

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL WORKSHOP**  
**JUNE 10, 2008 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
2007 Comprehensive Annual Financial Report	Resolution Ordinance ✓ Motion Discussion Only	Judy Buttny Finance Director

**SYNOPSIS**

A motion is requested to accept the audit of the Village's financial records for Year Ended December 31, 2007, also known as the Comprehensive Annual Financial Report (CAFR) dated December 31, 2007, as prepared by Sikich LLP. Acceptance of the audit and CAFR is required prior to submittal to the State by the June 30, 2008, deadline. The Management Letter that accompanies the audit has not yet been received from the auditors. Upon receipt, it will be presented at a future Village Council Workshop.

**STRATEGIC PLAN ALIGNMENT**

The Five Year Plan and Goals for 2006-2011 identified *Exceptional Municipal Government*. A supporting objective of this goal is *Financially Sound and Sustainable Village Government*.

**FISCAL IMPACT**

N/A.

**RECOMMENDATION**

Approval on the June 17, 2008, consent agenda.

**BACKGROUND**

The Village is required to submit the Comprehensive Annual Financial Report (CAFR) to the State within six months of the end of the fiscal year or June 30, 2008. The Village is in the third year of a five year contract for audit services with Sikich LLP.

The purpose of the financial audit is to determine whether the financial reports of the Village are presented fairly and whether the Village has complied with applicable laws and regulations. The Village's audited financial statements convey to the public that the statements are presented in accordance with generally accepted accounting principles. Comprehensive annual financial reports are also positively regarded by the bond market, which facilitates the Village receiving more favorable rates when borrowing and maintaining a strong bond rating. Sikich provided the Village with an unqualified opinion of the Village's financial position.

The Village has prepared the CAFR for the Certificate of Achievement for Excellence in Financial Reporting Program by the Governmental Finance Officers Association of the United States and Canada for more than 15 years.

**ATTACHMENTS**

Year Ended December 31, 2007, Comprehensive Annual Financial Report

VILLAGE OF DOWNERS GROVE  
DOWNERS GROVE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2007

Prepared by Finance Department

Judy Buttny  
Finance Director

Doug Haywood  
Assistant Finance Director

# Village of Downers Grove, Illinois

## Table of Contents

---

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials .....	i
Organizational Chart .....	ii
Certificate of Achievement for Excellence in Financial Reporting .....	iii
Letter of Transmittal .....	iv-xi
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT .....	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management's Discussion and Analysis .....	MD&A 1-9
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets .....	3
Statement of Activities .....	4-5
Fund Financial Statements	
Governmental Funds	
Balance Sheet - Governmental Funds .....	6-7
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Assets .....	8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds .....	9-10
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities .....	11

Village of Downers Grove, Illinois

Table of Contents (Continued)

---

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
Basic Financial Statements (Continued)	
Fund Financial Statements (Continued)	
Proprietary Funds	
Statement of Net Assets .....	12
Statement of Revenues, Expenses, and Changes in Net Assets.....	13
Statement of Cash Flows.....	14-15
Fiduciary Funds	
Statement of Fiduciary Net Assets.....	16
Statement of Changes in Fiduciary Net Assets.....	17
Notes to Financial Statements .....	18-61
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	
General Fund .....	62
Downtown Redevelopment TIF Fund .....	63
Schedule of Funding Progress	
Illinois Municipal Retirement Fund .....	64
Police Pension Fund .....	65
Firefighters' Pension Fund .....	66
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund .....	67
Police Pension Fund .....	68
Firefighters' Pension Fund .....	69
Notes to Required Supplementary Information.....	70
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Major Governmental Funds	
Schedule of Revenues - Budget and Actual - General Fund.....	71-72
Schedule of Expenditures - Budget and Actual - General Fund.....	73-74
Schedule of Expenditures - Budget and Actual - Downtown Redevelopment TIF Fund.....	75

Village of Downers Grove, Illinois

Table of Contents (Continued)

---

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
COMBINING AND INDIVIDUAL FUND	
FINANCIAL STATEMENTS AND SCHEDULES (Continued)	
Major Governmental Funds (Continued)	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - G.O. Bonds Downtown Redevelopment TIF Fund.....	76
Schedule of Expenditures - Budget and Actual - G.O. Bonds Downtown Redevelopment TIF Fund.....	77
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Capital Improvements Fund.....	78
Schedule of Expenditures - Budget and Actual - Capital Improvements Fund.....	79
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Municipal Buildings Fund .....	80
Nonmajor Governmental Funds	
Combining Balance Sheet .....	81
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	82
Combining Balance Sheet - Nonmajor Special Revenue Funds .....	83-84
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds .....	85-86
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund.....	87
Foreign Fire Insurance Fund.....	88
Ogden Avenue Corridor TIF Fund .....	89
Sales Tax Abatement Fund.....	90
Transportation Fund .....	91
G.O. Bond Series of 1998 Fairview Avenue Fund .....	92
Real Estate Fund.....	93
Major Enterprise Funds	
Schedule of Operating Expenses - Budget and Actual	
Waterworks Fund .....	94
Parking Fund.....	95

Village of Downers Grove, Illinois

Table of Contents (Continued)

---

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
COMBINING AND INDIVIDUAL FUND	
FINANCIAL STATEMENTS AND SCHEDULES (Continued)	
Internal Service Funds	
Combining Statement of Net Assets .....	96
Combining Statement of Revenues, Expenses, and Changes in Net Assets.....	97
Combining Statement of Cash Flows.....	98-99
Schedule of Operating Expenses - Budget and Actual	
Fleet Services Fund .....	100
Risk Management Fund.....	101
Health Insurance Fund.....	102
Equipment Replacement Fund.....	103
Fiduciary Funds	
Combining Statement of Net Assets - Pension Funds.....	104
Combining Statement of Changes in Net Assets - Pension Funds.....	105
Schedule of Changes in Net Assets - Budget and Actual	
Police Pension Fund .....	106
Firefighters' Pension Fund.....	107
Schedule of Changes in Assets and Liabilities - Construction Deposit Fund .....	108
Component Unit - Downers Grove Public Library	
Statement of Net Assets and Governmental Funds	
Combining Balance Sheet .....	109-110
Statement of Activities and Governmental Funds	
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances/Net Assets .....	111-112
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund .....	113
Schedule of Expenditures - Budget and Actual - General Fund.....	114-115
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Debt Service Fund .....	116
Construction Fund .....	117

# Village of Downers Grove, Illinois

## Table of Contents (Continued)

---

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
SUPPLEMENTAL DATA	
Schedule of Insurance in Force .....	118
Long-Term Debt Requirements	
General Obligation Bonds, Series 1998 .....	119
General Obligation Bonds, Series 1999 .....	120
General Obligation Bonds, Series 2000 .....	121
General Obligation Bonds, Series 2001 .....	122
General Obligation Bonds, Series 2001A .....	123
General Obligation Bonds, Series 2002 .....	124
General Obligation Refunding Bonds, Series 2003 .....	125
General Obligation Bonds, Series 2003A .....	126
Taxable General Obligation Refunding Bonds, Series 2005.....	127
General Obligation Bonds, Series 2007 .....	128
STATISTICAL SECTION	
Financial Trends	
Net Assets by Component.....	129
Change in Net Assets .....	130-131
Fund Balances of Governmental Funds.....	132
Changes in Fund Balances of Governmental Funds.....	133-134
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property.....	135
Property Tax Rates - Direct and Overlapping Governments.....	136
Principal Property Taxpayers .....	137
Property Tax Levies and Collections .....	138
Taxable Sales by Category .....	139
Direct and Overlapping Sales Tax Rates .....	140
Debt Capacity	
Ratios of Outstanding Debt by Type.....	141
Ratios of General Bonded Debt Outstanding .....	142
Direct and Overlapping Governmental Activities Debt .....	143
Schedule of Legal Debt Margin .....	144
Pledged Revenue Coverage.....	145
Demographic and Economic Information	
Demographic and Economic Information.....	146
Principal Employers .....	147
Operating Information	
Full Time Equivalent Employees.....	148
Operating Indicators .....	149
Capital Asset Statistics .....	150

# Village of Downers Grove, Illinois

## Principal Officials

---

### LEGISLATIVE

Ronald Sandack, Mayor

### *Commissioners*

Bruce Beckman

Sean Durkin

Geoff Neustadt

Marilyn Schnell

Martin Tully

William Waldack

---

### ADMINISTRATIVE

David Fieldman, Acting Village Manager

Michael Baker, Assistant Village Manager

Enza Petrarca, Village Attorney

April Holden, Village Clerk

Judy Buttny, Finance Director/Treasurer

Robin Weaver, Interim Public Works Director

Tom Dabareiner, Community Development Director

Phillip Ruscetti, Fire Chief

Robert Porter, Police Chief

Doug Kozlowski, Communications Director

Mary Scalzetti, Community Events Director

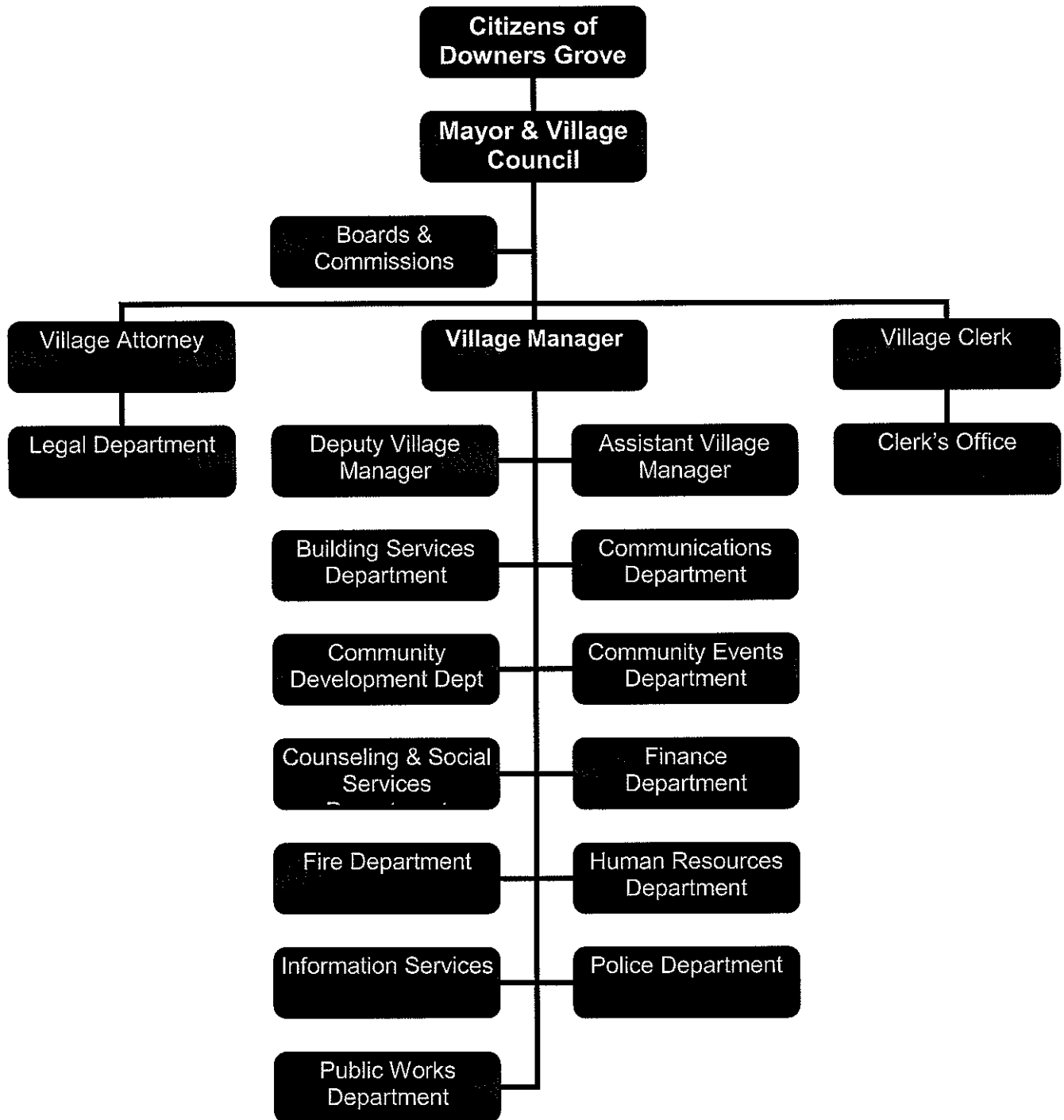
Wesley Morgan, Human Resources Director

Dr. Liangfu Wu, Information Services Director

Andrew Matejcak, Counseling and Social Services Director



# Village of Downers Grove Organizational Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Downers Grove  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Eight Months Ended  
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director



www.downers.us

June 6, 2008

**COMMUNITY RESPONSE  
CENTER**

630.434.CALL (2255)

