehicles	1,325,123	210,826	1,535,949
Total assets	9,431,299	15,381,021	24,812,320
Liabilities			
Accounts payable and other accrued expenses	226,533	345,634	572,167
Accrued interest expense	18,243	92,099	110,342
Due to fiduciary funds	880	-	880
Noncurrent liabilities:			
Due within one year	182,983	252,017	435,000
Due in more than one year	1,197,711	5,462,289	6,660,000
Total liabilities	1,626,350	6,152,039	7,778,389
Net Assets			
Invested in capital assets, net of related debt	3,030,340	8,235,196	11,265,536
Restricted for:			
Insurance deposits	309,006	70,222	379,228
Prepaid items	4,989	3,557	8,546
Unrestricted	4,460,614	920,007	5,380,621
Total net assets	\$ 7,804,949	\$ 9,228,982	\$ 17,033,931

See accompanying notes.

**Village of La Grange Park
Statement of Activities
For the Year Ended April 30, 2008**

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities:			
General government	\$ 2,960,570	\$ 1,035,383	\$ 36,500
Public safety	4,083,447	134,405	33,683
Total governmental activities	<u>7,044,017</u>	<u>1,169,788</u>	<u>70,183</u>
Business-type activities:			
Water	1,887,680	2,063,894	-
Sewer	964,850	1,121,128	-
Total business-type activities	<u>2,852,530</u>	<u>3,185,022</u>	<u>-</u>
Total primary government	<u>\$ 9,896,547</u>	<u>\$ 4,354,810</u>	<u>\$ 70,183</u>
General revenues:			
Property taxes			
Sales taxes			
Income taxes			
Motor fuel taxes			
Replacement taxes			
Utility taxes			
Telecommunication taxes			
State use tax			
Other taxes			
Miscellaneous			
Unrestricted investment earnings			
Transfers			
Total general revenues and transfers			
Change in net assets			
Net assets, beginning of the year			
Net assets, end of the year			

See accompanying notes.

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (1,888,687)	\$ -	\$ (1,888,687)
-	(3,915,359)	-	(3,915,359)
-	(5,804,046)	-	(5,804,046)
385,700	-	561,914	561,914
-	-	156,278	156,278
385,700	-	718,192	718,192
\$ 385,700	(5,804,046)	718,192	(5,085,854)
	2,291,987	-	2,291,987
	501,913	-	501,913
	1,252,606	-	1,252,606
	371,166	-	371,166
	58,669	-	58,669
	651,023	-	651,023
	414,106	-	414,106
	183,543	-	183,543
	165,185	-	165,185
	303,774	-	303,774
	63,457	27,381	90,838
	34,300	(34,300)	-
	6,291,729	(6,919)	6,284,810
	487,683	711,273	1,198,956
	7,317,266	8,517,709	15,834,975
\$	7,804,949	\$ 9,228,982	\$ 17,033,931

**Village of La Grange Park
Balance Sheet
Governmental Funds
April 30, 2008**

Assets	General	Motor Fuel Tax
Cash	\$ 1,263,053	\$ 24,493
Investments	500,000	335,336
Accounts receivable:		
Property taxes - net of allowance for loss on collection	1,204,283	-
Interest	527	799
Utility taxes and telephone surcharge	264,287	-
Other	51,215	-
Due from other funds	199,558	-
Due from other governments	379,252	29,762
Prepaid items	4,989	-
Restricted assets:		
Cash	13,835	-
Insurance deposits	309,006	-
	\$ 4,190,005	\$ 390,390
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 96,225	\$ 6,933
Security deposits	13,835	-
Accrued wages	78,237	-
Due to other funds	880	-
Deferred property tax revenue	1,204,283	-
	1,393,460	6,933
Fund balances:		
Reserved for prepaid items	4,989	-
Reserved for insurance deposits	309,006	-
Unreserved - undesignated:		
Available resources	1,961,731	359,829
Other	520,819	23,628
	2,796,545	383,457
	\$ 4,190,005	\$ 390,390

See accompanying notes.

<u>Emergency 911</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
\$ 167,596	\$ 86,145	\$ 1,907	\$ 4,956	\$ 1,548,150
-	-	150,000	-	985,336
-	-	-	-	1,204,283
-	-	13	-	1,339
5,364	-	-	-	269,651
-	-	-	-	51,215
-	-	-	-	199,558
-	-	-	-	409,014
-	-	-	-	4,989
-	-	-	-	13,835
-	-	-	-	309,006
<u>\$ 172,960</u>	<u>\$ 86,145</u>	<u>\$ 151,920</u>	<u>\$ 4,956</u>	<u>\$ 4,996,376</u>
\$ 2,723	\$ 28,330	\$ -	\$ 250	\$ 134,461
-	-	-	-	13,835
-	-	-	-	78,237
-	-	-	500	1,380
-	-	-	-	1,204,283
<u>2,723</u>	<u>28,330</u>	<u>-</u>	<u>750</u>	<u>1,432,196</u>
-	-	-	-	4,989
-	-	-	-	309,006
167,596	86,145	151,907	4,456	2,731,664
2,641	(28,330)	13	(250)	518,521
<u>170,237</u>	<u>57,815</u>	<u>151,920</u>	<u>4,206</u>	<u>3,564,180</u>
<u>\$ 172,960</u>	<u>\$ 86,145</u>	<u>\$ 151,920</u>	<u>\$ 4,956</u>	<u>\$ 4,996,376</u>

This page has intentionally been left blank.

**Village of La Grange Park
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Assets
April 30, 2008**

Total fund balance - governmental funds (pages 8 and 9)	\$ 3,564,180
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.	4,411,034
Interest expense is not subject to accrual in the governmental funds.	(18,243)
Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net assets.	1,204,283
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(1,356,305)</u>
Net assets of governmental activities (page 5)	<u>\$ 7,804,949</u>

See accompanying notes.

