

**Village of La Grange Park
Annual Financial Report
For the Year Ended April 30, 2009**

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INDEPENDENT AUDITOR'S REPORT

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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, and each major fund of the **Village of LaGrange Park, Illinois** as of and for the year ended April 30, 2009, which collectively comprise the Village's basic financial statements as listed in the accompanying table of contents and the schedules of revenues, expenditures and changes in fund balance – budget and actual – General and Special Revenue Funds. These financial statements and schedules are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements and schedules 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, 2009, 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 12, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Village of La Grange Park
Management's Discussion and Analysis
April 30, 2009**

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 government-wide financial statements, found pages 5 through 7, are designed to provide readers a broad perspective of the Village's finances. This is accomplished by consolidating all of 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 20. 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 21 of this audit report.

Condensed Financial Information from the Government-wide Financial Statements

Village of La Grange Park Changes in Net Assets (in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Program revenues:						
Charges for services	\$ 1.2	\$ 1.2	\$ 3.3	\$ 3.2	\$ 4.5	\$ 4.4
Grants and contributions:						
Operating	0.4	0.1	-	-	0.4	0.1
Capital	-	-	-	0.4	-	0.4
General revenues:						
Property taxes	3.2	2.3	-	-	3.2	2.3
Other taxes	3.2	3.6	-	-	3.2	3.6
Other	0.3	0.3	-	-	0.3	0.3
Total revenues	8.3	7.5	3.3	3.6	11.6	11.1
Expenses:						
General government	2.9	3.0	-	-	2.9	3.0
Public safety	4.8	4.1	-	-	4.8	4.1
Water	-	-	2.0	1.9	2.0	1.9
Sewer	-	-	1.1	0.9	1.1	0.9
Total expenses	7.7	7.1	3.1	2.8	10.8	9.9
Increase in net assets before transfers	0.6	0.4	0.2	0.8	0.8	1.2
Transfers	0.1	0.1	(0.1)	(0.1)	-	-
Change in net assets	\$ 0.7	\$ 0.5	\$ 0.1	\$ 0.7	\$ 0.8	\$ 1.2

Village of La Grange Park Net Assets (in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Assets:						
Current and other assets	\$ 5.5	\$ 5.0	\$ 1.6	\$ 1.4	\$ 7.1	\$ 6.4
Capital assets	4.5	4.4	13.5	13.9	18.0	18.3
Total assets	10.0	9.4	15.1	15.3	25.1	24.7
Liabilities:						
Current liabilities	0.5	0.4	0.6	0.7	1.1	1.1
Long-term liabilities	1.0	1.2	5.2	5.4	6.2	6.6
Total liabilities	1.5	1.6	5.8	6.1	7.3	7.7
Net assets:						
Invested in capital assets, net	3.3	3.0	8.0	8.2	11.3	11.2
Restricted	0.3	0.3	0.1	0.1	0.4	0.4
Unrestricted	4.9	4.5	1.2	0.9	6.1	5.4
Total net assets	\$ 8.5	\$ 7.8	\$ 9.3	\$ 9.2	\$ 17.8	\$ 17.0

Government-wide Financial Analysis

The Village of La Grange Park's assets exceeded its liabilities by \$17,811,686 as of April 30, 2009. This is an increase of \$777,755 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, 2008 (the prior year end) were \$17,033,931. The two largest components of the Village's assets are its cash and investments of \$3,774,014 and its investment in infrastructure which stands at \$13,894,791. Cash and investments are up \$452,226 from the previous year primarily because money is being set aside for renovations to the public works building.

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 8 and 9. 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 were less than its expenditures by \$64,339. This result is considerably less favorable than last year's (when revenues exceeded expenditures by \$592,081) and the General Fund's financial position has deteriorated slightly as a result. Revenues were up 2.5% (\$7,338,678 versus \$7,162,457), while expenditures increased 9.8% (\$6,879,202 this year versus \$6,266,471 last year). Both results were significantly impacted by the manner in which the Village elected to account for Cook County's change last year in how the police pension's portion of real estate taxes were distributed. If one compares this year's results with those from two years ago, revenues were down 1.5% while expenditures were up 8.1%. The decline in revenues can be largely attributed to the impact the recent economic recession has had on the Village's income tax revenue. With respect to expenditures, the General Fund finished the year \$226,723 under budget, but this was only because the budget had been amended by the Village Board with a \$380,000 increase.

The financial statements for the two proprietary funds begin on page 14. 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 \$49,786. The Water Fund experienced a positive change in net assets whereas the change for the Sewer Fund was negative. 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 18.

Capital Assets and Long-term Debt

The Village of La Grange Park issued no bonds during the 2009 fiscal year and reduced its outstanding bonded debt by \$435,000 through scheduled payments. The bonds are rated A1 by Moody's. Readers interested in detailed information related to capital assets and long-term debt may refer to the notes on pages 31 – 34.