**CIVIC CENTER**

801 Burlington Avenue  
Downers Grove  
Illinois 60515-4776  
630.434.5500  
TDD 630.434.5511  
FAX 630.434.5571

**FIRE DEPARTMENT  
ADMINISTRATION**

6701 Main Street  
Downers Grove  
Illinois 60516-3426  
630.434.5980  
FAX 630.434.5998

**POLICE DEPARTMENT**

825 Burlington Avenue  
Downers Grove  
Illinois 60515-4783  
630.434.5600  
FAX 630.434.5690

**PUBLIC WORKS**

**DEPARTMENT**

5101 Walnut Avenue  
Downers Grove  
Illinois 60515-4074  
630.434.5460  
FAX 630.434.5495

**DEPARTMENT OF  
COUNSELING AND SOCIAL SERVICES**

842 Curtiss Street  
Downers Grove  
Illinois 60515-4761  
630.434.5595  
FAX 630.434.5599

To: The Honorable Mayor and Commissioners  
Citizens of Downers Grove

The Comprehensive Annual Financial Report (CAFR) of the Village of Downers Grove for the year ended December 31, 2007, is hereby submitted. State law, as well as local ordinances, requires that the Village publish within six months of the close of each fiscal year, a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Responsibility for both the accuracy of the data presented and the fairness of the presentation, including all disclosures, rests with the Village management. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the Village's financial position and changes in financial position as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the Village's financial condition have been included. The organization and content of the report follows the standards for annual financial reporting promulgated by the Governmental Accounting Standards Board (GASB). To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework to protect the assets of the Village and to compile sufficiently reliable information for the preparation of the Village of Downers Grove's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements are free of material misstatements. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Downers Grove for the year ended December 31, 2007, are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluation of the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements of the year ended December 31, 2007, are presented fairly in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

This report includes all financial activity for the funds, and departments for which the Village is financially accountable. The criteria used to determine financial accountability is defined in Note 1 of the Financial Statements, on page 18. The Police and Fire Pension Funds each have a separate Board that administers their respective fund resources and uses. The Downers Grove Library has a separate Board that is appointed by the Village Council, and is reported as a discretely presented component unit. Other local governments that serve the Downers Grove community do not qualify as entities for which the Village is accountable. These governments include the Downers Grove Park District, the Downers Grove Sanitary District, all school districts, and the Downers Grove Township. Therefore, the financial activities of these entities are not included in this report.

### **PROFILE OF THE VILLAGE OF DOWNERS GROVE**

The Village of Downers Grove, which has a land area of about 14.4 square miles, is located in DuPage County and is 22 miles west of Chicago. DuPage County is the second most populated county in Illinois, after Cook County. The median household income in the Village is \$83,300. Along with several major arterial highways, three Burlington Northern commuter train stations are located in the Village; these provide commuters about a 25-minute train ride to and from Chicago and easy access to the entire metropolitan area.

The resident population is 49,543; however, the Village's corporate business parks and shopping districts raise the daytime population and economic activity, providing the Village the benefit of a significant level of sales tax revenue. A review of the retail expenditure information suggests that the Village attracts residents from surrounding communities to support the sales tax income. The property tax base is 75 percent residential, 22 percent commercial, and three percent industrial. The ten leading commercial property tax payers are from a diverse economic base and account for only 8.2 percent of the total tax base.

The Village of Downers Grove was originally settled in 1832 and was incorporated on March 31, 1873. Today, the Village operates under the Manager form of government. As defined by Illinois statutes, the Village is a home-rule community and provides a full range of municipal services to its residential and commercial customers. These services include police and fire protection; building code and fire prevention inspection services; emergency 911 dispatch service; paramedic services; water services; a commuter bus transportation system; a commuter and residential parking system;



community development services; social services; and the construction and maintenance of streets, stormwater, and other municipal infrastructure.

## **MAJOR INITIATIVES**

The Village staff, following specific directives from the Mayor, Village Council and the Village Manager, has been involved in a variety of projects throughout the year. These projects reflect the Village's commitment to ensuring that its customers are able to live and work in an enviable environment. The most significant of these projects are discussed more thoroughly below:

### 175<sup>th</sup> Anniversary

The Village marked the 175<sup>th</sup> Anniversary of its founding in 1832 with a yearlong celebration, which included events such as the 25<sup>th</sup> Anniversary Heritage Festival and the 2007 National Ice Carving Championships. The celebration was extended into neighborhoods; over 100 block parties were held in conjunction with the 175<sup>th</sup> Anniversary, each of which was provided with a celebration kit and recycling bin.

### Strategic Plan

The Village's Strategic Plan was adopted by the Village Council in 2006 to define and prioritize the Village's goals and vision over the next 15 years. The Strategic Plan aligns the goals of the Village Council and expectations of our residents with the day-to-day activities of Village staff. A major component of the 2007 process was the inaugural Citizen Summit, which sought the input of the community in aligning the Village's goals and priorities that will shape our future.

The Village Council adopted the following Mission for Downers Grove:

OUR VILLAGE GOVERNMENT  
provides EXCEPTIONAL MUNICIPAL SERVICES  
that are valued by our citizens and businesses.”

We are FISCALLY RESPONSIBLE,  
have PASSION FOR OUR CUSTOMERS and  
have an EYE ON THE FUTURE.

We ENGAGE OUR CITIZENS  
and PARTNER WITH OTHERS  
to MAKE DOWNERS GROVE A GREAT COMMUNITY  
in which to live and to do business.

### Downtown Development

In 1997, the Village Council adopted a Downtown Master Plan to manage economic growth and guide future redevelopment of land, with the goal of revitalizing the Downtown District. The Strategic Plan identifies as a goal of creating an authentic downtown that is the heart of the community. Progress made in 2007 supports the Village Council's vision of the downtown as a focal

point of the community that offers residents an aesthetically pleasing place to live, play, shop and work.

- Acadia on the Green – The first phase of this mixed-use development, bounded by Curtiss Street, Burlington Avenue, Main Street and Washington Street, began construction in the summer of 2006 and was completed in 2007. The overall project includes four buildings with a mix of 126 residential units and 35,000 square feet of commercial space to be leased for retail, dining or other entertainment. All phases are expected to be complete in 2009.
- Charles Place – The former site of Hart’s Garage at 5151 Mochel Drive will emerge as a three-story commercial building to support a mix of retail and office space. Construction activity began in 2007.
- 4929 Forest Avenue – Construction of these luxury condominiums is almost complete. The five-story building features 28 maintenance-free units, with one, two, and three bedroom options.
- Downers Grove Town Homes – Located at 922 Warren Avenue on the former site of the Reporter building, work began in the summer of 2007. The 46 residential units are expected to be complete near the end of 2008.

#### Other Development

Fire Station 2 – By the end of 2007, significant work had been completed on the new firehouse on the northwest corner of 55<sup>th</sup> Street and Main Street. The project is progressing on time and on budget and is expected to be complete by the summer of 2008. The modern facility will benefit the Village with centralized administrative operations and improved response times and equipment coverage to a greater portion of the Village.

Residences at the Grove – Ground was broken in November 2007 for this multi-family rental community on the northwest corner of Butterfield Road and Interstate 355. The project consists of 270 apartments and 24 townhomes.

Kitchens of Sara Lee – Sara Lee Corporation began construction of a multi-million dollar 150,000 square foot research and development campus called the Kitchens of Sara Lee on the site of the company’s corporate headquarters in Downers Grove.

Highland Landmark V – This office building will be the fifth and final building in the Highland Landmark Office Park at Interstate 88 and Highland Avenue. When completed, the eight story multi-tenant office building will have 251,275 square feet of Class A office space.

Good Samaritan Surgical Pavilion – Good Samaritan Hospital unveiled a new 50,000 square foot ultra-modern surgical pavilion in September of 2007. This unit boasts the latest in surgical technology designed to ensure an exceptional patient experience.

### Infrastructure Improvements

In 2007, 105,000 square feet of sidewalk was installed, 4.4 miles of streets were resurfaced with another 19.7 miles of streets sealed.

The Brick Streets Project was substantially completed in 2007. This involved reconstruction using existing brick pavers. Work included replacement of sanitary sewer and services, water main and water services, storm sewers, curbs and gutters, sidewalks and driveways, brick pavements and full parkway restoration.

Widespread flooding and damage from the heavy rains of October 2006 prompted the Village to comprehensively address deficiencies in the infrastructure and maintenance of the Village's stormwater system. The extensive process began in February 2007 when the Village Council authorized contracts with four consultants to begin a thorough analysis of each of the Village's three primary watersheds. The result was the Watershed Infrastructure Improvement Plan, which recommended solutions to problem areas of the Village and prioritized them according to severity. A series of public information meetings was held for the community to understand the impact and benefits of such a large undertaking. After much consideration, the Village Council approved the Plan in September. The improvements will be constructed in phases. The first phase will take place from 2008-2011 and will consist of approximately \$27 million worth of high priority projects. Funding for all phases will come from a variety of sources:

- Issuance of General Obligation bonds
- Quarter cent increase in the Home Rules Sales Tax
- Property Tax levy
- Pre-existing detention variance fee that is collected on certain types of building permits

### Historic Preservation

Adoption of the Historic Preservation Ordinance occurred in 2007. This ordinance provides the tools to allow residents to preserve their historic homes and neighborhoods for future generations to enjoy. Before designating a property a Historic Landmark or part of a Historic District, the property owner must give his/her consent. The ordinance also established the Historic Preservation Commission.

### Public Safety

Police Department Achievements:

- By the numbers: handled 24,482 calls for service, issued 6,229 citations and 248 D.U.I arrests, educated 6,457 children in Crime Prevention Unit safety programs and logged 6,206 patrol hours.
- A comprehensive policy review was completed in 2007 to meet new standards enacted by the Commission on Accreditation for Law Enforcement Agencies (CALEA). Compliance keeps the department's accreditation status in good standing, certifying that the department adheres to professional standards and complies with department procedures and policies.

#### Fire Department Achievements:

- Maintained an average response time of 4:24.
- Responded to 2,086 fire calls and 3,542 Emergency medical Service (EMS) Calls in 2007.
- Firefighters completed a total of 34,632 hours of training in 2007.
- The Public Education Division contacted approximately 16,000 people in 2007, including pre-school and grade school “Learn Not To Burn” programs, Basic Aid Training Middle School Programs, business in-service drills and critiques, Fire Prevention Week Open House, Passport to Safety Day, Pluggies Pals, and Older Adult Programs.

#### Exceptional Municipal Service

Downers Grove was named best in the nation for pedestrian and bike safety by the International Association of Chiefs of Police. Excellence in the Illinois Traffic Safety Challenge program qualified the department to compete at the national level, earning top honors over 600 other agencies. These awards validate the importance of the Village’s Public Education programs in making Downers Grove a safe community.

The Village Forester was honored by the American Public Works Association (APWA) as Facilities and Grounds Professional Manager of the Year. The Award recognizes leadership and excellence by those professionals serving the public sector.

For the twenty-third consecutive year, Downers Grove was named a Tree City USA. Only 186 other cities in Illinois were honored with this distinction.

#### **FACTORS AFFECTING FINANCIAL CONDITION**

The Village of Downers Grove has several specific policies to guide its financial operations. Those policies relate to accounting and financial reporting, budgeting, cash management and investments, and purchasing. The Village maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the Village Council. Activities of all Village Funds are included in the annual budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the budgeted amount) is established by the fund; however, Village management uses stricter controls on transfers between functions, requiring the approval of the Village Manager’s office. The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village operates.

Local Economy: The Village of Downers Grove maintained a strong financial position during the year. Major revenue sources include property taxes, sales taxes, telecommunication taxes and State income taxes. The Village has a mixture of office, retail and industrial employment. The unemployment rate went up from 4.1 percent in 2006 to 4.9 percent as of December 31, 2007. The equalized assessed valuation (EAV) of property in Downers Grove continues to increase. The EAV for the Village was \$2,413,044,414 for the 2007 tax levy, increasing more than eight percent annually in recent years.



Long-Term Financial Planning: The Strategic Plan defines the goals and vision for the Village, which guides the preparation of the annual budget and capital plan adopted by Council. The Village also prepares a five-year financial plan and a five-year capital improvement plan to identify capital resource requirements and capital needs of the Village as a part of the annual budget process.

Cash Management Policies and Practices: Cash in the Village's operating funds was invested in the Illinois State Treasurer's Pool (Illinois Funds), U.S. Agency Treasuries and certificates of deposit. The maturities of the investments range from next day (Illinois Funds) to 12 months (certificates of deposit). The average yields on the investments were five percent. The Police and Fire Pension funds are managed by their respective boards. Each board has a money manager, who makes recommendations to maximize the total return on the portfolio, within the constraints of the respective Pension Board's investment policy. Each board evaluates the advice of the money manager and votes on any investment changes. The two pension portfolios typically experience a higher rate of return than the operating funds of the Village because the pensions invest in long-term securities, consistent with their needs. For year ended December 31, 2007, the portfolios of the Police and Fire Pension funds appreciated 6.9 percent and 6.1 percent, respectively.