Village of La Grange Park
Combined Statement of Revenues, Expenditures
and Changes in Fund Balance -
Governmental Funds
For the Year Ended April 30, 2008

	General	Motor Fuel Tax	Emergency 911
Revenues:			
Property taxes	\$ 2,536,875	\$ -	\$ -
Other local taxes	1,732,227	-	134,405
Licenses and permits	545,735	-	-
Intergovernmental	1,565,001	371,166	-
Charges for services	318,631	-	-
Fines and forfeitures	171,017	-	-
Interest	34,432	14,590	5,446
Miscellaneous	258,539	-	5,616
Total revenues	7,162,457	385,756	145,467
Expenditures:			
Current:			
General government	1,112,873	-	-
Public safety	3,974,545	-	265,816
Highways and streets	1,179,053	285,630	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	6,266,471	285,630	265,816
Revenues over (under) expenditures before other financing sources (uses)	895,986	100,126	(120,349)
Other financing sources (uses):			
Operating transfers in	30,900	-	-
Operating transfers out	(340,172)	(226,482)	(30,900)
Sale of capital assets	5,367	-	-
Total other financing sources (uses)	(303,905)	(226,482)	(30,900)
Revenues and other financing sources over (under) expenditures and other financing uses	592,081	(126,356)	(151,249)
Fund balance, beginning of the year	2,204,464	509,813	321,486
Fund balance, end of the year	\$ 2,796,545	\$ 383,457	\$ 170,237

See accompanying notes.

Capital Projects	Working Cash	Debt Service	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 2,536,875
-	-	-	1,866,632
-	-	-	545,735
-	-	-	1,936,167
-	-	-	318,631
-	-	-	171,017
2,153	3,923	2,913	63,457
34,252	-	-	298,407
<u>36,405</u>	<u>3,923</u>	<u>2,913</u>	<u>7,736,921</u>
3,436	-	500	1,116,809
201,695	-	-	4,442,056
167,843	-	-	1,632,526
-	-	178,825	178,825
-	-	47,157	47,157
<u>372,974</u>	<u>-</u>	<u>226,482</u>	<u>7,417,373</u>
<u>(336,569)</u>	<u>3,923</u>	<u>(223,569)</u>	<u>319,548</u>
374,472	-	226,482	631,854
-	-	-	(597,554)
-	-	-	5,367
<u>374,472</u>	<u>-</u>	<u>226,482</u>	<u>39,667</u>
37,903	3,923	2,913	359,215
19,912	147,997	1,293	3,204,965
<u>\$ 57,815</u>	<u>\$ 151,920</u>	<u>\$ 4,206</u>	<u>\$ 3,564,180</u>

This page has intentionally been left blank.

**Village of La Grange Park
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balance of
Governmental Funds to the Statement of Activities
For the Year Ended April 30, 2008**

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

Net change in fund balance - total governmental funds (pages 11 and 12)	\$	359,215
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
		199,515
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		(244,888)
<p>Interest expense is not subject to accrual in the governmental funds.</p>		
		1,490
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		172,351
Change in net assets of governmental activities (pages 6 and 7)	\$	487,683

See accompanying notes.

Village of La Grange Park
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
General and Special Revenue Fund Types
For the Year Ended April 30, 2008

	General Fund		
	Original Budget	Revised Budget	Actual
Revenues:			
Property taxes	\$ 2,820,000	\$ 2,820,000	\$ 2,536,875
Other local taxes	1,809,800	1,809,800	1,732,227
Licenses and permits	550,800	550,800	545,735
Intergovernmental	1,335,000	1,335,000	1,565,001
Charges for services	373,000	373,000	318,631
Fines and forfeitures	151,000	151,000	171,017
Interest	45,000	45,000	34,432
Miscellaneous	187,200	187,200	258,539
Total revenues	7,271,800	7,271,800	7,162,457
Expenditures:			
Current:			
General government	1,149,876	1,149,876	1,112,873
Public safety	4,444,235	4,444,235	3,974,545
Highways and streets	1,016,200	1,231,200	1,179,053
Capital outlay	-	-	-
Total expenditures	6,610,311	6,825,311	6,266,471
Revenues over (under) expenditures before other financing sources (uses)	661,489	446,489	895,986
Other financing sources (uses):			
Operating transfers in	30,900	30,900	30,900
Operating transfers out	(340,172)	(340,172)	(340,172)
Sale of capital assets	-	-	5,367
Total other financing sources (uses)	(309,272)	(309,272)	(303,905)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ 352,217	\$ 137,217	592,081
Fund balance, beginning of the year			2,204,464
Fund balance, end of the year			\$ 2,796,545

See accompanying notes.

Special Revenue Funds				
Variance With Final Budget Positive (Negative)	Original Budget	Revised Budget	Actual	Variance With Final Budget Positive (Negative)
\$ (283,125)	\$ -	\$ -	\$ -	\$ -
(77,573)	115,000	115,000	134,405	19,405
(5,065)	-	-	-	-
230,001	380,000	380,000	371,166	(8,834)
(54,369)	-	-	-	-
20,017	-	-	-	-
(10,568)	14,500	14,500	20,036	5,536
71,339	4,000	4,000	5,616	1,616
<u>(109,343)</u>	<u>513,500</u>	<u>513,500</u>	<u>531,223</u>	<u>17,723</u>
37,003	-	-	-	-
469,690	62,500	87,500	265,816	(178,316)
52,147	340,000	340,000	285,630	54,370
-	310,800	310,800	-	310,800
<u>558,840</u>	<u>713,300</u>	<u>738,300</u>	<u>551,446</u>	<u>186,854</u>
<u>449,497</u>	<u>(199,800)</u>	<u>(224,800)</u>	<u>(20,223)</u>	<u>204,577</u>
-	-	-	-	-
-	(256,900)	(256,900)	(257,382)	(482)
5,367	-	-	-	-
<u>5,367</u>	<u>(256,900)</u>	<u>(256,900)</u>	<u>(257,382)</u>	<u>(482)</u>
<u>\$ 454,864</u>	<u>\$ (456,700)</u>	<u>\$ (481,700)</u>	<u>(277,605)</u>	<u>\$ 204,095</u>
			<u>831,299</u>	
			<u>\$ 553,694</u>	