Responsibility

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

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**Village of La Grange Park
Statement of Net Assets
April 30, 2009**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Cash and investments	\$ 2,804,754	\$ 955,488	\$ 3,760,242
Receivables	2,405,858	527,065	2,932,923
Internal balances	12,694	(12,694)	-
Accrued interest income	1,415	215	1,630
Prepaid items	6,077	2,748	8,825
Deferred bond issuance costs	18,473	68,540	87,013
Temporarily restricted assets:			
Cash	13,772	-	13,772
Insurance deposits	306,514	40,483	346,997
Capital assets (net of accumulated depreciation):			
Buildings and building improvements	732,214	526,275	1,258,489
Infrastructure	1,868,735	12,026,056	13,894,791
Machinery and equipment	558,967	763,187	1,322,154
Vehicles	1,328,887	184,406	1,513,293
Total assets	10,058,360	15,081,769	25,140,129
Liabilities			
Accounts payable and other accrued expenses	310,816	252,358	563,174
Accrued interest expense	16,375	88,354	104,729
Due to fiduciary funds	540	-	540
Noncurrent liabilities:			
Due within one year	187,142	262,858	450,000
Due in more than one year	1,010,569	5,199,431	6,210,000
Total liabilities	1,525,442	5,803,001	7,328,443
Net Assets			
Invested in capital assets, net of related debt	3,291,092	8,037,635	11,328,727
Restricted for:			
Insurance deposits	306,514	40,483	346,997
Prepaid items	6,077	2,748	8,825
Unrestricted	4,929,235	1,197,902	6,127,137
Total net assets	\$ 8,532,918	\$ 9,278,768	\$ 17,811,686

See accompanying notes.

**Village of La Grange Park
Statement of Activities
For the Year Ended April 30, 2009**

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities:			
General government	\$ 2,820,449	\$ 1,064,313	\$ 346,937
Public safety	4,787,161	142,793	60,000
Total governmental activities	7,607,610	1,207,106	406,937
Business-type activities:			
Water	2,070,364	2,194,365	-
Sewer	1,117,425	1,082,248	-
Total business-type activities	3,187,789	3,276,613	-
Total primary government	\$ 10,795,399	\$ 4,483,719	\$ 406,937
General revenues:			
Property taxes			
Sales taxes			
Income taxes			
Replacement taxes			
Utility taxes			
Telecommunication taxes			
State use tax			
Other taxes			
Miscellaneous			
Unrestricted investment earnings (loss)			
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.

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (1,409,199)	\$ -	\$ (1,409,199)
(4,584,368)	-	(4,584,368)
<u>(5,993,567)</u>	<u>-</u>	<u>(5,993,567)</u>
-	124,001	124,001
-	(35,177)	(35,177)
-	88,824	88,824
<u>(5,993,567)</u>	<u>88,824</u>	<u>(5,904,743)</u>
3,249,987	-	3,249,987
512,115	-	512,115
1,170,831	-	1,170,831
53,720	-	53,720
602,349	-	602,349
484,302	-	484,302
193,552	-	193,552
164,912	-	164,912
276,448	-	276,448
(21,840)	(3,878)	(25,718)
35,160	(35,160)	-
<u>6,721,536</u>	<u>(39,038)</u>	<u>6,682,498</u>
727,969	49,786	777,755
<u>7,804,949</u>	<u>9,228,982</u>	<u>17,033,931</u>
<u>\$ 8,532,918</u>	<u>\$ 9,278,768</u>	<u>\$ 17,811,686</u>

**Village of La Grange Park
Balance Sheet
Governmental Funds
April 30, 2009**

Assets	General	Motor Fuel Tax
Cash	\$ 885,495	\$ 37,254
Investments	810,469	341,976
Accounts receivable:		
Property taxes - net of allowance for loss on collection	1,587,763	-
Interest	193	243
Utility taxes and telephone surcharge	234,927	-
Other	49,111	-
Due from other funds	163,519	-
Due from other governments	502,834	26,548
Prepaid items	6,077	-
Restricted assets:		
Cash	13,772	-
Insurance deposits	306,514	-
Total assets	\$ 4,560,674	\$ 406,021
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 96,215	\$ -
Security deposits	13,772	-
Accrued wages	127,658	-
Due to other funds	3,060	-
Deferred property tax revenue	1,587,763	-
Total liabilities	1,828,468	-
Fund balances:		
Reserved for prepaid items	6,077	-
Reserved for insurance deposits	306,514	-
Unreserved - undesignated:		
Available resources	1,856,423	379,230
Other	563,192	26,791
Total fund balances	2,732,206	406,021
Total liabilities and fund balances	\$ 4,560,674	\$ 406,021

See accompanying notes.