Budget System: The Village operates under a single-year budget program. The budget is approved as an ordinance for each fiscal year by Council. The budget process begins in July and includes resident input, staff meetings, department director requests and formal presentation of a municipal budget recommendation by the Village Manager with final budget approval by Council before the beginning of the fiscal year. Each line item has details justifying the total expense for that line item. The budget is adopted by the Village Council is at the fund level.

Risk Management: The Village is self-insured for general and auto liability and workers compensation, and purchases excess coverage. The Village purchases property insurance. Financing is provided through interfund transfers from the operating departments in accordance with loss experience and exposure. Additional increases in the fee transferred from Village operating departments will be assessed as needed to amortize the negative net assets in the Risk Management Fund.


Pension Benefits: The Village sponsors a single-employer defined benefit pension plan for its police officers and firefighters as required by State law. Each year, the Pension Boards contract with an independent actuary who calculates the annual contribution to be made by the Village each year to ensure the plan will be able to fully meet its obligations to disabled and retired employees. The Village fully funds each year's annual required contribution to the respective pension plans as determined by the actuarial report. The Village also provides pension benefits for its nonpublic safety and civilian police and fire personnel. These benefits are provided through a statewide plan managed by the Illinois Municipal Retirement Fund (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

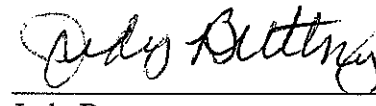
Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Comprehensive Annual Financial Reporting (CAFR) for the eight months ended December 31, 2006. A copy of this award is located in the introductory section of the financial statements. The award honors governments with a high standard of reporting excellence and easy to read and efficiently organized CAFRs. This award is only valid for a one year period. The Village believes that the current CAFR will meet all the requirements for this award and will be submitted to the GFOA this year to determine this report's eligibility for another certificate.

#### **ACKNOWLEDGEMENTS**

I want to take this opportunity to thank the members of the Finance team for all their efforts. I also wish to express appreciation for the policies and decisions provided by the Village Council, as reflected in this report.

Submitted by:

  
Dave Fieldman  
Acting Village Manager

  
Judy Buttny  
Finance Director



998 Corporate Boulevard • Aurora, IL 60502

Members of American Institute of  
Certified Public Accountants &  
Illinois CPA Society

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
Members of the Village Council  
Village of Downers Grove, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Downers Grove, Illinois, as of and for the year ended December 31, 2007, which collectively comprise the Village of Downers Grove, Illinois' basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Village of Downers Grove, Illinois' nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds in the accompanying combining and individual fund financial statements as of and for the year ended December 31, 2007, as listed in the table of contents. These financial statements are the responsibility of the Village of Downers Grove, Illinois' management. Our responsibility is to express opinions 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Downers Grove, Illinois, as of December 31, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, internal service, and fiduciary fund of the Village of Downers Grove, Illinois, as of December 31, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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 the Governmental Accounting Standards Board. 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Downers Grove, Illinois' basic, combining, and individual fund financial statements. The individual fund schedules and supplemental data as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund schedules and supplemental data have been subjected to the auditing procedures applied in the audit of the basic, combining, and individual fund financial statements and, in our opinion, are fairly presented in all material respects in relation to the basic financial statements and each of the combining and individual fund financial statements taken as a whole.

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

A handwritten signature in black ink, appearing to read "S. J. ...", is positioned to the right of the introductory text.

Aurora, Illinois  
May 16, 2008

## **Village of Downers Grove**

### **Management's Discussion and Analysis For the Year Ended December 31, 2007**

---

The Village of Downers Grove's (the 'Village') Management's Discussion and Analysis is designed to (1) assist the reader in focusing on significant issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iv) and the Village's financial statements (beginning on page 3). All amounts are stated in thousands unless otherwise indicated.

#### **Financial Highlights**

- The Village changed from a fiscal year ending April 30, to a calendar year as of December 31, 2006. The revenues and expenses for the prior period represent the eight months ended December 31, 2006(fy06).
- The Village's net assets increased from \$116.9 million as of December 31, 2006 to \$122.9 million as of December 31, 2007.
- The Village's program revenue for the eight months in fy06 totaled \$14.3 million and for the year ended December 31, 2007 totaled \$19.1 million.
- The Village's total costs for eight months in fy06 were \$42.3 million compared to the year ended December 31, 2007 at \$59.8 million.

#### **Using the Financial Section of this Comprehensive Annual Report**

The focus of these financial statements is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

#### **Government-Wide Financial Statements**

The government-wide financial statements (see pages 3 - 5) are designed to provide readers with a broad overview of the Village's finances, in a manner similar to private-sector business. All governmental and business-type activities are consolidated into columns which add to a total for the Primary Government.

The focus of the Statement of Net Assets (the 'Unrestricted Net Assets') is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This Statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long term

## **Village of Downers Grove**

### **Management's Discussion and Analysis For the Year Ended December 31, 2007**

---

obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 4 - 5) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the governments' general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including public safety, public works, community development, community services, interest on debt and general government administration. Property taxes, state sales tax, local utility tax and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations, including Waterworks and Parking operations where the fee for service typically covers all or most of the costs of operation, including depreciation.

#### **Fund Financial Statements**

Traditional users of governmental financial statements will find the Fund Financial Statements (pages 6 - 17) presentation more familiar. The focus is on major funds rather than fund types. All of the funds in the Village can be divided into three categories; governmental funds, proprietary funds and fiduciary funds.

##### **Governmental funds (pages 6 - 11)**

These funds are used to account for essentially the same functions reported as activities in the Government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

##### **Proprietary funds (pages 12-15)**

The Village of Downers Grove maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its waterworks and parking operations. Internal service funds are an accounting device used to accumulate and

## **Village of Downers Grove**

### **Management's Discussion and Analysis For the Year Ended December 31, 2007**

---

allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its fleet service, vehicle and equipment replacement and self-insurance. Proprietary funds provide the same type of information as the government-wide financial statements only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Parking funds, both of which are considered to be major funds of the Village. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

#### **Fiduciary funds (pages 16-17)**

The fund financial statements also allow the government to address its Pension Funds (Police and Firefighters) and agency fund. These funds represent trust responsibilities of the government; the assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

#### **Notes to the Financial Statements (pages 18-61)**

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

#### **Required Supplementary Information (pages 62-70)**

In addition to the basic financial statements and notes, this report also presents required supplementary information concerning the Village's budgetary comparisons of the general and major special revenue fund and status in funding its obligations to provide pension benefits to its employees.

Combining and individual fund financial statements and schedules (pages 71-117) are presented following the supplementary information on pensions.

Supplemental information (pages 118-128) provides a schedule of insurance in force and schedules of long term debt requirements.

The statistical section (pages 129-150) presents comparative and trend data, generally presented on a multi-year basis, information concerning demographic, economic and social data about the Village, as well as its fiscal capacity. This data should assist the reader in understanding the Village's overall financial condition.

### **Infrastructure**

Historically, a government's largest group of assets (infrastructure - roads, bridges, sidewalks, storm sewers, etc.) have not been reported nor depreciated in the Village's governmental financial statements. GASB statements require that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their

## Village of Downers Grove

### Management's Discussion and Analysis For the Year Ended December 31, 2007

estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful lives. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its service potential - the cost of the project will be expensed. An 'overlay' of a road will be considered maintenance whereas a 'rebuild' of a road will be capitalized.

### Financial Analysis of the Village's Funds (in thousands)

In addition to presenting current year financial information in the government-wide and fund formats, the Village also presents comparative information from the prior year in the Management's Discussion and Analysis.

### Statement of Net Assets

The Village's combined net assets increased by \$5,948 or 5.1% from 2006, to \$122,888. The largest portion of the Village's net assets (75%) reflects its investment in capital assets (infrastructure, buildings, machinery, equipment and land), less any related debt used to acquire those assets that is still outstanding. Table 1 reflects a consolidated Statement of Net Assets. For more detailed information see the Statement of Net Assets found on page 3.

Table 1  
Statement of Net Assets (in thousands)  
December 31, 2006 and December 31, 2007

	Governmental Activities		Business-type Activities		Total	
	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007
Current and other assets	\$ 44,114	\$ 54,425	\$ 11,619	\$ 15,337	\$ 55,733	\$ 69,762
Capital assets	104,494	112,908	27,863	27,529	132,357	140,437
Total assets	\$ 148,608	\$ 167,333	\$ 39,482	\$ 42,866	\$ 188,090	\$ 210,199
Current liabilities	\$ 18,393	\$ 25,864	\$ 2,350	\$ 2,743	\$ 20,743	\$ 28,607
Noncurrent liabilities	42,912	51,606	7,495	7,098	50,407	58,704
Total liabilities	\$ 61,305	\$ 77,470	\$ 9,845	\$ 9,841	\$ 71,150	\$ 87,311
<b>Net Assets</b>						
Invested in capital assets, net of related debt	\$ 65,925	\$ 66,275	\$ 25,213	\$ 25,279	\$ 91,138	\$ 91,554
Restricted	3,847	4,007	-	-	3,847	4,007
Unrestricted	17,532	19,581	4,424	7,746	21,956	27,327
Total net assets	\$ 87,304	\$ 89,863	\$ 29,637	\$ 33,025	\$ 116,941	\$ 122,888



## Village of Downers Grove

### Management's Discussion and Analysis For the Year Ended December 31, 2007

#### *Changes in Net Assets*

The Village's combined changes in net assets for the primary government from the eight months ended December 31, 2006 to the year ended December 31, 2007 was an increase of \$5,948. Governmental Activities net assets increased by \$2,559 and business-type activities increased by \$3,388. Table 2 will focus on the changes of net assets of the governmental and business-type activities.

**Table 2**  
**Change in Net Assets (in thousands)**  
**For the Eight Months ended December 31, 2006 and the Year ended December 31, 2007**

	Governmental Activities		Business-type Activities		Total	
	8 mnths ended	Year Ended	8 mnths ended	Year Ended	8 mnths ended	Year Ended
	<u>12/31/2006</u>	<u>12/31/2007</u>	<u>12/31/2006</u>	<u>12/31/2007</u>	<u>12/31/2006</u>	<u>12/31/2007</u>
Revenues:						
Program revenues:						
Charges for services	\$ 6,409	\$ 6,939	\$ 6,139	\$ 9,088	\$ 12,548	\$ 16,027
Operating grants/contributions	1,198	1,898	268	1	1,466	1,899
Capital grants/contributions	249	1,216	-	-	249	1,216
General revenues:						
Property taxes	10,648	10,868	-	-	10,648	10,868
Sales taxes	12,627	18,203	-	-	12,627	18,203
Other taxes	7,724	12,424	-	-	7,724	12,424
Other	980	1,772	171	3,317	1,151	5,089
Special Item:	1,261	-	-	-	1,261	-
Total revenues	\$ 41,096	\$ 53,320	\$ 6,578	\$ 12,406	\$ 47,674	\$ 65,726
Expenses:						
General government	\$ 4,262	\$ 5,276	\$ -	\$ -	\$ 4,262	\$ 5,276
Public works	8,362	10,810	-	-	8,362	10,810
Community development	2,470	4,181	-	-	2,470	4,181
Public safety	17,740	25,603	-	-	17,740	25,603
Community services	2,125	3,059	-	-	2,125	3,059
Interest and fiscal charges	1,283	2,010	-	-	1,283	2,010
Waterworks	-	-	5,813	7,863	5,813	7,863
Parking	-	-	292	977	292	977
Total expenses	\$ 36,242	\$ 50,939	\$ 6,105	\$ 8,840	\$ 42,347	\$ 59,779
Change in net assets before transfers	\$ 4,854	\$ 2,381	\$ 473	\$ 3,566	\$ 5,327	\$ 5,947
Transfers	1,930	178	(1,930)	(178)	-	-
Change in net assets	\$ 6,784	\$ 2,559	\$ (1,457)	\$ 3,388	\$ 5,327	\$ 5,947

#### Revenues:

For the year ended December 31, 2007, Governmental Activities Revenues totaled \$53,320. The Village benefits from a highly diversified revenue base. Revenues from sales taxes amounted to \$18,203. The sales tax consists of a 1% state portion and .50% local home rule tax that was implemented in June 2003. Property tax revenues increased

## **Village of Downers Grove**

### **Management's Discussion and Analysis For the Year Ended December 31, 2007**

---

by 2.0% due to an increase in the assessed valuation of 8%. This increase was offset by a decrease in the tax rate from .4137 in the 2005 levy year to .3799 in the 2006 levy year. Property taxes support governmental activities, including the Village's contribution to the Police Pension Fund and the Firefighters' Pension Fund. Major items included in the category other taxes are state income taxes, utility taxes and hotel taxes. Interest income was higher for the year ended December 31, 2007 compared to the eight months ended December 31, 2006 due to an increase in invested funds and higher interest rates.