**Village of La Grange Park
Proprietary Funds
Statement of Net Assets
April 30, 2008**

Assets	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Current assets:			
Cash	\$ 114,765	\$ 59,702	\$ 174,467
Investments	100,000	500,000	600,000
Accrued interest receivable	14	308	322
Water sales receivable	250,886	-	250,886
Prepaid items	2,987	570	3,557
Due from other funds	-	83,878	83,878
Unbilled usage	180,000	90,000	270,000
Total current assets	<u>648,652</u>	<u>734,458</u>	<u>1,383,110</u>
Long-term assets:			
Restricted assets - insurance deposits	68,147	2,075	70,222
Deferred bond issuance costs	-	75,808	75,808
Property and equipment, net of accumulated depreciation of \$2,872,823	4,835,206	9,114,296	13,949,502
Total long-term assets	<u>4,903,353</u>	<u>9,192,179</u>	<u>14,095,532</u>
Total assets	<u>5,552,005</u>	<u>9,926,637</u>	<u>15,478,642</u>
Liabilities			
Current liabilities:			
Accounts payable	301,357	35,161	336,518
Security deposits	4,275	-	4,275
Accrued wages	3,309	1,532	4,841
Interest payable	1,038	91,061	92,099
Bond payable, current portion	10,200	241,817	252,017
Due to other funds	97,621	-	97,621
Total current liabilities	<u>417,800</u>	<u>369,571</u>	<u>787,371</u>
Long-term liabilities - bond payable, less current portion	66,759	5,395,530	5,462,289
Total liabilities	<u>484,559</u>	<u>5,765,101</u>	<u>6,249,660</u>
Net assets			
Invested in capital assets, net of related debt	4,758,247	3,476,949	8,235,196
Restricted for:			
Insurance deposits	68,147	2,075	70,222
Prepaid items	2,987	570	3,557
Unrestricted:			
Available resources	117,144	643,580	760,724
Other	120,921	38,362	159,283
Total net assets	<u>\$ 5,067,446</u>	<u>\$ 4,161,536</u>	<u>\$ 9,228,982</u>

See accompanying notes.

**Village of La Grange Park
 Combined Statement of Revenues, Expenses
 and Changes in Net Assets -
 Proprietary Fund Types
 For the Year Ended April 30, 2008**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating revenues:			
Charges for sales and services - water and sewer	<u>\$ 2,063,894</u>	<u>\$ 1,121,128</u>	<u>\$ 3,185,022</u>
Operating expenses:			
Cost of sales and services	1,560,724	388,141	1,948,865
Administration	139,468	114,506	253,974
Depreciation	<u>184,877</u>	<u>231,206</u>	<u>416,083</u>
Total operating expenses	<u>1,885,069</u>	<u>733,853</u>	<u>2,618,922</u>
Income from operations	<u>178,825</u>	<u>387,275</u>	<u>566,100</u>
Nonoperating revenue (expense):			
Interest income	11,662	15,719	27,381
Intergovernmental support	385,700	-	385,700
Interest expense	<u>(2,611)</u>	<u>(230,997)</u>	<u>(233,608)</u>
Total nonoperating revenue (expense)	<u>394,751</u>	<u>(215,278)</u>	<u>179,473</u>
Income before transfer	573,576	171,997	745,573
Transfer to Capital Projects Fund	<u>-</u>	<u>(34,300)</u>	<u>(34,300)</u>
Change in net assets	573,576	137,697	711,273
Net assets:			
Beginning of the year	<u>4,493,870</u>	<u>4,023,839</u>	<u>8,517,709</u>
End of the year	<u>\$ 5,067,446</u>	<u>\$ 4,161,536</u>	<u>\$ 9,228,982</u>

See accompanying notes.

**Village of La Grange Park
 Combined Statement of Cash Flows -
 Proprietary Funds
 For the Year Ended April 30, 2008**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from customers	\$ 2,044,437	\$ 1,121,128	\$ 3,165,565
Payments to suppliers	(1,282,185)	(397,440)	(1,679,625)
Payments to employees	(338,642)	(145,034)	(483,676)
Deposits with joint venture	625	14	639
Advances from other funds	(12,630)	(21,576)	(34,206)
Net cash provided by operating activities	<u>411,605</u>	<u>557,092</u>	<u>968,697</u>
Cash flows from noncapital financing activities - transfers to other funds	<u>-</u>	<u>(34,300)</u>	<u>(34,300)</u>
Cash flows from capital and related financing activities:			
Purchases of capital assets	(1,152,770)	(538,844)	(1,691,614)
Principal paid on capital debt	(9,967)	(236,208)	(246,175)
Interest paid on capital debt	(2,696)	(226,956)	(229,652)
Subsidy from federal grant	385,700	-	385,700
Net cash used in capital and related financing activities	<u>(779,733)</u>	<u>(1,002,008)</u>	<u>(1,781,741)</u>
Cash flows from investing activities:			
Purchase of investments	(100,000)	(500,000)	(600,000)
Interest and dividends	11,648	15,411	27,059
Net cash used in investing activities	<u>(88,352)</u>	<u>(484,589)</u>	<u>(572,941)</u>
Net decrease in cash	<u>(456,480)</u>	<u>(963,805)</u>	<u>(1,420,285)</u>
Cash, beginning of the year	<u>571,245</u>	<u>1,023,507</u>	<u>1,594,752</u>
Cash, end of the year	<u>\$ 114,765</u>	<u>\$ 59,702</u>	<u>\$ 174,467</u>

(cont'd)

**Village of La Grange Park
 Combined Statement of Cash Flows -
 Proprietary Funds (cont'd)
 For the Year Ended April 30, 2008**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Reconciliation of income from operations to net cash provided by operating activities:			
Income from operations	\$ 178,825	\$ 387,275	\$ 566,100
Adjustments to reconcile income from operations to net cash provided by operating activities:			
Depreciation	184,877	231,206	416,083
Changes in:			
Water sales receivable/unbilled usage	(19,457)	-	(19,457)
Prepaid items	(654)	(28)	(682)
Insurance deposits	625	14	639
Accounts payable/security deposits/ accrued wages	80,019	(39,799)	40,220
Due to/from other funds	(12,630)	(21,576)	(34,206)
Net cash provided by operating activities	\$ 411,605	\$ 557,092	\$ 968,697

See accompanying notes.