<u>Emergency 911</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
\$ 49,805	\$ 116,385	\$ 1,910	\$ 6,864	\$ 1,097,713
-	400,865	153,731	-	1,707,041
-	-	-	-	1,587,763
-	774	205	-	1,415
4,675	-	-	-	239,602
-	-	-	-	49,111
-	-	-	-	163,519
-	-	-	-	529,382
-	-	-	-	6,077
-	-	-	-	13,772
-	-	-	-	306,514
<u>\$ 54,480</u>	<u>\$ 518,024</u>	<u>\$ 155,846</u>	<u>\$ 6,864</u>	<u>\$ 5,701,909</u>
\$ 1,082	\$ 71,839	\$ -	\$ 250	\$ 169,386
-	-	-	-	13,772
-	-	-	-	127,658
-	148,305	-	-	151,365
-	-	-	-	1,587,763
<u>1,082</u>	<u>220,144</u>	<u>-</u>	<u>250</u>	<u>2,049,944</u>
-	-	-	-	6,077
-	-	-	-	306,514
49,805	368,945	155,641	6,864	2,816,908
3,593	(71,065)	205	(250)	522,466
<u>53,398</u>	<u>297,880</u>	<u>155,846</u>	<u>6,614</u>	<u>3,651,965</u>
<u>\$ 54,480</u>	<u>\$ 518,024</u>	<u>\$ 155,846</u>	<u>\$ 6,864</u>	<u>\$ 5,701,909</u>

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Village of La Grange Park
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Assets
April 30, 2009

Total fund balance - governmental funds (pages 8 and 9)	\$ 3,651,965
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.	4,488,803
Interest expense is not subject to accrual in the governmental funds.	(16,375)
Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net assets.	1,587,763
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(1,179,238)</u>
Net assets of governmental activities (page 5)	<u>\$ 8,532,918</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, 2009

	General	Motor Fuel Tax	Emergency 911
Revenues:			
Property taxes	\$ 2,866,507	\$ -	\$ -
Other local taxes	1,763,678	-	142,793
Licenses and permits	498,349	-	-
Intergovernmental	1,418,103	346,937	-
Charges for services	397,159	-	-
Fines and forfeitures	168,805	-	-
Interest and investment income (loss)	(42,734)	5,401	288
Miscellaneous	268,811	-	6,782
Total revenues	7,338,678	352,338	149,863
Expenditures:			
Current:			
General government	1,091,492	-	-
Public safety	4,555,185	-	234,875
Highways and streets	1,232,525	101,774	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	6,879,202	101,774	234,875
Revenues over (under) expenditures before other financing sources (uses)	459,476	250,564	(85,012)
Other financing sources (uses):			
Operating transfers in	31,827	-	-
Operating transfers out	(556,497)	(228,000)	(31,827)
Sale of capital assets	855	-	-
Total other financing sources (uses)	(523,815)	(228,000)	(31,827)
Revenues and other financing sources over (under) expenditures and other financing uses	(64,339)	22,564	(116,839)
Fund balance, beginning of the year	2,796,545	383,457	170,237
Fund balance, end of the year	\$ 2,732,206	\$ 406,021	\$ 53,398

See accompanying notes.

<u>Capital Projects</u>	<u>Working Cash</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 2,866,507
-	-	-	1,906,471
-	-	-	498,349
60,000	-	-	1,825,040
-	-	-	397,159
-	-	-	168,805
10,291	3,926	988	(21,840)
-	-	-	275,593
<u>70,291</u>	<u>3,926</u>	<u>988</u>	<u>7,916,084</u>
28,468	-	-	1,119,960
110,762	-	-	4,900,822
282,653	-	-	1,616,952
-	-	182,984	182,984
-	-	43,596	43,596
<u>421,883</u>	<u>-</u>	<u>226,580</u>	<u>7,864,314</u>
<u>(351,592)</u>	<u>3,926</u>	<u>(225,592)</u>	<u>51,770</u>
591,657	-	228,000	851,484
-	-	-	(816,324)
-	-	-	855
<u>591,657</u>	<u>-</u>	<u>228,000</u>	<u>36,015</u>
240,065	3,926	2,408	87,785
57,815	151,920	4,206	3,564,180
<u>\$ 297,880</u>	<u>\$ 155,846</u>	<u>\$ 6,614</u>	<u>\$ 3,651,965</u>

**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, 2009**

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)	\$	87,785
<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>		
		77,769
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		383,480
Interest expense is not subject to accrual in the governmental funds.		1,868
<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>		
		177,067
Change in net assets of governmental activities (pages 6 and 7)	\$	727,969

See accompanying notes.