For the year ended December 31, 2007, Business-Type Activities revenues totaled \$12,406. Revenues in this category include charges for providing water to the residents of the village and charges for parking. The large increase is due to a \$3,012 rebate check from the DuPage Water Commission.

#### Expenses:

For the year ended December 31, 2007, Governmental Activities expenses totaled \$50,940. Public safety related to the operations of the Police and Fire departments, has the largest portion of expenses in the Village, \$25,603 or, 50.3% of the total governmental activities expenses. Public works is the second largest program in the governmental activities with \$10,810 or 21.2% of the expenses. Fy06 annualized expenses are comparable to 2007 amounts.

The expenses for the Village's business-type activities for the year ended 2007 are \$8,840.

#### **Major Governmental Funds**

The General Fund is the Village's primary operating fund and is the largest source of day-to-day operations. The fund balance in the General Fund decreased by \$1,578. The contributing factors to the decrease in fund balance were the transfers to the Capital, Transportation, and Risk Management funds.

The Downtown Redevelopment Tax Increment District (TIF) has a fund balance of \$229 compared to December 31, 2006 of \$880 for a decrease of \$651 as fund balance is being used to redevelop the downtown area.

The G.O. Bonds Downtown Redevelopment TIF Fund has a fund balance of \$654, a decrease of \$29.

The Capital Improvements fund accounts for the resources provided for improvements to Village infrastructure, buildings, and systems. The fund balance of \$2,108 is down \$29 from 2006.

## Village of Downers Grove

### Management's Discussion and Analysis For the Year Ended December 31, 2007

---

The municipal buildings fund was created in 2007 to account for the bond proceeds and capital costs for the construction of Fire Station #2. Fund balance increased \$5,108 due to the unspent bond proceeds at December 31, 2007.

#### **General Fund Budgetary Highlights.**

Revenues in the general fund were 2.8 percent or \$1,128 over revised budget. Utility taxes and building permits were substantially higher than expected.

Expenditures in the general fund were 0.8 percent or \$328 under the revised budget. Personnel expenditures were lower than anticipated since staffing levels were below budgeted levels in most departments.

#### **Capital Asset and Debt Administration (in thousands)**

##### *Capital Assets*

The Village's investment in capital; assets for its governmental and business-type activities as of December 31, 2007 amounts to \$140,437 (net of accumulated depreciation). This investment in capital assets includes infrastructure, buildings, land, improvements other than buildings, capital equipment, and construction in progress, and is \$8,079 over last year's total.

Major capital asset activity during the current period included:

- Street Reconstruction
- New and replacement sidewalks
- Construction in progress of Fire Station 2
- Water main replacement

For more detailed information, see the Notes to the Financial Statements #4 on page 33.

**Village of Downers Grove**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2007**

**Capital Assets  
Net of Accumulated Depreciation  
(\$ are in thousands)**

	Governmental Activities		Business-type Activities		Total	
	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007
Capital assets, not being depreciated						
Land	\$ 12,335	\$ 13,010	\$ 3,425	\$ 2,817	\$ 15,760	\$ 15,827
Construction in progress	1,368	10,154	76	367	1,444	10,521
	<u>13,703</u>	<u>23,164</u>	<u>3,501</u>	<u>3,184</u>	<u>17,204</u>	<u>26,348</u>
Capital assets, being depreciated						
Infrastructure	67,620	67,221	10,944	11,999	78,564	79,220
Buildings	13,138	12,835	4,760	4,580	17,898	17,415
Improvements other than buildings	3,130	3,013	8,242	7,693	11,372	10,706
Capital equipment	6,904	6,675	416	73	7,320	6,748
Total	\$ <u>104,495</u>	\$ <u>112,908</u>	\$ <u>27,863</u>	\$ <u>27,529</u>	\$ <u>132,358</u>	\$ <u>140,437</u>

*Long Term Debt (in thousands)*

At December 31, 2007, the Village had total bonded debt of \$49,305. Of this total, \$36,130 is debt to be repaid from the proceeds of downtown tax increment redevelopment district. These redevelopment districts generate higher taxes as they develop, and those taxes are used for debt service. In the event that the incremental taxes are insufficient, the government has pledged its ad valorem property tax authority as a guarantee. For more detail, see Notes to the Financial Statements #6.

The debt for the water meter devices of \$2,250 is funded by the operations of the Waterworks Fund and guaranteed by the revenue of the Waterworks Fund.

The Village holds an underlying bond rating of AA+ with a stable outlook from Standard & Poor's. Individual bond ratings are disclosed on the face of the final official statements for the bonds. State Statutes do not limit the amount of general obligation debt a home-rule municipality may issue.

## Village of Downers Grove

### Management's Discussion and Analysis For the Year Ended December 31, 2007

---

#### Outstanding General Obligation Debt (in thousands)

	Governmental Activities		Business-type Activities		Total	
	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007
General Obligation Bonds:						
Tax Increment Bonds	\$ 36,695	36,130	\$ -	-	\$ 36,695	36,130
Fire Station #2	-	9,250	-	-	-	9,250
Fairview Resurfacing	1,875	1,675	-	-	1,875	1,675
Water Meter Devices	-	-	2,650	2,250	2,650	2,250
Total	<u>38,570</u>	<u>47,055</u>	<u>2,650</u>	<u>2,250</u>	<u>41,220</u>	<u>49,305</u>

#### Economic Factors and Next Year's Budgets and Rates

The economy has had a slight negative impact on the Village's sales and home rule tax. This was considered when the budget was being developed for the next fiscal year. The Village evaluated potential revenue sources and reviewed the property tax rates in the area and ascertained that the Village has one of the lowest property tax rates in DuPage County. After careful consideration and in the interest of addressing the watershed infrastructure improvement needs and streets/sidewalks of the Village, in 2008 the Village increased rates for property, sales, and telecommunication taxes.

#### Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the Village's operations. Questions concerning any of the information provided in this report or any requests for additional financial information should be addressed to the Judy Buttny, Finance Director/Treasurer, 801 Burlington Ave, Downers Grove, Illinois 60515.

Village of Downers Grove, Illinois

Statement of Net Assets  
December 31, 2007

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Downers Grove Public Library
<b>ASSETS</b>				
Cash and investments	\$ 29,144,510	\$ 9,116,399	\$ 38,260,909	\$ 3,359,779
Receivables (net of allowances for uncollectible, where applicable)				
Property taxes	13,904,110	-	13,904,110	4,369,414
Sales taxes	4,777,876	-	4,777,876	-
Other taxes	1,799,086	-	1,799,086	-
Accounts receivable	720,469	1,079,294	1,799,763	-
Due from developer	860,000	-	860,000	-
Accrued interest	454,007	58,509	512,516	11,996
Other	427,448	878	428,326	30
Due from fiduciary funds	554,057	-	554,057	-
Advances to/from other funds	(75,000)	75,000	-	-
Prepaid expenses	301,355	-	301,355	-
Restricted cash	32,420	-	32,420	-
Inventory	120,858	181,768	302,626	-
Deposits	85,755	-	85,755	-
Accrued interest receivable - notes	-	36,974	36,974	-
Note receivable	74,416	-	74,416	-
Long-term receivable	-	4,788,000	4,788,000	-
Unamortized debt issuance costs	287,021	-	287,021	78,379
Net pension asset	956,626	-	956,626	-
Capital assets not being depreciated	23,163,827	3,183,461	26,347,288	222,211
Capital assets (net of accumulated depreciation)	89,744,050	24,345,883	114,089,933	13,967,717
<b>Total assets</b>	<b>167,332,891</b>	<b>42,866,166</b>	<b>210,199,057</b>	<b>22,009,526</b>
<b>LIABILITIES</b>				
Vouchers and accounts payable	5,753,266	834,346	6,587,612	60,977
Accrued payroll	917,982	912	918,894	-
Accrued interest	1,147,607	-	1,147,607	89,659
Deposits payable	6,545	84,689	91,234	-
Claims payable	2,395,380	-	2,395,380	-
Other payables	585,433	101,068	686,501	-
Unearned revenue	15,157,334	1,722,656	16,879,990	4,330,926
Noncurrent liabilities				
Due within one year	2,346,139	432,876	2,779,015	482,393
Due in more than one year	49,160,278	6,664,710	55,824,988	4,549,434
<b>Total liabilities</b>	<b>77,469,964</b>	<b>9,841,257</b>	<b>87,311,221</b>	<b>9,513,389</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	66,274,529	25,279,346	91,553,875	8,714,928
Restricted for				
Public works	1,204,482	-	1,204,482	-
Debt service	877,374	-	877,374	813,745
Economic development	1,427,056	-	1,427,056	-
Capital outlay	351,302	-	351,302	-
Public safety	147,048	-	147,048	-
Unrestricted	19,581,136	7,745,563	27,326,699	2,967,464
<b>TOTAL NET ASSETS</b>	<b>\$ 89,862,927</b>	<b>\$ 33,024,909</b>	<b>\$ 122,887,836</b>	<b>\$ 12,496,137</b>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Statement of Activities  
For the Year Ended December 31, 2007

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental activities				
General government	\$ 5,276,379	\$ 1,576,613	\$ 69,882	\$ -
Public works	10,810,110	249,029	1,566,640	666,585
Community development	4,181,286	2,106,594	107,462	549,361
Public safety	25,602,848	2,181,395	133,363	-
Community services	3,058,573	825,130	20,842	-
Interest and fiscal charges	2,010,382	-	-	-
<b>Total governmental activities</b>	<b>50,939,578</b>	<b>6,938,761</b>	<b>1,898,189</b>	<b>1,215,946</b>
Business-type activities				
Waterworks	7,862,660	7,798,641	-	-
Parking	976,637	1,289,230	878	-
<b>Total business-type activities</b>	<b>8,839,297</b>	<b>9,087,871</b>	<b>878</b>	<b>-</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 59,778,875</b>	<b>\$ 16,026,632</b>	<b>\$ 1,899,067</b>	<b>\$ 1,215,946</b>
<b>COMPONENT UNIT</b>				
Downers Grove Public Library				
Community services	\$ 4,026,198	\$ 182,969	\$ -	\$ -
Interest and fiscal charges	230,402	-	-	-
<b>TOTAL DOWNERS GROVE PUBLIC LIBRARY</b>	<b>\$ 4,256,600</b>	<b>\$ 182,969</b>	<b>\$ -</b>	<b>\$ -</b>

	Net (Expense) Revenue and Change in Net Assets			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downers Grove Public Library
	\$ (3,629,884)	\$ -	\$ (3,629,884)	\$ -
	(8,327,856)	-	(8,327,856)	-
	(1,417,869)	-	(1,417,869)	-
	(23,288,090)	-	(23,288,090)	-
	(2,212,601)	-	(2,212,601)	-
	(2,010,382)	-	(2,010,382)	-
	(40,886,682)	-	(40,886,682)	-
	-	(64,019)	(64,019)	-
	-	313,471	313,471	-
	-	249,452	249,452	-
	(40,886,682)	249,452	(40,637,230)	-
	-	-	-	(3,843,229)
	-	-	-	(230,402)
	-	-	-	(4,073,631)
General revenues				
Taxes				
Property taxes	10,867,890	-	10,867,890	4,145,799
Home Rule Sales Tax	4,442,108	-	4,442,108	-
Utility tax	6,269,216	-	6,269,216	-
Hotel tax	999,177	-	999,177	-
Local fuel tax	254,920	-	254,920	-
2% foreign fire tax	56,977	-	56,977	-
Auto rental tax	37,548	-	37,548	-
Pull tab tax	2,505	-	2,505	-
Intergovernmental revenue				
Sales tax	13,761,183	-	13,761,183	-
Income tax	4,312,595	-	4,312,595	129,835
Personal property replacement tax	491,553	-	491,553	-
Investment income	1,729,440	304,035	2,033,475	140,659
DuPage Water Commission	-	3,012,957	3,012,957	-
Miscellaneous	42,695	-	42,695	14,916
Transfers	178,293	(178,293)	-	-
Total	43,446,100	3,138,699	46,584,799	4,431,209
CHANGES IN NET ASSETS	2,559,418	3,388,151	5,947,569	357,578
NET ASSETS, BEGINNING	87,303,509	29,636,758	116,940,267	12,138,559
NET ASSETS, ENDING	\$ 89,862,927	\$ 33,024,909	\$ 122,887,836	\$ 12,496,137

See accompanying notes to financial statements.