**Village of La Grange Park
Fiduciary Funds - Pension Trust Fund
Statement of Net Assets
April 30, 2008**

Assets	Total	Police Pension Fund	Agency Funds
Assets:			
Cash	\$ 1,071,532	\$ 1,064,980	\$ 6,552
Investments	9,916,244	9,799,352	116,892
Accounts receivable:			
Property taxes - net of allowance for loss on collection	278,162	278,162	-
Interest	43,798	43,346	452
Prepaid items	8,010	8,010	-
Due from other funds	880	-	880
Total assets	\$ 11,318,626	\$ 11,193,850	\$ 124,776
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 60,487	\$ 1,500	\$ 58,987
Due to other funds	185,315	185,315	-
Due to participants	31,516	-	31,516
Total liabilities	277,318	186,815	90,503
Net assets - held in trust for pension benefits and other purposes	11,041,308	11,007,035	34,273
Total liabilities and net assets	\$ 11,318,626	\$ 11,193,850	\$ 124,776

See accompanying notes.

**Village of La Grange Park
Fiduciary Funds - Pension Trust Fund
Statement of Changes in Net Assets
April 30, 2008**

Additions:	
Contributions:	
Employer/property taxes	\$ 758,881
Plan members	<u>150,857</u>
Total contributions	<u>909,738</u>
Investment earnings:	
Interest	553,035
Net decrease in fair value of investments	<u>(272,727)</u>
Total investment earnings	280,308
Less investment expense	<u>35,524</u>
Net investment earnings	<u>244,784</u>
Total additions	<u>1,154,522</u>
Deductions:	
Benefits	855,515
Refunds of contributions	43,234
Administrative expenses	<u>18,014</u>
Total deductions	<u>916,763</u>
Net increase in plan assets	237,759
Net assets:	
Beginning of the year	<u>10,769,276</u>
End of the year	<u>\$ 11,007,035</u>

See accompanying notes.

This page has intentionally been left blank.

**Village of La Grange Park
Fiduciary Funds - Agency Fund
Statement of Changes in Net Assets
April 30, 2008**

Revenues:		
Intergovernmental		\$ 6,030
Miscellaneous		<u>20,114</u>
Total revenues		26,144
Expenditures - current - general government		<u>43,900</u>
Revenues under expenditures		(17,756)
Net assets:		
Beginning of the year		<u>52,029</u>
End of the year		<u>\$ 34,273</u>

See accompanying notes.

Village of La Grange Park Notes to the Financial Statements

I. Summary of Significant Accounting Policies

A. The Reporting Entity

The Village of La Grange Park, Cook County, Illinois is duly organized and existing under the provisions of the laws of the state of Illinois. The Village operates under the manager-board form of government and provides public safety (police and fire), streets, water, public improvements, planning and zoning, and general administrative services. The Village is governed by an elected Board of six Trustees and a Village President. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The accompanying financial statements include only those funds of the Village, as there are no other organizations for which it has financial accountability.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period, or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, interest, utility taxes and telephone surcharges are susceptible to accrual and so have been recognized as revenues of the current fiscal period. Replacement taxes, state income taxes and sales taxes collected and held by the State are also susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received

The Village reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Village. It is used to account for administrative, maintenance and all other financial resources, except those required to be accounted for in another fund. Tax levies and expenditures for Illinois Municipal Retirement, Police Pension, Social Security, and Ambulance Service are included in this fund.

Motor Fuel Tax Fund – A Special Revenue Fund used to account for the receipt and disbursement of State tax sharing derived from the sale of vehicle fuel in Illinois. The fund provides the funding for a majority of the Village's transportation construction projects.

Emergency 911 Fund – A Special Revenue Fund used to account for the receipt and disbursement of the Village's surcharges for the operation of its 911 emergency telephone system.

Capital Projects Fund – Accounts for the revenues and expenditures related to all major nonproprietary vehicles and equipment and all nontransportation construction projects, not funded by the 2004 Capital Improvements Fund.

Working Cash Fund – A fund to provide cash for contingencies in other governmental funds.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal and interest of the Series 2004 general obligation bond issue.

Proprietary Funds are accounted for on the flow of economic resources measurement focus, and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred. The Village applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations.

The Village reports the following major proprietary funds:

Water Fund – Accounts for the provision of water services within the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, finance, billing and collection.

Sewer Fund – Accounts for the provision of sewer services within the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, finance, billing and collection.

Additionally, the Village reports the following fiduciary funds to account for assets held by the Village in a trustee capacity or as an agent on behalf of others:

Police Pension Fund – Accumulates resources for pension benefit payments to qualified police personnel.

Agency Fund – Accumulates grant and other funds for the benefit of the government, but restricted for specific purposes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed, in both the government-wide and proprietary fund financial statements, to the extent those standards do not conflict or contradict guidance of the Governmental Accounting Standards Board, in which case the guidance of the Governmental Accounting Standards Board prevails.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the Village's water and sewer functions and various other functions of the Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including any special assessments. Internally dedicated resources are reported as general revenues, rather than program revenues. Likewise, general revenues include all taxes.

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 proprietary funds are charges to customers for sales and services. The Proprietary Funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the systems. Operating expenses for the proprietary funds include the costs 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.

Use of Estimates – The preparation of proprietary fund financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and reported amounts of revenue and expenses during the accounting period. The Village grants unsecured credit to its residents and various other customers for water usage. The Village monitors exposure for credit losses, and has determined no allowance for uncollectible accounts is necessary.

Certain Significant Concentrations – Approximately 84 percent, or \$2,063,894, of Water Fund and 99 percent, or \$1,121,128, Sewer Fund revenues are from water and wastewater service billings, respectively. The billings are charged to Village residents and various other customers.

Allocation of Expenses – All direct expenses are charged to enterprise funds. Additionally, all partial salaries and indirect costs are recorded as expenditures in the Enterprise Funds.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

Cash and investments are held separately by each of the Village's funds. Investments with maturities of one year or more from the date of purchase and investments of the Police Pension Fund are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase are stated at amortized cost. All other investments which do not consider market rates are stated at cost. Investment income has been allocated to each fund based on investments held by the fund.