**Village of La Grange Park
Proprietary Funds
Statement of Net Assets
April 30, 2009**

Assets	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Current assets:			
Cash	\$ 298,585	\$ 35,647	\$ 334,232
Investments	110,367	510,889	621,256
Accrued interest receivable	33	182	215
Water sales receivable	222,065	-	222,065
Prepaid items	2,307	441	2,748
Due from other funds	2,520	101,745	104,265
Unbilled usage	205,000	100,000	305,000
Total current assets	<u>840,877</u>	<u>748,904</u>	<u>1,589,781</u>
Long-term assets:			
Restricted assets - insurance deposits	37,825	2,658	40,483
Deferred bond issuance costs	-	68,540	68,540
Property and equipment, net of accumulated depreciation of \$3,277,256	4,622,078	8,877,846	13,499,924
Total long-term assets	<u>4,659,903</u>	<u>8,949,044</u>	<u>13,608,947</u>
Total assets	<u>5,500,780</u>	<u>9,697,948</u>	<u>15,198,728</u>
Liabilities			
Current liabilities:			
Accounts payable	129,463	113,092	242,555
Security deposits	3,835	-	3,835
Accrued wages	3,841	2,127	5,968
Interest payable	932	87,422	88,354
Bond payable, current portion	10,431	252,427	262,858
Due to other funds	116,959	-	116,959
Total current liabilities	<u>265,461</u>	<u>455,068</u>	<u>720,529</u>
Long-term liabilities - bond payable, less current portion	56,328	5,143,103	5,199,431
Total liabilities	<u>321,789</u>	<u>5,598,171</u>	<u>5,919,960</u>
Net assets			
Invested in capital assets, net of related debt	4,555,319	3,482,316	8,037,635
Restricted for:			
Insurance deposits	37,825	2,658	40,483
Prepaid items	2,307	441	2,748
Unrestricted:			
Available resources	294,513	648,281	942,794
Other	289,027	(33,919)	255,108
Total net assets	<u>\$ 5,178,991</u>	<u>\$ 4,099,777</u>	<u>\$ 9,278,768</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, 2009**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating revenues - charges for sales and services - water and sewer	<u>\$ 2,194,365</u>	<u>\$ 1,082,248</u>	<u>\$ 3,276,613</u>
Operating expenses:			
Cost of sales and services	1,710,437	501,644	2,212,081
Administration	144,413	157,156	301,569
Depreciation	<u>213,128</u>	<u>236,450</u>	<u>449,578</u>
Total operating expenses	<u>2,067,978</u>	<u>895,250</u>	<u>2,963,228</u>
Income from operations	<u>126,387</u>	<u>186,998</u>	<u>313,385</u>
Nonoperating revenue (expense):			
Interest and investment income (loss)	(12,456)	8,578	(3,878)
Interest expense	<u>(2,386)</u>	<u>(222,175)</u>	<u>(224,561)</u>
Total nonoperating revenue (expense)	<u>(14,842)</u>	<u>(213,597)</u>	<u>(228,439)</u>
Income before transfer	111,545	(26,599)	84,946
Transfer to Capital Projects Fund	<u>-</u>	<u>(35,160)</u>	<u>(35,160)</u>
Change in net assets	111,545	(61,759)	49,786
Net assets:			
Beginning of the year	<u>5,067,446</u>	<u>4,161,536</u>	<u>9,228,982</u>
End of the year	<u>\$ 5,178,991</u>	<u>\$ 4,099,777</u>	<u>\$ 9,278,768</u>

See accompanying notes.

**Village of La Grange Park
 Combined Statement of Cash Flows -
 Proprietary Funds
 For the Year Ended April 30, 2009**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from customers	\$ 2,198,186	\$ 1,072,248	\$ 3,270,434
Payments to suppliers	(1,564,813)	(373,819)	(1,938,632)
Payments to employees	(338,507)	(180,494)	(519,001)
Deposits with joint venture	30,322	(583)	29,739
Advances from other funds	16,818	(17,867)	(1,049)
	<u>342,006</u>	<u>499,485</u>	<u>841,491</u>
Net cash provided by operating activities			
Cash flows from noncapital financing activities - transfers to other funds	-	(35,160)	(35,160)
Cash flows from capital and related financing activities:			
Purchases of capital assets	(122,652)	(25,832)	(148,484)
Principal paid on capital debt	(10,200)	(241,817)	(252,017)
Interest paid on capital debt	(2,492)	(218,546)	(221,038)
	<u>(135,344)</u>	<u>(486,195)</u>	<u>(621,539)</u>
Net cash used in capital and related financing activities			
Cash flows from investing activities:			
Purchase of investments	(10,367)	(10,889)	(21,256)
Interest and dividends	(12,475)	8,704	(3,771)
	<u>(22,842)</u>	<u>(2,185)</u>	<u>(25,027)</u>
Net cash used in investing activities			
Net change in cash	183,820	(24,055)	159,765
Cash, beginning of the year	<u>114,765</u>	<u>59,702</u>	<u>174,467</u>
Cash, end of the year	<u>\$ 298,585</u>	<u>\$ 35,647</u>	<u>\$ 334,232</u>

(cont'd)

**Village of La Grange Park
 Combined Statement of Cash Flows -
 Proprietary Funds (cont'd)
 For the Year Ended April 30, 2009**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Reconciliation of income from operations to net cash provided by operating activities:			
Income from operations	\$ 126,387	\$ 186,998	\$ 313,385
Adjustments to reconcile income from operations to net cash provided by operating activities:			
Depreciation	213,128	236,450	449,578
Changes in:			
Water sales receivable/unbilled usage	3,821	(10,000)	(6,179)
Prepaid items	680	129	809
Insurance deposits	30,322	(583)	29,739
Accounts payable/security deposits/ accrued wages	(49,150)	104,358	55,208
Due to/from other funds	16,818	(17,867)	(1,049)
Net cash provided by operating activities	\$ 342,006	\$ 499,485	\$ 841,491

See accompanying notes.