Village of Downers Grove, Illinois

Governmental Funds  
Balance Sheet  
December 31, 2007

	General	Downtown Redevelopment TIF	G.O. Bonds Downtown Redevelopment TIF	Capital Improvements	Municipal Buildings	Stormwater Improvements	Nonmajor	Total
Cash and investments	\$ 11,330,198	\$ 2,240,188	\$ 654,468	\$ 2,573,894	\$ 5,589,225	\$ -	\$ 4,249,329	\$ 26,637,302
Restricted cash	32,420	-	-	-	-	-	-	32,420
Receivables (net of allowances for uncollectibles, where applicable)								
Property taxes	8,044,927	1,725,960	796,191	8,758	-	2,630,139	698,135	13,904,110
Sales taxes	3,549,172	-	-	1,228,704	-	-	-	4,777,876
Other taxes	1,662,949	-	-	-	-	-	136,137	1,799,086
Accounts receivable	132,893	-	-	490,285	-	-	7,285	630,463
Accrued interest	227,985	79,000	-	20,363	98,781	-	10,048	436,177
Other	403,053	-	-	-	-	-	24,395	427,448
Due from other funds	1,671,645	-	-	-	-	-	-	1,671,645
Due from fiduciary funds	554,057	-	-	-	-	-	-	554,057
Advances to other funds	-	-	-	1,692,213	-	-	201,393	1,893,606
Prepaid items	14,722	-	-	-	-	-	-	14,722
Note receivable	74,416	-	-	-	-	-	-	74,416
<b>TOTAL ASSETS</b>	<b>\$ 27,698,437</b>	<b>\$ 4,045,148</b>	<b>\$ 1,450,659</b>	<b>\$ 6,014,217</b>	<b>\$ 5,688,006</b>	<b>\$ 2,630,139</b>	<b>\$ 5,326,722</b>	<b>\$ 52,853,328</b>

Village of Downers Grove, Illinois

Governmental Funds (Continued)  
Balance Sheet  
December 31, 2007

	General	Downtown Redevelopment TIF	G.O. Bonds Downtown Redevelopment TIF	Capital Improvements	Municipal Buildings	Stormwater Improvements	Nonmajor	Total
<b>LIABILITIES AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Vouchers and accounts payable	\$ 1,160,708	\$ 142,935	\$ -	\$ 2,595,813	\$ 563,528	\$ -	\$ 905,568	\$ 5,368,552
Accrued payroll	886,540	-	-	-	-	-	-	886,540
Accrued interest on bonds	-	-	-	-	16,831	-	-	16,831
Due to other funds	-	-	-	-	-	-	1,671,645	1,671,645
Advances from other funds	-	1,968,606	-	-	-	-	-	1,968,606
Deposits payable	-	-	-	-	-	-	6,545	6,545
Other payables	579,046	-	-	-	-	-	-	579,046
Deferred property taxes	8,015,261	1,704,758	796,191	8,758	-	2,630,139	694,949	13,850,056
Other deferred revenue	6,116	-	-	1,301,162	-	-	-	1,307,278
<b>Total liabilities</b>	<b>10,647,671</b>	<b>3,816,299</b>	<b>796,191</b>	<b>3,905,733</b>	<b>580,359</b>	<b>2,630,139</b>	<b>3,278,707</b>	<b>25,655,099</b>
<b>FUND BALANCES</b>								
Reserved								
Advances to other funds	-	-	-	1,692,213	-	-	201,393	1,893,606
Prepaid items	14,722	-	-	-	-	-	-	14,722
Long-term receivables	74,416	-	-	-	-	-	-	74,416
Debt service	-	-	654,468	-	-	-	222,906	877,374
Public works	-	-	-	-	-	-	1,204,482	1,204,482
Economic development	-	-	-	-	-	-	1,434,025	1,434,025
Public safety	-	-	-	-	-	-	147,048	147,048
Capital projects	-	-	-	-	-	-	351,302	351,302
Unreserved - undesignated								
General fund	16,961,628	-	-	-	-	-	-	16,961,628
Special revenue funds	-	228,849	-	-	-	-	(1,513,141)	(1,284,292)
Capital projects funds	-	-	-	416,271	5,107,647	-	-	5,523,918
<b>Total fund balances</b>	<b>17,050,766</b>	<b>228,849</b>	<b>654,468</b>	<b>2,108,484</b>	<b>5,107,647</b>	<b>-</b>	<b>2,048,015</b>	<b>27,198,229</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 27,698,437</b>	<b>\$ 4,045,148</b>	<b>\$ 1,450,659</b>	<b>\$ 6,014,217</b>	<b>\$ 5,688,006</b>	<b>\$ 2,630,139</b>	<b>\$ 5,326,722</b>	<b>\$ 52,853,328</b>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Reconciliation of Fund Balances of Governmental Funds to the  
Governmental Activities in the Statement of Net Assets  
December 31, 2007

---

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 27,198,229
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 governmental funds	112,907,877
Less internal service funds	(5,259,732)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	(47,055,000)
Compensated absences payable are not due and payable in the current period, and, therefore, are not reported in the governmental funds	(4,356,526)
Unamortized premium is reported as a liability on the statement of net assets	(166,393)
The unamortized accounting loss is reported as a reduction of a liability in the statement of net assets	588,045
Accrued interest on long-term liabilities is reported as a liability on the statement of net assets	(1,130,776)
The net pension asset of the police pension fund is included in the governmental activities in the statement of net assets	956,626
Deferred revenues related to the long-term receivable in the governmental funds was recognized as revenue in the statement of activities	860,000
The net pension obligation of the fire pension fund is included in the governmental activities in the statement of net assets	(385,940)
Unamortized costs of issuance on bonds are reported as a deferred charge in the statement of net assets	287,021
The net assets of the internal service funds are included in the governmental activities in the statement of net assets	<u>5,419,496</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 89,862,927</u>

See accompanying notes to financial statements.

**Village of Downers Grove, Illinois**

Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2007

	General	Downtown Redevelopment TIF	G.O. Bonds Downtown Redevelopment TIF
<b>REVENUES</b>			
Taxes	\$ 15,531,558	\$ 1,268,247	\$ 735,904
Licenses and permits	2,091,432	-	-
Intergovernmental	18,016,896	-	-
Sales revenue	17,401	-	-
Charges for services, fees, and fines	4,607,187	-	-
Investment income	752,352	113,763	25,906
Contributions and donations	82,092	-	-
<b>Total revenues</b>	<b>41,098,918</b>	<b>1,382,010</b>	<b>761,810</b>
<b>EXPENDITURES</b>			
Current			
General government	4,860,375	-	-
Public works	6,241,104	76,359	-
Community development	2,335,260	789,549	-
Public safety	25,000,788	-	-
Community services	2,033,975	-	-
Capital outlay	369,219	-	-
Debt service			
Principal retirement	-	-	565,000
Interest and fiscal charges	-	-	1,570,904
Issuance costs	-	-	-
<b>Total expenditures</b>	<b>40,840,721</b>	<b>865,908</b>	<b>2,135,904</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>258,197</b>	<b>516,102</b>	<b>(1,374,094)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued	-	-	-
Premium on bonds	-	-	-
Proceeds from disposal of capital assets	25,721	-	-
Transfers in	18,358	-	1,345,520
Transfers (out)	(1,880,000)	(1,167,228)	-
<b>Total other financing sources (uses)</b>	<b>(1,835,921)</b>	<b>(1,167,228)</b>	<b>1,345,520</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,577,724)</b>	<b>(651,126)</b>	<b>(28,574)</b>
<b>FUND BALANCES, BEGINNING</b>	<b>18,628,490</b>	<b>879,975</b>	<b>683,042</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 17,050,766</b>	<b>\$ 228,849</b>	<b>\$ 654,468</b>

Capital Improvements	Municipal Buildings	Stormwater Improvements	Nonmajor	Total
\$ 4,450,866	\$ -	\$ -	\$ 943,767	\$ 22,930,342
-	-	-	-	2,091,432
590,362	-	-	2,397,425	21,004,683
-	-	-	-	17,401
-	-	-	191,540	4,798,727
221,312	282,137	-	173,475	1,568,945
-	-	-	-	82,092
5,262,540	282,137	-	3,706,207	52,493,622
104,397	41,223	-	21,013	5,027,008
1,107,320	-	-	1,495,000	8,919,783
-	-	-	717,573	3,842,382
-	-	-	58,865	25,059,653
-	-	-	1,008,427	3,042,402
5,361,669	4,401,973	-	82,756	10,215,617
-	-	-	200,000	765,000
-	16,831	-	69,840	1,657,575
-	70,651	-	-	70,651
6,573,386	4,530,678	-	3,653,474	58,600,071
(1,310,846)	(4,248,541)	-	52,733	(6,106,449)
-	9,250,000	-	-	9,250,000
-	106,188	-	-	106,188
-	-	-	-	25,721
1,300,000	-	-	410,000	3,073,878
(18,357)	-	-	(30,000)	(3,095,585)
1,281,643	9,356,188	-	380,000	9,360,202
(29,203)	5,107,647	-	432,733	3,253,753
2,137,687	-	-	1,615,282	23,944,476
\$ 2,108,484	\$ 5,107,647	\$ -	\$ 2,048,015	\$ 27,198,229

See accompanying notes to financial statements.

**Village of Downers Grove, Illinois**

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Governmental Activities in the Statement of Activities  
For the Year Ended December 31, 2007

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 3,253,753
Amounts reported for governmental activities in the statement of net assets are different because:	
Governmental funds report capital outlays as expenditures, however, they are capitalized and depreciated in the statement of activities	12,026,248
Less internal service funds	(1,377,850)
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditure in the governmental funds.	(3,401,431)
Less internal service funds	675,638
Bond proceeds are reported as an other financing source in governmental funds	(9,250,000)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of net assets	765,000
The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities	(303,289)
The change in the compensated absences liability is reported as an expense on the statement of activities	(68,306)
Less internal service funds included below	6,240
The increase in net pension asset is reported as a reduction of expense on the statement of activities	36,257
The decrease in the net pension obligation is reported as a reduction in expense on the statement of activities	114,006
The amortization of the accounting loss is reported as an expense in the statement of activities	(56,907)
Issuance costs on bonds issued are reported as an expenditure in governmental funds	70,651
The amortization of the deferred issuance costs on long-term debt is reported as an expense on the statement of activities	(16,002)
Premiums on bonds issued are reported as an other financing source in governmental funds	(106,188)
The amortization of the premium on long-term debt is reported as a reduction of expense on the statement of activities	7,389
The change in net assets of certain activities of internal service funds is reported in governmental funds	<u>184,209</u>
CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 2,559,418</u>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Proprietary Funds  
Statement of Net Assets  
December 31, 2007

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Waterworks	Parking	Total	Internal Service
<b>CURRENT ASSETS</b>				
Cash and investments	\$ 8,364,172	\$ 752,227	\$ 9,116,399	\$ 2,507,208
Receivables				
Accounts receivable	967,959	111,335	1,079,294	90,006
Accrued interest	58,509	-	58,509	17,830
Other	-	878	878	-
Advances to other funds	-	75,000	75,000	-
Deposits	-	-	-	85,755
Accrued interest receivable - notes	36,974	-	36,974	-
Prepaid expenses	-	-	-	286,633
Inventory	181,768	-	181,768	120,858
<b>Total current assets</b>	<b>9,609,382</b>	<b>939,440</b>	<b>10,548,822</b>	<b>3,108,290</b>
<b>NONCURRENT ASSETS</b>				
Long-term receivable	4,788,000	-	4,788,000	-
Capital assets not being depreciated	2,535,223	648,238	3,183,461	-
Capital assets being depreciated				
Cost	43,473,565	3,331,446	46,805,011	10,046,517
Accumulated depreciation	(19,757,162)	(2,701,966)	(22,459,128)	(4,786,785)
<b>Total noncurrent assets</b>	<b>31,039,626</b>	<b>1,277,718</b>	<b>32,317,344</b>	<b>5,259,732</b>
<b>Total assets</b>	<b>40,649,008</b>	<b>2,217,158</b>	<b>42,866,166</b>	<b>8,368,022</b>
<b>CURRENT LIABILITIES</b>				
Vouchers and accounts payable	694,067	140,279	834,346	384,714
Accrued payroll	555	357	912	31,442
Other payables	101,068	-	101,068	6,387
Compensated absences payable	14,631	3,245	17,876	39,181
Claims payable	-	-	-	2,395,380
Unearned revenue	-	1,722,656	1,722,656	-
Bonds payable - current	415,000	-	415,000	-
Deposits payable	81,189	3,500	84,689	-
<b>Total current liabilities</b>	<b>1,306,510</b>	<b>1,870,037</b>	<b>3,176,547</b>	<b>2,857,104</b>
<b>LONG-TERM LIABILITIES</b>				
Bonds payable	1,835,000	-	1,835,000	-
Note payable	4,788,000	-	4,788,000	-
Compensated absences payable	34,139	7,571	41,710	91,422
<b>Total long-term liabilities</b>	<b>6,657,139</b>	<b>7,571</b>	<b>6,664,710</b>	<b>91,422</b>
<b>Total liabilities</b>	<b>7,963,649</b>	<b>1,877,608</b>	<b>9,841,257</b>	<b>2,948,526</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	24,001,628	1,277,718	25,279,346	5,259,732
Unrestricted	8,683,731	(938,168)	7,745,563	159,764
<b>TOTAL NET ASSETS</b>	<b>\$ 32,685,359</b>	<b>\$ 339,550</b>	<b>\$ 33,024,909</b>	<b>\$ 5,419,496</b>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Proprietary Funds  
Statement of Revenues, Expenses, and Changes in Net Assets  
For the Year Ended December 31, 2007