Statutes authorize the Village to make deposits or invest in commercial banks, savings and loan institutions, obligations of the United States Treasury and United States Government Agencies, certain insured credit union shares, money market mutual funds with portfolios issued or guaranteed by the United States Government, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

The Illinois Funds Investment Pool is managed by the Office of the Treasurer of the State of Illinois, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the Securities and Exchange Commission as an investment company, but operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as "internal balances." Any advances between funds are offset by a fund balance reserve account, to indicate that they are not available for appropriation, and are not expendable available resources.

The Village's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk not later than the last Tuesday in December of each year. Taxes are due and collectible one-half on March 1 and one-half on September 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities and Net Assets or Equity (cont'd)

2. Receivables and Payables (cont'd)

Property taxes are based on the assessed valuation of the Village's real property as equalized by the state of Illinois. The equalized assessed valuation of real property totaled \$352,977,182 for calendar year 2006.

Property tax receivables are shown net of allowances for doubtful amounts. The property tax receivable allowance is equal to 1.96 percent of the current year's tax levy.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid assets. Such amounts are offset by fund balance reserved for prepaid items.

4. Restricted Assets

The Village required a security deposit from its cable television provider to guarantee compliance of contract provisions. As of April 30, 2008, security deposits of the Village's cable company amounted to \$13,835.

The Village is a member of the Intergovernmental Risk Management Agency (IRMA). The Village is required to maintain a deposit with IRMA to fund future possible claims. As of April 30, 2008, insurance deposits amounted to \$379,228 (\$309,006 in the governmental funds and \$70,222 in the proprietary funds).

5. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the Village as assets with an initial cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost where historical records are available, or estimated historical cost where historical records do not exist. Donated capital assets are recorded at their estimated fair value at the date of donation.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities and Net Assets or Equity (cont'd)

5. Capital Assets (cont'd)

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend assets' lives, are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of governmental activities is not capitalized.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	45
Equipment	6 - 15

6. Compensated Absences

Employees are allowed to accumulate vacation days up to no more than ten days over their annual vacation accrual rate. Employees receive payment for all accumulated vacation days as of the date of separation of employment. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements. It is the Village's policy to permit employees to accumulate earned but unused sick pay benefits. Employees may accumulate up to 120 days of sick time as of the end of any fiscal year. Upon separation, employees do not receive any payment for unused sick time. Upon retirement, employees receive payment for 25 percent of unused sick time.

7. Deferred Property Tax Revenue

Property tax revenues are recorded on the "deferred method." Because of the extraordinarily long period of time between the levy date and the receipt of tax distributions from the county collector, property taxes are not "available" to finance the current year's expenditures. For those funds on the modified accrual basis of accounting, the uncollected portion of the current year's tax levy, less amounts expected to be collected within sixty (60) days after year end, are recorded as deferred tax revenue.

**Village of La Grange Park
Notes to the Financial Statements (cont'd)**

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities and Net Assets or Equity (cont'd)

8. Long-term Obligations

In the government-wide and proprietary 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 a straight-line method that approximates the interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges, and are 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, 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.

9. Fund Equity

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.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between the total fund balance – governmental funds and the net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$1,356,305 are as follows:

Bonds payable	\$	1,380,694
Deferred bond issuance costs		<u>(24,389)</u>
Net adjustment to reduce total fund balance - governmental funds to arrive at net assets of governmental activities	\$	<u>1,356,305</u>

Village of La Grange Park
Notes to the Financial Statements (cont'd)

II. Reconciliation of Government-wide and Fund Financial Statements (cont'd)

B. Explanation of Certain Differences Between the Governmental Statement of Revenues, Expenditures and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balance includes a reconciliation between the net change in fund balance – total governmental funds and the change in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that: “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$199,515 are as follows:

Capital outlay	\$	520,370
Depreciation		<u>(320,855)</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net assets of governmental activities		\$ <u>199,515</u>

Another element of the reconciliation states: “The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$172,351 are as follows:

Principal repayments – general obligation debt	\$	178,825
Amortization of deferred bond issuance costs		<u>(6,474)</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net assets of governmental activities		\$ <u>172,351</u>

Village of La Grange Park
Notes to the Financial Statements (cont'd)

III. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual budgeted amounts lapse at year end. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- The budget is prepared in tentative form by the Village Manager, reviewed and approved by the Village Board, and is made available for public inspection at least 10 days prior to final Board action. A public hearing is held on the tentative budget to obtain taxpayer comments.
- Prior to May 1, the budget is legally adopted by the Board of Trustees. All actual expenditures contained herein have been compared to the annual operating budget.
- The Village Manager may transfer within any department amounts budgeted for an object or purpose to another object or purpose. No object or purpose can be reduced below an amount sufficient to provide for all obligations incurred or to be incurred against the budget.
- The Board of Trustees may:
 - By two-thirds vote amend the budget, or transfer amounts between departments and funds. No amendment or transfer shall be made increasing the budget, in the event funds are not available to effectuate the purpose of the amendment or transfer.
 - Adopt a supplemental budget in an amount not to exceed any additional revenue available, including unbudgeted fund balances, or amounts estimated to be received after adoption of the annual budget.
- Expenditures may exceed budgeted amounts at the subobject level.
- The Village does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system in accordance with various legal requirements which govern the Village.

B. Excess of Expenditures Over Budget

For the year ended April 30, 2008, there were no funds in which the expenditures exceeded the budget.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Funds

A. Deposits and Investments

At April 30, 2008, cash and investments as reported on the statement of net assets consisted of:

Cash on hand	\$	2,025
Carrying amount:		
Deposits		845,184
Illinois Funds Investment Pool		889,243
Certificates of deposit		1,585,336
	\$	3,321,788

Interest Rate Risk – Interest rate risk is the risk that market interest rate changes will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village does not have a policy that limits investment maturities as a means of managing interest rate risk. However, its practice is to structure investment portfolio maturity dates in order to meet cash requirements for operations, capital projects and debt repayment schedules. At April 30, 2008, the Village is invested in sixteen certificates of deposit totaling \$1,585,366, with maturities ranging from May 15, 2008 to October 16, 2008.