**Village of La Grange Park
Fiduciary Funds
Statement of Net Assets
April 30, 2009**

Assets	Total	Police Pension Fund	Restricted Fund
Assets:			
Cash	\$ 673,893	\$ 662,640	\$ 11,253
Investments	8,652,751	8,540,001	112,750
Accounts receivable:			
Property taxes - net of allowance for loss on collection	245,435	245,435	-
Interest	30,417	30,320	97
Prepaid items	4,051	4,051	-
Due from other funds	540	-	540
Total assets	\$ 9,607,087	\$ 9,482,447	\$ 124,640
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 62,944	\$ 3,870	\$ 59,074
Due to participants	31,556	-	31,556
Total liabilities	94,500	3,870	90,630
Net assets - held in trust for pension benefits and other purposes	9,512,587	9,478,577	34,010
Total liabilities and net assets	\$ 9,607,087	\$ 9,482,447	\$ 124,640

See accompanying notes.

**Village of La Grange Park
Fiduciary Funds - Pension Trust Fund
Statement of Changes in Net Assets
April 30, 2009**

Additions:	
Contributions:	
Employer/property taxes	\$ 493,649
Plan members	<u>158,994</u>
Total contributions	<u>652,643</u>
Investment earnings:	
Interest	490,770
Net decrease in fair value of investments	<u>(1,726,334)</u>
Total investment earnings	(1,235,564)
Less investment expense	<u>48,146</u>
Net investment earnings	<u>(1,283,710)</u>
Total additions	<u>(631,067)</u>
Deductions:	
Benefits	871,003
Administrative expenses	<u>26,388</u>
Total deductions	<u>897,391</u>
Net decrease in plan assets	(1,528,458)
Net assets:	
Beginning of the year	<u>11,007,035</u>
End of the year	<u>\$ 9,478,577</u>

See accompanying notes.

**Village of La Grange Park
Fiduciary Funds - Restricted Fund
Statement of Changes in Net Assets
April 30, 2009**

Revenues:	
Intergovernmental	\$ 3,338
Miscellaneous	<u>13,954</u>
Total revenues	17,292
Expenditures - current - general government	<u>17,555</u>
Revenues under expenditures	(263)
Net assets:	
Beginning of the year	<u>34,273</u>
End of the year	<u>\$ 34,010</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 proprietary 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.

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.

Restricted 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 –100 percent, or \$2,194,365, of Water Fund and approximately 99 percent, or \$1,082,248, of 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 indirect salaries and other costs are recorded into the fund to which they apply.

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 and has received Standard & Poor's highest rating (AAAm). 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.

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)

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.

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 \$373,793,121 for calendar year 2007. 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, 2009, security deposits of the Village's cable company amounted to \$13,772.

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, 2009, insurance deposits amounted to \$346,997 (\$306,514 in the governmental funds and \$40,483 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 \$1,179,238 are as follows:

Bonds payable	\$	1,197,711
Deferred bond issuance costs		(18,473)
		(18,473)
Net adjustment to reduce total fund balance - governmental funds to arrive at net assets of governmental activities	\$	1,179,238
		1,179,238

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 \$77,769 are as follows:

Capital outlay	\$	478,509
Depreciation		<u>(400,740)</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net assets of governmental activities		\$ <u>77,769</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 \$177,067 are as follows:

Principal repayments – general obligation debt	\$	182,983
Amortization of deferred bond issuance costs		<u>(5,916)</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net assets of governmental activities		\$ <u>177,067</u>

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

III. Detailed Notes For All Funds

A. Deposits and Investments

At April 30, 2009, cash and investments as reported on the statement of net assets consisted of:

Cash on hand	\$ 2,025
Carrying amount:	
Deposits	855,785
Illinois Funds Investment Pool	619,072
Certificates of deposit	<u>2,297,132</u>
	<u>\$ 3,774,014</u>

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, 2009, the Village is invested in twenty-three certificates of deposit totaling \$2,297,132, with maturities ranging from May 14, 2009 to October 15, 2009.

Custodial Credit Risk – Deposits – This is the risk that in the event of a bank failure, the Village's deposits may not be returned. The Village's deposit policy requires that funds on deposit in excess of FDIC limits be secured by some form of collateral. At April 30, 2009, the carrying amount of the Village's deposits was \$3,152,917 and the bank balance was \$3,344,491. Of the bank balance, \$2,765,430 was covered by federal depository insurance, and the remaining \$579,061 was collateralized with securities held by the pledging institution's trust department or agent in the Village's name.

Other Information – The Illinois Funds Investment Pool (Pool) is not registered with the Securities and Exchange Commission. The Illinois State Treasury administers the Pool, and oversight is provided by the Auditor General's Office of the State of Illinois. The fair value of the positions in this Pool is the same as the value of the Pool shares.