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Waterworks	Parking	Total	Internal Service
OPERATING REVENUES				
Charges for services	\$ 7,798,641	\$ 1,289,230	\$ 9,087,871	\$ 10,669,977
OPERATING EXPENSES				
Personnel services	980,090	203,063	1,183,153	835,164
Supplies	3,158,285	18,035	3,176,320	833,821
Contractual services	351,442	110,751	462,193	1,286,089
Other charges and services	1,123,128	493,668	1,616,796	7,147,254
Capital outlay	127,423	131,803	259,226	-
Depreciation	1,356,274	16,515	1,372,789	675,638
Total operating expenses	7,096,642	973,835	8,070,477	10,777,966
OPERATING INCOME (LOSS)	701,999	315,395	1,017,394	(107,989)
NONOPERATING REVENUES (EXPENSES)				
Investment income	319,520	(15,485)	304,035	160,496
Interest expense	(99,433)	-	(99,433)	-
DuPage Water Commission	3,012,957	-	3,012,957	-
Intergovernmental grants	-	878	878	-
Gain (loss) on disposal of capital assets	-	(2,802)	(2,802)	(68,298)
Total nonoperating revenues (expenses)	3,233,044	(17,409)	3,215,635	92,198
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS TO OTHER FUNDS	3,935,043	297,986	4,233,029	(15,791)
TRANSFERS AND CONTRIBUTIONS				
Contributions	(666,585)	-	(666,585)	-
Transfers in	-	-	-	200,000
Transfers (out)	-	(178,293)	(178,293)	-
Total transfers and contributions	(666,585)	(178,293)	(844,878)	200,000
CHANGE IN NET ASSETS	3,268,458	119,693	3,388,151	184,209
NET ASSETS, BEGINNING	29,416,901	219,857	29,636,758	5,235,287
NET ASSETS, ENDING	\$ 32,685,359	\$ 339,550	\$ 33,024,909	\$ 5,419,496

See accompanying notes to financial statements.



Village of Downers Grove, Illinois

Proprietary Funds  
Statement of Cash Flows  
For the Year Ended December 31, 2007

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Waterworks	Parking	Total	Internal Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from interfund services	\$ -	\$ -	\$ -	\$ 10,838,613
Receipts from customers	7,792,019	1,401,438	9,193,457	-
Payments for interfund services	(954,694)	(351,015)	(1,305,709)	-
Payments to suppliers	(3,476,193)	(328,908)	(3,805,101)	(8,921,906)
Payments to employees	(975,941)	(203,207)	(1,179,148)	(836,824)
Net cash flows from operating activities	2,385,191	518,308	2,903,499	1,079,883
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers (out)	-	(178,293)	(178,293)	-
Transfers in	-	-	-	200,000
Increase in due from other funds	-	-	-	(228,402)
Decrease in due to other funds	-	-	-	(1,454,338)
DuPage Water Commission	3,012,957	-	3,012,957	-
Net cash from noncapital financing activities	3,012,957	(178,293)	2,834,664	(1,482,740)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital assets purchased	(1,708,861)	-	(1,708,861)	(1,377,851)
Proceeds from sale of capital assets	-	-	-	143,164
Grant proceeds	-	878	878	-
Principal paid on general obligation bonds	(400,000)	-	(400,000)	-
Interest paid on general obligation bonds	(99,433)	-	(99,433)	-
Net cash from capital and related financing activities	(2,208,294)	878	(2,207,416)	(1,234,687)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Sale of investments	-	-	-	886,003
Purchase of investments	(1,051,556)	-	(1,051,556)	(1,359)
Interest received	323,895	6,046	329,941	178,542
Net cash from investing activities	(727,661)	6,046	(721,615)	1,063,186
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,462,193	346,939	2,809,132	(574,358)
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	2,867,515	405,288	3,272,803	2,653,899
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	\$ 5,329,708	\$ 752,227	\$ 6,081,935	\$ 2,079,541

**Village of Downers Grove, Illinois**  
Proprietary Funds  
Statement of Cash Flows (Continued)  
For the Year Ended December 31, 2007

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Waterworks	Parking	Total	Internal Service
<b>RECONCILIATION OF OPERATING INCOME (LOSS)</b>				
<b>TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 701,999	\$ 315,395	\$ 1,017,394	\$ (107,989)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	1,356,274	16,515	1,372,789	675,638
Change in assets and liabilities				
Accounts receivable	(21,672)	156,656	134,984	168,636
Other receivables	-	2,457	2,457	-
Prepaid expenses	-	-	-	(286,633)
Inventory	(19,939)	-	(19,939)	12,403
Vouchers and accounts payable	357,930	74,334	432,264	74,511
Other payables	(8,600)	-	(8,600)	-
Deferred revenue	-	(46,875)	(46,875)	-
Accrued payroll	555	357	912	(7,901)
Compensated absences payable	3,594	(501)	3,093	6,241
Claims payable	-	-	-	555,732
Deposits payable	15,050	(30)	15,020	(10,755)
Total adjustments	1,683,192	202,913	1,886,105	1,187,872
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 2,385,191</b>	<b>\$ 518,308</b>	<b>\$ 2,903,499</b>	<b>\$ 1,079,883</b>
<b>RECONCILIATION OF CASH AND INVESTMENTS</b>				
Cash and cash equivalents	\$ 5,329,708	\$ 752,227	\$ 6,081,935	\$ 2,079,541
Investments	3,034,464	-	3,034,464	427,667
<b>Total cash and investments</b>	<b>\$ 8,364,172</b>	<b>\$ 752,227</b>	<b>\$ 9,116,399</b>	<b>\$ 2,507,208</b>
<b>SUMMARY OF NONCASH TRANSACTIONS</b>				
Contribution of capital assets to governmental activities	\$ 666,584	\$ -	\$ 666,584	\$ -

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Fiduciary Funds  
Statement of Fiduciary Net Assets  
December 31, 2007

	Pension Trust	Agency
<b>ASSETS</b>		
Cash and cash equivalents	\$ 3,690,455	\$ 1,005,337
Investments		
U.S. Treasury obligations	10,291,883	2,658,414
U.S. Agency obligations	17,863,683	-
Mutual funds - equity	21,818,988	-
Common and preferred stocks	2,148,907	-
Insurance contracts	7,624,900	-
Total investments	59,748,361	2,658,414
Prepays	563	-
Interest receivable	347,318	-
Total assets	63,786,697	\$ 3,663,751
<b>LIABILITIES</b>		
Vouchers payable	25,111	\$ 85,098
Due to general fund	554,057	-
Deposits payable	-	3,578,653
Total liabilities	579,168	\$ 3,663,751
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<b>\$ 63,207,529</b>	

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Fiduciary Funds  
Statement of Changes in Fiduciary Net Assets  
For the Year Ended December 31, 2007

---

	<u>Pension Trust</u>
ADDITIONS	
Contributions - employer	\$ 2,667,951
Contributions - employees	<u>1,164,564</u>
Total contributions	<u>3,832,515</u>
Investment income	
Net appreciation in fair value of investments	2,924,587
Interest earned on investments	1,985,336
Less investment expense	<u>(139,272)</u>
Net investment income	<u>4,770,651</u>
Total additions	<u>8,603,166</u>
DEDUCTIONS	
Contractual services	50,562
Other charges and services	12,000
Benefits and refunds	<u>3,238,853</u>
Total deductions	<u>3,301,415</u>
NET INCREASE	5,301,751
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
BEGINNING	<u>57,905,778</u>
ENDING	<u><u>\$ 63,207,529</u></u>

See accompanying notes to financial statements.

## Village of Downers Grove, Illinois

Notes to Financial Statements  
December 31, 2007

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Downers Grove, Illinois (Village) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the Village's accounting policies are described below.

#### A. Reporting Entity

The Village is a municipal corporation governed by an elected board. As required by GAAP, these financial statements present the Village (the primary government). In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the primary government.

The Village's financial statements include two pension trust funds:

#### Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitutes the pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the PPERS is reported as if it were a part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. The PPERS is reported as a pension trust fund, because of the Village's fiduciary duties.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). The FPERS functions for the benefit of those employees and is governed by a five member pension board. Two members appointed by the Mayor, one pension beneficiary elected by the membership, and two fire employees elected by the membership constitutes the pension board. The Village and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. The FPERS is reported as a pension trust fund because of the Village's fiduciary duties.

Discretely Presented Component Unit - Downers Grove Public Library

The component unit in the basic financial statements includes the financial data of the Village's component unit. It is reported in a separate column to emphasize that it is legally separate from the Village.

The Downers Grove Public Library (the Library) operates and maintains the public library within the Village. The Library's Board is appointed by Village Council and its annual budget and property tax levy requests are subject to the Village's Council approval.

The Library does not issue separate financial statements but more information can be obtained from the Library's offices at 1050 Curtiss, Downers Grove, Illinois, 60515.

B. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to determine legal compliance and to aid financial management by segregating transactions related to certain governments functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for substantially all of the Village's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general capital assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government, not accounted for in some other fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds). Pursuant to GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds and agency funds which are generally used to account for assets that the Village holds in fiduciary capacity or on behalf of others as their agent.

C. 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 of the nonfiduciary activities of the Village. The effect of interfund activity has been removed from these statements; however interfund services provided and used are not eliminated on 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 or segment 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 are reported as separate columns in the fund financial statements. Nonmajor funds are reported in the supplementary information.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following major governmental funds:

The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Downtown Redevelopment Tax Increment Financing District Fund* accounts for all activities related to the redevelopment of downtown Downers Grove.

The *G.O. Bond Downtown Redevelopment TIF Fund* accounts for all activities related to the retirement of TIF debt.

The *Capital Improvements Fund* accounts for capital projects being completed in the Village.

The *Municipal Buildings Fund* accounts for major municipal building projects.

The *Stormwater Improvements Fund* accounts for capital improvements and maintenance activity related to the Village's watersheds and stormwater infrastructure.

The Village reports the following major proprietary funds:

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

The *Parking Fund* accounts for the fee-based parking throughout the Village. All activities including lot maintenance, parking permits administration, parking enforcement, and collections are included in this fund.

Additionally, the Village reports the following funds:

*Internal Service Funds* account for equipment replacement, risk management, health insurance, and fleet management services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements (Continued)

*Pension Trust Funds* account for the activities of the accumulation of resources to pay pension costs. Resources are contributed by members at rates fixed by state statutes and by the government through an annual property tax levy.

*Agency Funds* account for the activities of the Village but are unavailable for the use of the Village due to the Village being a pass through or holder of funds (i.e., construction deposit fund).

D. Measurement Focus, Basis of Accounting, and Financial Statement 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 statements except for agency funds which do not have a measurement focus. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expense are directly attributable to the operation of the proprietary funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90 day period. Expenditures, generally, are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

Sales taxes, licenses, interest revenue, and charges for services revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Income taxes and fines collected and held by the state or county at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash. All other revenue items are considered to be measurable and available only when cash is received by the Village. The Village recognizes property taxes when they become both measurable and available in the year intended to finance.

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 enterprise funds and of the Village's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Village reports deferred (unearned) revenue on its financial statements. Deferred or unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred revenue is removed from the financial statements and revenue is recognized.

E. Cash and Cash Equivalents and Investments

For purposes of the statement of cash flows, the Village's enterprise and internal service funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments consist of certificates of deposit, treasury obligations, mutual funds, and insurance contracts with maturities greater than three months. Investments are reported at fair value except that non-negotiable certificates of deposit are stated at cost or amortized cost.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Receivables

The recognition of receivables associated with nonexchange transactions are as follows:

- Derived tax receivables (such as: sales taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as: property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary non-exchange transaction receivables (such as: mandates or grants, income and motor fuel taxes) are recognized when all eligibility requirements have been met.

G. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

H. Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory amounts are recorded on the basis of a physical count at the fiscal year end.