Custodial Credit Risk – Deposits – This is the risk that in the event of a bank failure, the Village’s deposits may not be returned. At April 30, 2008, the carrying amount of the Village’s deposits was \$2,430,520 and the bank balance was \$2,296,079. Of the bank balance, \$1,350,000 was covered by federal depository insurance, \$896,633 was collateralized with securities held by the pledging institution’s trust department or agent in the Village’s name, and \$49,446 was uninsured and uncollateralized.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Funds (cont'd)

B. Capital Assets

Capital asset activity for the year ended April 30, 2008 was as follows:

	May 1, 2007	Additions	Deductions	April 30, 2008
Governmental activities:				
Capital assets being depreciated:				
Buildings and building improvements	\$ 1,924,799	\$ -	\$ -	\$ 1,924,799
Infrastructure	2,207,545	208,553	-	2,416,098
Machinery and equipment	1,006,002	203,494	(225,284)	984,212
Vehicles	2,570,901	108,323	(81,674)	2,597,550
Capital assets being Depreciated	7,709,247	520,370	(306,958)	7,922,659
Less accumulated depreciation for:				
Buildings and building improvements	1,248,797	44,639	-	1,293,436
Infrastructure	262,587	150,261	-	412,848
Machinery and equipment	688,949	69,249	(225,284)	532,914
Vehicles	1,297,395	56,706	(81,674)	1,272,427
Total accumulated depreciation	3,497,728	320,855	(306,958)	3,511,625
Governmental activities, capital assets, net	\$ 4,211,519	\$ 199,515	\$ -	\$ 4,411,034

Village of La Grange Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Funds (cont'd)

B. Capital Assets (cont'd)

	May 1, 2007	Additions	Deductions	April 30, 2008
Business-type activities:				
Capital assets being depreciated:				
Buildings	\$ 859,234	\$ -	\$ -	\$ 859,234
Infrastructure	12,778,129	1,509,064	(236,574)	14,050,619
Machinery and equipment	1,454,494	13,509	-	1,468,003
Vehicles	426,064	18,405	-	444,469
	15,517,921	1,540,978	(236,574)	16,822,325
Less accumulated depreciation for:				
Buildings	294,771	19,094	-	313,865
Infrastructure	1,691,801	266,345	(236,574)	1,721,572
Machinery and equipment	499,964	103,779	-	603,743
Vehicles	206,778	26,865	-	233,643
	2,693,314	416,083	(236,574)	2,872,823
Business-type activities, capital assets, net	\$ 12,824,607	\$ 1,124,895	\$ -	\$ 13,949,502

Depreciation expense was charged to the various functions/programs as follows:

Governmental activities:	
General government	\$ 284,276
Public safety	36,579
	\$ 320,855
Business-type activities:	
Water	\$ 184,877
Sewer	231,206
	\$ 416,083

**Village of La Grange Park
Notes to the Financial Statements (cont'd)**

IV. Detailed Notes For All Funds (cont'd)

C. Interfund Receivables and Payables

The composition of interfund due to/from balances as of April 30, 2008 is as follows:

Receivable Fund	Payable Fund	Amount
General	Water	\$ 14,243
General	Police Pension	185,315
Sewer	Water	83,378
Sewer	Debt Service	500
Agency	General	880
Total		\$ 284,316

The balances are expected to be liquidated in the subsequent year through the normal course of operations.

D. Long-term Debt

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

Issues	Balances May 1, 2007	Issuances	Retirements	Balances April 30, 2008
General obligation bonds: Series 2004 (\$2,260,000), due in remaining annual installments of \$220,000 to \$255,000 with interest rates from 2.45% to 3.70%.	\$ 1,875,000	\$ -	\$ (215,000)	\$ 1,660,000
Series 2007 (\$5,645,000), due in annual installments of \$215,000 to \$410,000 with interest rates from 3.75% to 4.125%.	5,645,000	-	(210,000)	5,435,000
	<u>\$ 7,520,000</u>	<u>\$ -</u>	<u>\$ (425,000)</u>	<u>\$ 7,095,000</u>

Village of La Grange Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Funds (cont'd)

D. Long-term Debt (cont'd)

The annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	General Obligation Bonds		
	Total	Principal	Interest
Governmental activities (Series 2004), due in:			
2009	\$ 226,766	\$ 182,983	\$ 43,783
2010	226,442	187,142	39,300
2011	225,454	191,301	34,153
2012	223,874	195,460	28,414
2013	225,937	203,777	22,160
2014 – 2015	443,213	420,031	23,182
	1,571,686	1,380,694	190,992
Business-type activities, due in 2009:			
Series 2004	45,874	37,017	8,857
Series 2007	426,994	215,000	211,994
	472,868	252,017	220,851
2009	474,739	262,858	211,881
2010	476,103	273,699	202,404
2011	471,970	279,540	192,430
2012	473,387	291,223	182,164
2013	2,229,937	1,484,969	744,968
2014 – 2018	2,134,631	1,685,000	449,631
2019 – 2023	1,283,526	1,185,000	98,526
2024 – 2026	8,017,161	5,714,306	2,302,855
Totals	\$ 9,588,847	\$ 7,095,000	\$ 2,493,847

**Village of La Grange Park
Notes to the Financial Statements (cont'd)**

IV. Detailed Notes For All Funds (cont'd)

E. Transfers

Receiving Fund	Paying Fund	Amount
General	Emergency 911	\$ 30,900
Capital Projects	General	340,172
Capital Projects	Sewer	34,300
Debt Service	Motor Fuel Tax	226,482
Total all funds		\$ 631,854

The transfer of \$226,482 from the Motor Fuel Tax Fund to the Debt Service Fund is to move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due. All other transfers were done in the ordinary course of business.

F. Fund Equity

The amounts reported on the statement of net assets for the fiduciary funds as reserved for restricted revenue are comprised of the following:

Agency Fund:	
Ambulance donations	\$ 7,713
Foreign Fire Insurance Tax	10,357
Party in the Park surplus	2,315
SB 740 – DUI fines	6,804
Restricted fines and forfeitures	244
Neighborhood watch program	1,331
Police department donations	1,573
County badge grant	833
Proviso Township grant	1,895
Rose show donations	777
Christmas walk	431
	34,273
Pension Trust	11,007,035
	\$ 11,041,308

Village of La Grange Park
Notes to the Financial Statements (cont'd)

V. Other Information

A. Risk Management

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

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$1,000 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

Initial contributions are determined each year based on the individual member's eligible revenue, as defined in the by-laws of IRMA, and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

At April 30, 2008, the Village has a deposit of \$379,228 representing the Village's members' reserve with IRMA.