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

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

B. Capital Assets

Capital asset activity for the year ended April 30, 2009 was as follows:

	<u>May 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>April 30, 2009</u>
Governmental activities:				
Capital assets being depreciated:				
Buildings and building improvements	\$ 1,924,799	\$ 150,305	\$ -	\$ 2,075,104
Infrastructure	2,416,098	28,455	-	2,444,553
Machinery and equipment	984,212	218,757	(150,875)	1,052,094
Vehicles	2,597,550	80,992	(19,544)	2,658,998
	<u>7,922,659</u>	<u>478,509</u>	<u>(170,419)</u>	<u>8,230,749</u>
Capital assets being depreciated				
Less accumulated depreciation for:				
Buildings and building improvements	1,293,436	49,454	-	1,342,890
Infrastructure	412,848	162,970	-	575,818
Machinery and equipment	532,914	111,088	(150,875)	493,127
Vehicles	1,272,427	77,228	(19,544)	1,330,111
	<u>3,511,625</u>	<u>400,740</u>	<u>(170,419)</u>	<u>3,741,946</u>
Total accumulated depreciation				
Governmental activities, capital assets, net	<u>\$ 4,411,034</u>	<u>\$ 77,769</u>	<u>\$ -</u>	<u>\$ 4,488,803</u>

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

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

B. Capital Assets (cont'd)

	May 1, 2008	Additions	Deductions	April 30, 2009
Business-type activities:				
Capital assets being depreciated:				
Buildings	\$ 859,234	\$ -	\$ -	\$ 859,234
Infrastructure	14,050,619	-	-	14,050,619
Machinery and equipment	1,468,003	-	(26,348)	1,441,655
Vehicles	444,469	-	(18,797)	425,672
	16,822,325	-	(45,145)	16,777,180
Capital assets being depreciated				
Less accumulated depreciation for:				
Buildings	313,865	19,094	-	332,959
Infrastructure	1,721,572	302,991	-	2,024,563
Machinery and equipment	603,743	101,073	(26,348)	678,468
Vehicles	233,643	26,420	(18,797)	241,266
	2,872,823	449,578	(45,145)	3,277,256
Total accumulated depreciation				
Business-type activities, capital assets, net	\$ 13,949,502	\$ (449,578)	\$ -	\$ 13,499,924

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

Governmental activities:	
General government	\$ 215,385
Public safety	185,355
	\$ 400,740
Total depreciation expense – governmental activities	
Business-type activities:	
Water	\$ 213,128
Sewer	236,450
	\$ 449,578
Total depreciation expense – business-type activities	

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

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

C. Interfund Receivables and Payables

The composition of interfund due to/from balances as of April 30, 2009 is as follows:

Receivable Fund	Payable Fund	Amount
General	Water	\$ 15,214
General	Capital Projects	148,305
Water	General	2,520
Sewer	Water	101,745
Restricted	General	540
Total		\$ 268,324

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, 2008	Issuances	Retirements	Balances April 30, 2009
General obligation bonds: Series 2004 (\$2,260,000), due in remaining annual installments of \$225,000 to \$255,000 with interest rates from 2.75% to 3.70%.	\$ 1,660,000	\$ -	\$ (220,000)	\$ 1,440,000
Series 2006 (\$5,645,000), due in annual installments of \$225,000 to \$410,000 with interest rates from 3.75% to 4.125%.	5,435,000	-	(215,000)	5,220,000
	<u>\$ 7,095,000</u>	<u>\$ -</u>	<u>\$ (435,000)</u>	<u>\$ 6,660,000</u>

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

III. 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:			
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	223,269	207,936	15,333
2015	219,943	212,095	7,848
	1,344,919	1,197,711	147,208
Business-type activities, due in 2010:			
Series 2004	45,808	37,858	7,950
Series 2006	428,931	225,000	203,931
2010	474,739	262,858	211,881
2011	476,103	273,699	202,404
2012	471,970	279,540	192,430
2013	473,387	291,223	182,164
2014	473,472	302,064	171,408
2015 – 2019	2,182,272	1,492,905	689,367
2020 – 2024	2,137,231	1,755,000	382,231
2025 – 2026	855,120	805,000	50,120
	7,544,294	5,462,289	2,082,005
Totals	\$ 8,889,213	\$ 6,660,000	\$ 2,229,213

In May 2009, the government entered into a \$100,000 loan agreement with the state of Illinois to purchase an Ambulance. The loan is interest free and is payable in eight equal installments of \$12,500 from November 2010 through 2017.

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

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

E. Transfers

<u>Receiving Fund</u>	<u>Paying Fund</u>	<u>Amount</u>
General	Emergency 911	\$ 31,827
Capital Projects	General	556,497
Capital Projects	Sewer	35,160
Debt Service	Motor Fuel Tax	<u>228,000</u>
Total all funds		<u>\$ 851,484</u>

The transfer of \$228,000 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	\$	5,265
Foreign Fire Insurance Tax		10,357
Party in the Park surplus		1,142
SB 740 – DUI fines		5,644
Neighborhood watch program		109
Police department donations		1,069
County badge grant		833
Justice Assistance grant		9,160
Christmas walk		<u>431</u>
		34,010
Pension Trust		<u>9,478,577</u>
	\$	<u>9,512,587</u>

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

IV. 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, 2009, the Village has a deposit of \$346,997 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 \$494,908 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)

IV. 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, 2009, there were 19 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, 2009, the balance of the fund totaled \$31,556.