I. Prepaid Items/Expenses

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

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as having a useful life greater than one year with an initial, individual cost of \$25,000 or more for all capital assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets (Continued)

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.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Description	Years
Infrastructure	20 - 50
Buildings	50 - 65
Improvements other than buildings	50 - 65
Capital equipment	5 - 15

K. Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. If the bargaining employee started before May 1, 1995, the Village will pay accumulated sick time when employment has ceased. If the employee started after May 1, 1995, there is no liability for unpaid accumulated sick leave. If the non-bargaining employee started before December 1, 1993, the Village will pay accumulated sick time when employment has ceased. If the employee started after December 1, 1993, there is no liability for unpaid accumulated sick leave. All pay due in the event of termination is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have been incurred, for example, as a result of employee resignations and retirements.

L. Long-Term Obligations

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Long-Term Obligations (Continued)

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

M. Fund Balances/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. None of the Village's net assets are restricted as a result of enabling legislation adopted by the Village. Invested in capital assets, net of related debt represents the book value of capital assets less any long-term debt outstanding issued to acquire or construct the capital assets.

N. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

O. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

A. Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety, liquidity, and yield.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Village, an independent third-party or the Federal Reserve Bank in the Village's name.

Investments

The following table presents the investments and maturities of the Village's debt securities as of December 31, 2007:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Agency obligations	\$ 6,112,946	\$ 5,623,739	\$ 489,207	\$ -	\$ -
Money market mutual funds	7,129,110	7,129,110	-	-	-
Commercial paper	1,199,191	1,199,191	-	-	-
Illinois Funds	5,003,154	5,003,154	-	-	-
<b>TOTAL</b>	<b>\$ 19,444,401</b>	<b>\$ 18,955,194</b>	<b>\$ 489,207</b>	<b>\$ -</b>	<b>\$ -</b>

2. DEPOSITS AND INVESTMENTS (Continued)

A. Village Deposits and Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk limiting investments to the safest types of securities; pre-qualifying the financial institutions, intermediaries, and advisors with which the Village will conduct business; and diversifying the investment portfolio so that potential losses on individual investments will be minimized. Illinois Funds are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian in the Village's name and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk by limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); no financial institution shall hold more than 40% of the Village's investment portfolio, exclusive of U.S. Treasury securities in safekeeping; monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution; commercial paper shall not exceed 10% of the Village's investment portfolio, excepting bond issue proceed investments; and deposits in any one public investment pool shall not exceed 50% of the Village's investment portfolio.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

B. Police Pension Fund Deposits and Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, interest bearing obligations of the U.S. Treasury and U.S. Agencies, interest bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. Agencies, separate accounts managed by life insurance companies, Mutual Funds, common and preferred stock, and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, safety of principal, liquidity, and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by an independent third-party or the Federal Reserve Bank, and evidenced by safekeeping receipts.

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of December 31, 2007:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 2,413,052	\$ -	\$ 702,973	\$ 1,710,079	\$ -
U.S. Agency obligations	13,362,044	2,194,263	7,184,230	1,305,768	2,677,783
<b>TOTAL</b>	<b>\$ 15,775,096</b>	<b>\$ 2,194,263</b>	<b>\$ 7,887,203</b>	<b>\$ 3,015,847</b>	<b>\$ 2,677,783</b>



2. DEPOSITS AND INVESTMENTS (Continued)

B. Police Pension Fund Deposits and Investments (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Police Pension Fund's investment policy does not address this issue. The Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Police Pension Fund limits its exposure to credit risk by primarily investing U.S. Government Securities and other obligations which are rated AA or better by a national rating agency.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third-party custodian and evidenced by safekeeping receipts. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of its investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk. Target percentages are fixed income 55%; large cap domestic equities 25%; small cap domestic equities 10%; and international equities 10%.

C. Firefighters' Pension Fund Deposits and Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

C. Firefighters' Pension Fund Deposits and Investments (Continued)

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, safety of principal, liquidity, and return on investment.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters' Pension Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by an independent third-party or the Federal Reserve Bank, and evidenced by safekeeping receipts.

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of December 31, 2007:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 7,878,831	\$ -	\$ 3,784,448	\$ 2,509,810	\$ 1,584,573
U.S. Agency obligations	4,501,640	125,227	1,550,437	538,831	2,287,145
<b>TOTAL</b>	<b>\$ 12,380,471</b>	<b>\$ 125,227</b>	<b>\$ 5,334,885</b>	<b>\$ 3,048,641</b>	<b>\$ 3,871,718</b>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Firefighters' Pension Fund limits its exposure to credit risk by primarily investing U.S. Government securities and other obligations which are rated AA or better by a national rating agency. The U.S. Government securities are rated AAA.

2. DEPOSITS AND INVESTMENTS (Continued)

C. Firefighters' Pension Fund Deposits and Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund's requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third-party custodian and evidenced by safekeeping receipts. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of its investments invested in one type of investment. The Firefighters' Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk. Target percentages are fixed income 55%; large cap domestic equities 25%; small cap domestic equities 10%; and international equities 10%.

3. RECEIVABLES

A. Property Taxes

Property taxes for 2007 attach as an enforceable lien on January 1 of the year of the levy on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are payable in two installments, on or about June 1 and September 1. Tax Increment Financing (TIF) property taxes receipts are received in two installments similar to levied taxes described above. TIF property taxes are not levied, but are paid by the County from incremental property tax receipts of all taxing bodies within a TIF District. The County collects such taxes and remits them periodically. Management has determined that an allowance for uncollectible accounts is not necessary. As the 2007 tax levy is intended to fund expenditures for the 2008 fiscal year, these taxes are deferred as of December 31, 2007.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

3. RECEIVABLES (Continued)

B. Other Receivables

The following receivables are included in other receivables on the Statement of Net Assets.

GOVERNMENTAL ACTIVITIES

OTHER TAXES RECEIVABLE

Telecommunications tax	\$ 923,189
Utility tax	233,124
Income tax	247,422
Local use tax	193,709
Auto rental tax	9,156
Hotel tax	56,049
Motor fuel tax	114,870
Other	<u>21,567</u>

TOTAL OTHER TAXES RECEIVABLE \$ 1,799,086

OTHER RECEIVABLES

Ambulance fees	\$ 158,753
Police tickets	34,276
Franchise fees	141,935
Court fines	46,170
Grants	19,821
Other	<u>27,371</u>

TOTAL OTHER RECEIVABLES \$ 428,326

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2007 was as follows:

A. Governmental Activities

	Balances January 1	Increases	Decreases	Balances December 31
Capital assets not being depreciated				
Land	\$ 12,334,640	\$ 675,409	\$ -	\$ 13,010,049
Construction in progress	1,368,629	8,785,149	-	10,153,778
Total capital assets not being depreciated	<u>13,703,269</u>	<u>9,460,558</u>	<u>-</u>	<u>23,163,827</u>
Capital assets being depreciated				
Infrastructure	79,616,039	1,169,868	-	80,785,907
Buildings	17,266,332	-	57,414	17,208,918
Improvements other than buildings	3,452,089	-	-	3,452,089
Capital equipment	15,120,869	1,395,822	672,403	15,844,288
Total capital assets being depreciated	<u>115,455,329</u>	<u>2,565,690</u>	<u>729,817</u>	<u>117,291,202</u>

**Village of Downers Grove, Illinois**  
**Notes to Financial Statements (Continued)**

4. CAPITAL ASSETS (Continued)

A. Governmental Activities (Continued)

	Balances January 1	Increases	Decreases	Balances December 31
Less accumulated depreciation for				
Infrastructure	\$ 11,995,845	\$ 1,568,853	\$ -	\$ 13,564,698
Buildings	4,128,243	303,031	57,414	4,373,860
Improvements other than buildings	321,701	117,794	-	439,495
Capital equipment	8,218,288	1,411,752	460,942	9,169,098
Total accumulated depreciation	<u>24,664,077</u>	<u>3,401,431</u>	<u>518,356</u>	<u>27,547,152</u>
 Total capital assets being depreciated, net	 <u>90,791,252</u>	 <u>(835,741)</u>	 <u>211,461</u>	 <u>89,744,050</u>
 GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	 <u>\$104,494,521</u>	 <u>\$ 8,624,817</u>	 <u>\$ 211,461</u>	 <u>\$112,907,877</u>

B. Business-Type Activities

	Balances January 1	Increases	Decreases	Balances December 31
Capital assets not being depreciated				
Land	\$ 3,425,443	\$ -	\$ 608,848	\$ 2,816,595
Construction in progress	76,312	290,554	-	366,866
Total capital assets not being depreciated	<u>3,501,755</u>	<u>290,554</u>	<u>608,848</u>	<u>3,183,461</u>
Capital assets being depreciated				
Infrastructure	19,246,047	1,418,307	-	20,664,354
Buildings	6,186,093	-	84,960	6,101,133
Improvements other than buildings	15,767,464	-	-	15,767,464
Capital equipment	4,297,927	-	25,866	4,272,061
Total capital assets being depreciated	<u>45,497,531</u>	<u>1,418,307</u>	<u>110,826</u>	<u>46,805,012</u>
Less accumulated depreciation for				
Infrastructure	8,303,353	362,143	-	8,665,496
Buildings	1,426,115	121,774	27,223	1,520,666
Improvements other than buildings	7,524,789	549,577	-	8,074,366
Capital equipment	3,882,369	339,296	23,064	4,198,601
Total accumulated depreciation	<u>21,136,626</u>	<u>1,372,790</u>	<u>50,287</u>	<u>22,459,129</u>
 Total capital assets being depreciated, net	 <u>24,360,905</u>	 <u>45,517</u>	 <u>60,539</u>	 <u>24,345,883</u>
 BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	 <u>\$ 27,862,660</u>	 <u>\$ 336,071</u>	 <u>\$ 669,387</u>	 <u>\$ 27,529,344</u>

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

4. CAPITAL ASSETS (Continued)

C. Depreciation Expense

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES		
General government		\$ 43,063
Public works		1,965,183
Community development		351,803
Public safety		1,030,866
Community services		<u>10,516</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES		<u>\$ 3,401,431</u>
BUSINESS-TYPE ACTIVITIES		
Waterworks		\$ 1,356,275
Parking		<u>16,515</u>
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES		<u>\$ 1,372,790</u>

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At December 31, 2007, interfund receivables and payables consist of the following:

Receivable Fund	Payable Fund	Amount
Major Governmental		
General	Transportation	\$ 1,666,645
	Police Pension	434,842
	Firefighters' Pension	119,215
	Community Events	<u>5,000</u>
TOTAL		<u>\$ 2,225,702</u>

The interfund balances reflect the interfund borrowing to offset negative cash balances, and amounts due to be repaid in 2008.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

At December 31, 2007, advances to/from other funds consist of the following:

Fund	Advance To	Advance From
Downtown Redevelopment TIF	\$ -	\$ 1,968,606
Capital Improvements	1,692,213	-
Nonmajor Governmental		
Real Estate	201,393	-
Proprietary		
Parking	75,000	-
<b>TOTAL</b>	<b>\$ 1,968,606</b>	<b>\$ 1,968,606</b>

The advances to/from other funds reflect the amounts owed by the Downtown Redevelopment TIF fund for advances to fund the debt service payments. The advances are intended to be repaid from the Downtown Redevelopment TIF fund. As resources are available, the advances will be repaid.

At December 31, 2007, interfund transfers consist of the following:

Fund	Transfer In	Transfer Out
Major Governmental		
General	\$ 18,358	\$ 1,880,000
Downtown Redevelopment TIF	-	1,167,228
General Obligation Bonds		
Downtown Redevelopment TIF	1,345,520	-
Capital Improvements	1,300,000	18,357
Nonmajor Governmental		
Transportation	410,000	-
Fairview Avenue Debt	-	30,000
Internal Service		
Risk Management	200,000	-
Proprietary		
Parking	-	178,293
<b>TOTAL</b>	<b>\$ 3,273,878</b>	<b>\$ 3,273,878</b>

The interfund transfers reflect the following transactions: (1) transfer from Downtown Redevelopment TIF, Parking, and General Funds to the G. O. Bonds Downtown Redevelopment TIF Fund to pay debt service costs, (2) to fund capital improvements from the General Fund.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

6. LONG-TERM DEBT

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2007, was as follows:

	Balances May 1	Additions	Reductions	Balances December 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES</b>					
Compensated absences payable*	\$ 4,418,822	\$ 4,487,128	\$ 4,418,822	\$ 4,487,128	\$ 1,346,139
Net pension obligation payable	499,946	-	114,006	385,940	-
Unamortized premium	67,594	106,188	7,388	166,394	-
Unamortized loss on refundings	(644,952)	-	(56,907)	(588,045)	-
General obligation bonds payable	38,570,000	9,250,000	765,000	47,055,000	1,000,000
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 42,911,410</b>	<b>\$ 13,843,316</b>	<b>\$ 5,248,309</b>	<b>\$ 51,506,417</b>	<b>\$ 2,346,139</b>

\*The General Fund primarily liquidates the compensated absences liabilities.