A copy of these financial statements can be obtained at the Village of La Grange Park, 447 North Catherine, La Grange Park, Illinois.

B. Joint Ventures, Jointly Governed Organizations and Related Organizations

Joint Venture – The Village, along with other area municipalities, is a member of the West Central Municipal Conference of the Intergovernmental Personnel Benefit Cooperative (the Cooperative), a cooperative health insurance plan. The Cooperative receives, processes and pays claims of some personnel benefit programs offered by members to their employees. The Village contributed \$435,073 to the Cooperative during the current fiscal year. The Village does not have a direct financial interest in the Cooperative and, therefore, its investment therein is not reported within the financial statements.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

B. Joint Ventures, Jointly Governed Organizations and Related Organizations (cont'd)

Joint Venture (cont'd)

The Village, along with other area municipalities, is a member of the West Central Cable Agency (Agency), an agency established to administer the franchise agreements between the cable television company and the member villages. The Agency promulgates rules for access to the cable television system by citizens and organizations, and promotes the use of the cable television system delegated to the Agency by the member villages. The Village did not contribute to the Agency during the current fiscal year. The Village does not have a direct financial interest in the Agency and, therefore, its investment therein is not reported within the financial statements.

Complete separate financial statements for the Cooperative and Agency can be obtained from the Village of La Grange Park at 447 North Catherine, La Grange Park, Illinois.

C. Other Postemployment Benefits

The Village provides a \$3,000 postretirement death benefit for certain beneficiaries of retirees who were Village employees prior to August 1, 1983. As of April 30, 2008, there were 21 retired Village employees who met the eligibility requirements. The Village has established an Agency Fund to provide for the present value of these benefits. At April 30, 2008, the balance of the fund totaled \$31,516.

D. Pension and Retirement Commitments

The Village participates in two contributory retirement plans. Law enforcement officers are covered under the Police Pension Fund of the Village of La Grange Park (a single employer plan administered by a separate Police Pension Board of Trustees). The Illinois Municipal Retirement Fund (a statewide plan) covers substantially all full-time employees except law enforcement officers.

1. Police Pension Retirement Plan

Plan Description – Police sworn personnel are covered by the La Grange Park Police Pension Plan (Plan), which is a defined benefit, single-employer pension plan. The Village's payroll for employees covered by the Plan for the year ended April 30, 2008 was \$1,522,274 out of a total Village payroll of \$3,888,787. At April 30, 2008, the Police Pension Plan's membership consisted of:

Village of La Grange Park
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

D. Pension and Retirement Commitments (cont'd)

1. Police Pension Retirement Plan (cont'd)

Plan Description (cont'd)

Retirees and beneficiaries	
currently receiving benefits	21
Participants currently receiving	
disability benefits	1
Terminated employees	-
Active employees:	
Fully vested	4
Partially vested	8
Nonvested	11
	45

The Police Pension Plan provides retirement benefits, as well as death and disability benefits. 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 percent of such salary for each additional year of service over 20 years up to 30 years, and 1 percent of such salary for each additional year of service over 30 years, to a maximum of 75 percent 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 pension of a police officer who retires with 20 or more years of service shall be increased annually, by 3 percent of the original pension, following the first anniversary date of retirement, and be paid upon reaching the age of at least 55 years, and by an additional 3 percent of the original pension in January of each year thereafter.

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.

Valuation of Investments – The Police Pension Fund records investments at fair value. The composition of Plan investments at fair value on April 30, 2008 was as follows:

Village of La Grange Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

D. **Pension and Retirement Commitments** (cont'd)

1. **Police Pension Retirement Plan** (cont'd)

Valuation of Investments (cont'd)

Common stock and options	\$	2,878,230
Mutual funds		1,121,349
Closed-end funds		537,386
Mortgage-backed securities		2,890,509
Government bonds		2,371,878
		9,799,352
	\$	9,799,352

The amortized cost of Plan investments at April 30, 2008 was \$10,010,737.

Contributions – 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 Plan's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, accumulate assets gradually over time so that sufficient assets will be available to pay benefits when due. All costs of administering the Plan are paid for by the Plan, except certain accounting functions, which are provided by the Village of La Grange Park at no cost.

Covered employees are required to contribute to the Police Pension Plan 9.91 percent of their base salary. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village of La Grange Park 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 unfunded accrued liability for the Police Pension Plan is fully funded.

Funding Status and Progress – The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and stop-rate benefits, estimated to be payable in the future as a result of employee service to date.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

D. **Pension and Retirement Commitments** (cont'd)

1. **Police Pension Retirement Plan** (cont'd)

Funding Status and Progress (cont'd)

The measure is intended to help users assess the funding status of the system on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits, and is independent of the funding method used to determine contributions to the Plan.

Actuarial valuation	April 30, 2007
Actuarial cost method	Entry age normal cost
Amortization method	Level percentage of payroll
Remaining amortization period	26 years

Actuarial assumptions:

Rate of return on investment of present and future assets	7.00% compounded annually
Projected salary increases – attributable to inflation	5.50% compounded annually
Mortality rate assumption	1971 group annuity
Disability and separation	Experience tables

The pension benefit obligation and net assets available for benefits at April 30, 2007 (date of most recent actuarial valuation), as reflected in a report prepared by the Illinois Department of Insurance, are presented below:

Pension benefit obligation:

Retirees and beneficiaries currently receiving benefits, and terminated employees not yet receiving benefits	\$ 10,550,292
Current employees:	
Accumulated employee contributions, including allocated investment earnings	-
Employer-financed, vested	-
Employer-financed, nonvested	<u>6,824,054</u>
Total pension benefit obligation	17,374,346
Net assets available for benefits	<u>10,775,734</u>
Unfunded pension benefit obligation	<u>\$ 6,598,612</u>