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, 2009 was \$1,604,379 out of a total Village payroll of \$4,049,272. At April 30, 2009, the Police Pension Plan's membership consisted of:

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

IV. 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	19
Participants currently receiving disability benefits	1
Active employees:	
Fully vested	5
Partially vested	9
Nonvested	9
	43

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, 2009 was as follows:

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

IV. 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	\$ 2,210,013
Mutual funds	849,938
Closed-end funds	423,232
Mortgage-backed securities	2,320,822
Government bonds	2,735,996
	<hr/>
	\$ 8,540,001

The amortized cost of Plan investments at April 30, 2009 was \$9,584,541.

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)

IV. 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, 2008
Actuarial cost method	Entry age normal cost
Amortization method	Level percentage of payroll
Remaining amortization period	25 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, 2008 (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	\$ 11,599,684
Current employees:	
Accumulated employee contributions, including allocated investment earnings	-
Employer-financed, vested	-
Employer-financed, nonvested	<u>6,814,786</u>
Total pension benefit obligation	18,414,470
Net assets available for benefits	<u>10,637,549</u>
Unfunded pension benefit obligation	<u>\$ 7,776,921</u>

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

IV. 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
2008	04/30/07	\$ 527,413	\$ 499,800	94.76 %	\$ 0
2007	04/30/06	524,044	519,180	99.07	0
2006	04/30/05	526,086	484,500	92.10	0

2. Illinois Municipal Retirement Fund

The Village's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

As set by statute, the Village's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village contribution rate for calendar year 2008 was 5.44 percent of annual covered payroll. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

For 2008, the Village's annual pension cost of \$89,969 for the Regular plan was equal to the required and actual contributions.

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

IV. Other Information (cont'd)

D. Pension and Retirement Commitments (cont'd)

2. Illinois Municipal Retirement Fund (cont'd)

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
2008	12/31/08	\$ 89,969	100 %	\$ 0
2007	12/31/07	94,853	100	0
2006	12/31/06	89,822	100	0

The required contribution for 2008 was determined as part of the December 31, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the Village's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Village's regular plan unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at the December 31, 2006, valuation was 24 years.

As of December 31, 2008, the most recent actuarial valuation date, the regular plan was 80.79 percent funded. The actuarial accrued liability for benefits was \$4,467,399 and the actuarial value of assets was \$3,609,403, resulting in an underfunded actuarial accrued liability (UAAL) of \$857,996. The covered payroll (annual payroll of active employees covered by the plan) was \$1,653,852 and the ratio of the UAAL to the covered payroll was 52 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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REQUIRED SUPPLEMENTARY INFORMATION

**Village of La Grange Park
Illinois Municipal Retirement Fund
Required Supplementary Information
Schedule of Funding Progress
April 30, 2009**

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)
12/31/08	\$ 3,609,403	\$ 4,467,399	\$ 857,996	80.79%	\$ 1,653,852	51.88%
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, 2008 is \$2,574,255.
On a market basis, the funded ratio would be 57.62%.

Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2008 are based on the 2005 - 2007 experience study.

See independent auditor's report.

**Village of La Grange Park
Police Pension Fund
Required Supplementary Information
Schedule of Funding Progress
April 30, 2009**

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)
04/30/08	\$10,637,549	\$18,414,470	\$ 7,776,921	57.77%	\$ 1,604,379	484.73%
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.

**Village of La Grange Park
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2009**

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues:				
Property taxes	\$ 2,883,000	\$ 2,883,000	\$ 2,866,507	\$ (16,493)
Other local taxes	1,622,000	1,622,000	1,763,678	141,678
Licenses and permits	556,400	556,400	498,349	(58,051)
Intergovernmental	1,434,000	1,434,000	1,418,103	(15,897)
Charges for services	312,700	312,700	397,159	84,459
Fines and forfeitures	162,000	162,000	168,805	6,805
Interest and investment income	45,000	45,000	(42,734)	(87,734)
Miscellaneous	228,500	228,500	268,811	40,311
Total revenues	<u>7,243,600</u>	<u>7,243,600</u>	<u>7,338,678</u>	<u>95,078</u>
Expenditures - current:				
General government	1,104,910	1,114,910	1,091,492	(23,418)
Public safety	4,530,828	4,710,828	4,555,185	(155,643)
Highways and streets	1,090,187	1,280,187	1,232,525	(47,662)
Total expenditures	<u>6,725,925</u>	<u>7,105,925</u>	<u>6,879,202</u>	<u>(226,723)</u>
Revenues over expenditures before other financing sources	<u>517,675</u>	<u>137,675</u>	<u>459,476</u>	<u>321,801</u>
Other financing sources (uses):				
Operating transfers in	31,000	31,000	31,827	827
Operating transfers out	(556,497)	(556,497)	(556,497)	-
Sale of capital assets	-	-	855	855
Total other financing sources (uses)	<u>(525,497)</u>	<u>(525,497)</u>	<u>(523,815)</u>	<u>1,682</u>
Revenues and other financing sources over (under) expenditures and and other financing uses	<u>\$ (7,822)</u>	<u>\$ (387,822)</u>	<u>(64,339)</u>	<u>\$ 323,483</u>
Fund balance, beginning of the year			<u>2,796,545</u>	
Fund balance, end of the year			<u>\$ 2,732,206</u>	

See independent auditor's report.