**Village of La Grange Park
Notes to the Financial Statements (cont'd)**

V. Other Information (cont'd)

D. Pension and Retirement Commitments (cont'd)

1. Police Pension Retirement Plan (cont'd)

Funding Status and Progress (cont'd)

Information regarding actuarial present value of vested and nonvested accumulated benefits is not available. Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Trend information for the three most recent plan years ended April 30 is as follows:

Plan/ Levy Year	Actuarial Valuation Date	Annual Pension Cost (APC)	Employer Contribution	Percentage of APC Contributed	Net Pension Obligation
2007	04/30/06	\$ 524,044	\$ 519,180	99.07 %	\$ 0
2006	04/30/05	526,086	484,500	92.10	0
2005	04/30/04	485,889	479,400	98.66	0

2. Illinois Municipal Retirement Fund

The Village's defined benefit pension plan, Illinois Municipal Retirement Fund ("IMRF"), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by State statute. The Village is required to contribute at an actuarially determined rate. The employer rate for the calendar year 2007 was 5.90 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on an open basis). The remaining amortization period at December 31, 2007 was 25 years.

Village of La Grange Park
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

D. Pension and Retirement Commitments (cont'd)

2. Illinois Municipal Retirement Fund (cont'd)

For December 31, 2007, the Village's annual pension cost of \$94,853 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2005 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included: (a) 7.50 percent investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00 percent per year, attributable to inflation, (c) additional projected salary increases ranging from 0.40 percent to 10.00 percent per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3 percent annually. The actuarial value of IMRF's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15 percent corridor. The assumptions used for the 2007 actuarial valuation were based on the 2002 - 2004 experience study.

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

Trend information for the three most recent plan years ended December 31 is as follows:

Plan Year	Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2007	12/31/07	\$ 94,853	100 %	\$ 0
2006	12/31/06	89,822	100	0
2005	12/31/05	79,835	100	0

REQUIRED SUPPLEMENTARY INFORMATION

**Village of La Grange Park
Illinois Municipal Retirement Fund
Required Supplementary Information
Schedule of Funding Progress
April 30, 2008**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	\$ 5,294,888	\$ 4,508,074	\$ (786,814)	117.45%	\$ 1,607,684	0.00%
12/31/06	4,635,492	3,901,586	(733,906)	118.81%	1,462,907	0.00%
12/31/05	4,558,205	3,971,039	(587,166)	114.79%	1,405,551	0.00%
12/31/04	4,219,193	3,659,169	(560,024)	115.30%	1,322,957	0.00%
12/31/03	4,265,084	3,526,578	(738,506)	120.94%	1,299,603	0.00%
12/31/02	3,944,632	3,124,567	(820,065)	126.25%	1,264,012	0.00%
12/31/01	4,612,605	3,230,210	(1,382,395)	142.80%	1,179,846	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$5,635,584.
On a market basis, the funded ratio would be 125.01%.

Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2007 are based on the 2002 - 2004 experience study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For Regular members, fewer normal and more early retirements are expected to occur.

See independent auditor's report.

**Village of La Grange Park
Police Pension Fund
Required Supplementary Information
Schedule of Funding Progress
April 30, 2008**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/07	\$ 10,775,734	\$ 17,374,346	\$ 6,598,612	62.02%	\$ 1,454,934	453.53%
04/30/06	10,061,561	16,940,943	6,879,382	59.39%	1,390,760	494.65%
04/30/05	9,509,329	16,996,253	7,486,924	55.95%	1,292,974	579.05%
04/30/04	9,333,129	15,851,759	6,518,630	58.88%	1,377,899	473.08%
04/30/03	8,635,122	15,303,427	6,668,305	56.43%	1,372,944	485.69%
04/30/02	8,925,134	13,329,852	4,404,718	66.96%	1,267,628	347.48%
04/30/01	9,337,960	12,925,984	3,588,024	72.24%	1,255,701	285.74%

Analysis of the dollar amounts of the actuarial value of assets, actuarially accrued liability, and unfunded actuarially accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarially accrued liability provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the PERS. Trends in unfunded actuarially accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarially accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation, and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

See independent auditor's report.

This page has intentionally been left blank.

SUPPLEMENTARY INFORMATION

Village of La Grange Park
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Capital Projects and Debt Service Fund Types
For the Year Ended April 30, 2008

	Capital Projects Funds		
	Original Budget	Revised Budget	Actual
Revenues:			
Intergovernmental	\$ 500,000	\$ 500,000	\$ -
Interest	7,200	7,200	6,076
Miscellaneous	38,000	38,000	34,252
Total revenues	545,200	545,200	40,328
Expenditures:			
Current:			
General government	4,600	4,600	3,436
Public safety	267,310	267,310	201,695
Highways and streets	582,960	582,960	167,843
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	854,870	854,870	372,974
Revenues over (under) expenditures before other financing sources	(309,670)	(309,670)	(332,646)
Other financing sources - operating transfers in	374,472	374,472	374,472
Revenues and other financing sources over (under) expenditures	\$ 64,802	\$ 64,802	41,826
Fund balance, beginning of the year			167,909
Fund balance, end of the year			\$ 209,735

See independent auditor's report.

Debt Service Fund				
Variance With Final Budget Positive (Negative)	Original Budget	Revised Budget	Actual	Variance With Final Budget Positive
\$ (500,000)	\$ -	\$ -	\$ -	\$ -
(1,124)	200	200	2,913	2,713
(3,748)	-	-	-	-
<u>(504,872)</u>	<u>200</u>	<u>200</u>	<u>2,913</u>	<u>2,713</u>
1,164	500	500	500	-
65,615	-	-	-	-
415,117	-	-	-	-
-	180,000	180,000	178,825	1,175
-	48,000	48,000	47,157	843
<u>481,896</u>	<u>228,500</u>	<u>228,500</u>	<u>226,482</u>	<u>2,018</u>
(22,976)	(228,300)	(228,300)	(223,569)	4,731
-	226,000	226,000	226,482	482
<u>\$ (22,976)</u>	<u>\$ (2,300)</u>	<u>\$ (2,300)</u>	2,913	<u>\$ 5,213</u>
			<u>1,293</u>	
			<u>\$ 4,206</u>	

This page has intentionally been left blank.