**Village of La Grange Park
Motor Fuel Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2009**

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues:				
Intergovernmental	\$ 380,000	\$ 380,000	\$ 346,937	\$ (33,063)
Interest and investment income	12,000	12,000	5,401	(6,599)
Total revenues	<u>392,000</u>	<u>392,000</u>	<u>352,338</u>	<u>(39,662)</u>
Expenditures - current - highways and streets	<u>96,700</u>	<u>96,700</u>	<u>101,774</u>	<u>5,074</u>
Revenues over (under) expenditures before other financing uses	295,300	295,300	250,564	(44,736)
Other financing uses - operating transfers out	<u>(228,000)</u>	<u>(228,000)</u>	<u>(228,000)</u>	<u>-</u>
Revenues over (under) expenditures and other financing uses	<u>\$ 67,300</u>	<u>\$ 67,300</u>	<u>22,564</u>	<u>\$ (44,736)</u>
Fund balance, beginning of the year			<u>383,457</u>	
Fund balance, end of the year			<u>\$ 406,021</u>	

See independent auditor's report.

**Village of La Grange Park
Emergency 911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2009**

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues:				
Other local taxes	\$ 120,000	\$ 120,000	\$ 142,793	\$ 22,793
Interest and investment income	3,000	3,000	288	(2,712)
Miscellaneous	4,000	4,000	6,782	2,782
Total revenues	127,000	127,000	149,863	22,863
Expenditures - current - public safety	71,400	251,400	234,875	(16,525)
Revenues over (under) expenditures before other financing uses	55,600	(124,400)	(85,012)	39,388
Other financing uses - operating transfers out	(31,827)	(31,827)	(31,827)	-
Revenues over (under) expenditures and other financing uses	<u>\$ 23,773</u>	<u>\$ (156,227)</u>	<u>(116,839)</u>	<u>\$ 39,388</u>
Fund balance, beginning of the year			<u>170,237</u>	
Fund balance, end of the year			<u>\$ 53,398</u>	

See independent auditor's report.

Village of La Grange Park
Notes to the Required Supplementary Schedules

1. 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.

2. Excess of Expenditures Over Budget

For the year ended April 30, 2009, expenditures in the Motor Fuel Tax fund exceeded the budget by \$5,074.

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SUPPLEMENTARY INFORMATION

**Village of La Grange Park
Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2009**

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 60,000	\$ 60,000
Interest and investment income	8,000	8,000	10,291	2,291
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>70,291</u>	<u>62,291</u>
Expenditures - current:				
General government	43,960	43,960	28,468	(15,492)
Public safety	121,859	121,859	110,762	(11,097)
Highways and streets	452,000	452,000	282,653	(169,347)
Total expenditures	<u>617,819</u>	<u>617,819</u>	<u>421,883</u>	<u>(195,936)</u>
Revenues over (under) expenditures before other financing sources	(609,819)	(609,819)	(351,592)	258,227
Other financing sources - operating transfers in	591,826	591,826	591,657	(169)
Revenues and other financing sources over (under) expenditures	<u>\$ (17,993)</u>	<u>\$ (17,993)</u>	<u>240,065</u>	<u>\$ 258,058</u>
Fund balance, beginning of the year			<u>57,815</u>	
Fund balance, end of the year			<u>\$ 297,880</u>	

See independent auditor's report.

**Village of La Grange Park
Working Cash Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2009**

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenue - interest and investment income	\$ -	\$ -	\$ 3,926	\$ 3,926
Fund balance, beginning of the year			<u>151,920</u>	
Fund balance, end of the year			<u>\$ 155,846</u>	

See independent auditor's report.

**Village of La Grange Park
Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2009**

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenue - interest and investment income	\$ 1,700	\$ 1,700	\$ 988	\$ (712)
Expenditures:				
Current - general government	500	500	-	(500)
Debt service:				
Principal	183,000	183,000	182,984	(16)
Interest	44,000	44,000	43,596	(404)
Total expenditures	<u>227,500</u>	<u>227,500</u>	<u>226,580</u>	<u>(920)</u>
Revenues over (under) expenditures before other financing sources	(225,800)	(225,800)	(225,592)	208
Other financing sources - operating transfers in	<u>228,000</u>	<u>228,000</u>	<u>228,000</u>	<u>-</u>
Revenues and other financing sources over expenditures	<u>\$ 2,200</u>	<u>\$ 2,200</u>	<u>2,408</u>	<u>\$ 208</u>
Fund balance, beginning of the year			<u>4,206</u>	
Fund balance, end of the year			<u>\$ 6,614</u>	

See independent auditor's report.

**Village of La Grange Park
Computation of Legal Debt Margin
April 30, 2009**

	<u>2007 Tax Levy Year</u>
Assessed valuation	\$ 373,793,121
Statutory debt limitation - percent of assessed valuation	<u>8.625%</u>
Legal debt margin	<u>\$ 32,239,657</u>

See independent auditor's report.

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