	Balances May 1	Additions	Reductions	Balances December 31	Current Portion
<b>BUSINESS-TYPE ACTIVITIES</b>					
Compensated absences payable	\$ 56,493	\$ 59,586	\$ 56,493	\$ 59,586	\$ 17,876
Notes payable	4,788,000	-	-	4,788,000	-
General obligation bonds payable	2,650,000	-	400,000	2,250,000	415,000
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 7,494,493</b>	<b>\$ 59,586</b>	<b>\$ 456,493</b>	<b>\$ 7,097,586</b>	<b>\$ 432,876</b>

B. General Obligation Bonds

The Village 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. All of the general obligation bonds are retired by the debt service fund, other than \$4.0 M General Obligation Water Bond, Series 2001A retired by the Waterworks fund. General obligation bonds currently outstanding are as follows:

	Balances May 1	Additions	Refunding/ Retirements	Balances December 31	Current Portion
\$3,000,000 General Obligation Bonds, Series 1998 dated October 1, 1998, due in installments of \$175,000 to \$275,000 plus interest at 3.70% to 4.00% due January 1, 2014.	\$ 1,875,000	\$ -	\$ 200,000	\$ 1,675,000	\$ 210,000



**Village of Downers Grove, Illinois**  
**Notes to Financial Statements (Continued)**

6. LONG-TERM DEBT (Continued)

B. General Obligation Bonds (Continued)

	Balances May 1	Additions	Refunding/ Retirements	Balances December 31	Current Portion
\$6,500,000 General Obligation Bonds, Series 1999 dated July 1, 1999 due in installments of \$50,000 to \$1,000,000 plus interest at 4.70% to 6.00% due January 1, 2019. This bond issue was partially defeased in 2005.	\$ 1,740,000	\$ -	\$ 95,000	\$ 1,645,000	\$ 130,000
\$6,200,000 General Obligation Bonds, Series 2000 dated May 1, 2000, due in installments of \$35,000 to \$905,000 plus interest ranging from 5.38% to 6.00% due January 1, 2020. This bond issue was partially defeased in 2005.	1,300,000	-	35,000	1,265,000	85,000
\$6,000,000 General Obligation Bonds, Series 2001 dated August 1, 2001, due in installments of \$20,000 to \$2,690,000 plus interest ranging from 4.5% to 5.125% due January 1, 2021.	6,000,000	-	40,000	5,960,000	40,000
\$4,000,000 General Obligation Water Bonds, Series 2001A dated December 27, 2001, due in installments of \$365,000 to \$485,000 plus interest ranging from 2.75% to 4.60% due January 1, 2012.	2,650,000	-	400,000	2,250,000	415,000
\$6,000,000 General Obligation Bonds, Series 2002 dated August 1, 2002, due in installments of \$105,000 to \$1,205,000 plus interest ranging from 3.5% to 4.75% due January 1, 2021.	6,000,000	-	105,000	5,895,000	190,000
\$12,000,000 General Obligation Bonds, Series 2003A, dated November 1, 2003, due in installments of \$175,000 to \$1,120,000 plus interest ranging from 3.0% to 5.0% due January 1, 2021.	11,825,000	-	225,000	11,600,000	275,000
\$9,950,000 General Obligation Refunding Bonds, Series 2005, dated March 1, 2005, due in installments of \$120,000 to \$1,820,000 plus interest ranging from 2.30% to 3.85% due January 1, 2020.	9,830,000	-	65,000	9,765,000	70,000
\$9,250,000 General Obligation Bonds, Series 2007, dated May 1, 2007, due in installments of \$100,000 to \$670,000 beginning January 1, 2009 plus interest ranging from 3.75% to 5.50% due January 1, 2028.	-	9,250,000	-	9,250,000	-
<b>TOTAL</b>	<b>\$ 41,220,000</b>	<b>\$ 9,250,000</b>	<b>\$ 1,165,000</b>	<b>\$ 49,305,000</b>	<b>\$ 1,415,000</b>

**Village of Downers Grove, Illinois**  
**Notes to Financial Statements (Continued)**

6. LONG-TERM DEBT (Continued)

C. Note Payable

During the fiscal year ended April 30, 2004, the DuPage Water Commission awarded the Village a new loan for providing water service to residents of a contaminated area in an unincorporated area bordering the Village. The maximum amount of the loan is \$10,000,000. The loan is to be repaid within 20 years with interest at 2%. The Village drew down a total of \$4,788,000 as of December 31, 2007. The potentially responsible parties (PRPs) of the contaminated area are legally obligated to provide funding for the repayment of the loan. As of December 31, 2007, no formal repayment schedule from the PRPs has been established and the Village has recorded a long-term receivable for the full loan balance as payable by the Village. Interest payments of \$95,760 were made and no principal payments were made on the loan as of December 31, 2007.

D. Debt Service Requirements and Maturities

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	Governmental Activities		Business-Type Activities			
	General Obligation Bonds		Notes Payable		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 1,000,000	\$ 2,053,479	\$ -	\$ 95,760	\$ 415,000	\$ 90,821
2009	1,245,000	1,944,607	-	95,760	430,000	72,965
2010	1,960,000	1,878,722	368,308	95,760	450,000	53,708
2011	2,140,000	1,799,708	368,308	88,394	470,000	33,003
2012	2,355,000	1,704,776	368,308	81,028	485,000	11,155
2013	2,620,000	1,597,591	368,308	73,662	-	-
2014	2,925,000	1,474,653	368,308	66,295	-	-
2015	2,955,000	1,347,522	368,308	58,929	-	-
2016	3,055,000	1,223,664	368,308	51,563	-	-
2017	3,645,000	1,087,791	368,308	44,197	-	-
2018	4,040,000	933,135	368,308	36,831	-	-
2019	4,470,000	757,734	368,308	29,465	-	-
2020	4,955,000	549,538	368,308	22,098	-	-
2021	5,515,000	300,954	368,308	14,732	-	-
2022	525,000	156,835	368,308	7,366	-	-
2023	550,000	135,335	-	-	-	-
2024	570,000	112,935	-	-	-	-
2025	595,000	89,635	-	-	-	-
2026	620,000	65,335	-	-	-	-
2027	645,000	40,035	-	-	-	-
2028	670,000	13,568	-	-	-	-
<b>TOTAL</b>	<b>\$ 47,055,000</b>	<b>\$ 19,267,547</b>	<b>\$ 4,788,000</b>	<b>\$ 861,840</b>	<b>\$ 2,250,000</b>	<b>\$ 261,652</b>

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

---

6. LONG-TERM DEBT (Continued)

E. Legal Debt Margin

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

The Village qualifies as a Home Rule Unit under Section 6(a) of Article VII of the 1970 Constitution of Illinois and, under the powers granted by this Section, can exercise any power and perform any function pertaining to its village and affairs which is not prohibited by the Illinois State Statutes.

F. Noncommitment Debt - Industrial Development Revenue Bonds

The issuance of industrial development revenue bonds by the Village is to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment, or extension of any economic development project in order to encourage economic development within or near the Village.

Industrial development revenue bonds are not a debt of the Village. The entity using the bond proceeds to finance a construction or improvement project is liable for the bonds. Since the Village does not act as an agent for industrial development revenue bonds, the transactions relating to the bonds and property do not appear in the Village's financial statements.

The Village has authorized the issuance of one bond issue with a current outstanding balance of \$4,000,000.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

---

6. LONG-TERM DEBT (Continued)

G. Advance Refundings - General Obligation Bonds

On March 1, 2005, the Village issued \$9,950,000 General Obligation Refunding Bonds, Series 2005 to advance refund, through an in-substance defeasance, \$4,480,000 of General Obligation Bonds, Series 1999 and \$4,620,000 of the General Obligation Bonds, Series 2000. The advance refunding portion of the proceeds of the 2005 bonds were placed in an irrevocable trust to provide all future debt service payments for the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the financial statements. The balance of the defeased bonds outstanding at December 31, 2007 is as follows:

<u>Principal Due January 1</u>	<u>Series 1999</u>	<u>Series 2000</u>
2014	\$ 450,000	\$ 310,000
2015	600,000	500,000
2016	710,000	600,000
2017	800,000	670,000
2018	920,000	800,000
2019	1,000,000	835,000
2020	-	905,000
TOTAL DEFEASED	<u>\$ 4,480,000</u>	<u>\$ 4,620,000</u>

7. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. The Village is self-insured for all risks and has established a risk financing fund, Risk Management Fund and a Health Insurance Fund (the Funds), for all risks. They are accounted for as internal service funds where assets are set aside for claim settlements. Under this program, the Funds provides coverage up to a maximum of \$1,000,000 for each general liability claim, \$450,000 for each workers' compensation claim, \$100,000 for each property damage claim, and \$100,000 for each health claim. The Village purchases commercial insurance for claims in excess of the coverages provided by the Funds up to \$50,000,000. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

7. RISK MANAGEMENT (Continued)

All funds of the Village participate in and make payments to the Funds based upon actuarial estimates of the amounts needed to pay prior and current-year claims. Liabilities of the Funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors. Changes in the balances of aggregate claims liabilities during the past two fiscal years are as follows:

	Fiscal Year Ended December 31, 2007	Eight Months Ended December 31, 2006
CLAIMS PAYABLE, BEGINNING	\$ 1,840,552	\$ 1,626,623
Incurred claims (including IBNR)	6,420,394	4,001,653
Less claims paid	(5,865,566)	(3,787,724)
CLAIMS PAYABLE, ENDING	<u>\$ 2,395,380</u>	<u>\$ 1,840,552</u>

8. COMMITMENTS

A. DuPage Water Commission (DWC)

The Village has committed to purchase water from the DuPage Water Commission. The Village is required to purchase 6.479 million gallons daily, which is 194.37 million monthly. The Village expects to pay the following minimum amounts:

Fiscal Year Ending December 31	Amount
2008	\$ 267,473
2009	267,473
2010	267,473
2011	267,473
2012	267,473
2013-2017	1,337,365
2018-2022	1,337,365
2023-2024	534,946

These amounts have been calculated using the Village's current allocation percentage of 7.38%. In future years, this allocation percentage will be subject to change.

8. COMMITMENTS (Continued)

B. Sales Tax Rebates

The Village has a sales tax rebate agreement dated June 5, 2001 with a local retailer to develop and expand its business in the Village. Under the terms of the agreement, the Village has agreed to rebate sales taxes on annual sales generated from \$10,000,000 to \$20,000,000. Fifty percent of sales tax on sales generated by the vendor in excess of \$20,000,000 will be rebated to the vendor, subject to a project cap of \$8,000,000 in rebated sales tax. The sales tax rebate is payable to the vendor quarterly based on information received by the Village from the State of Illinois Department of Revenue. In consideration of the agreement, the retailer will continue to operate its business in the Village for a period of not less than nine years from the date of the agreement. As of December 31, 2007, sales tax rebates of \$89,435 were collected but not yet remitted to the vendor. The Village has recorded the liability in the Sales Tax Abatement Fund.

The Village has a sales tax rebate agreement dated December 20, 2005 with a local auto dealership to develop and expand its business in the Village. Under the terms of the agreement, the Village has agreed to rebate sales taxes on annual sales generated in excess of a base amount of \$285,000. The sales tax rebate is payable to the vendor quarterly (February, May, August, November) based on information received by the Village from the State of Illinois Department of Revenue. In consideration of the agreement, the vendor will continue to operate an auto dealership in the Village for a period of not less than five years commencing December 31, 2005. As of December 31, 2007, sales tax rebates of \$313,136 were collected but not yet remitted to the vendor. The Village has recorded the liability in the Sales Tax Abatement Fund.

The Village has a sales tax rebate agreement dated April 5, 2005 with a local auto dealership to develop and expand its business in the Village. Under the terms of the agreement, the Village has agreed to rebate sales taxes on annual sales generated in excess of a base amount of \$12,000,000. The sales tax rebate is payable to the vendor quarterly (February, May, August, November) based on information received by the Village from the State of Illinois Department of Revenue. In consideration of the agreement, the vendor will continue to operate an auto dealership in the Village for a period of not less than seven years commencing December 31, 2005. As of December 31, 2007, sales tax rebates of \$7,216 were collected but not yet remitted to the vendor. The Village has recorded the liability in the Sales Tax Abatement Fund.

9. CONTINGENT LIABILITIES

A. Litigation

The Village is a defendant in various lawsuits arising out of the normal course of business. It is rigorously defending these suits, as it believes it has a meritorious defense against the claims. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the village attorney that the resolution of these matters will not have a material adverse effect on the financial condition of the Village. The Village's possible exposure under these lawsuits is approximately \$650,000.

B. DuPage Water Commission (DWC)

The Village's water supply agreement with DWC provides that each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

C. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

10. POSTEMPLOYMENT BENEFITS

In addition to providing pension benefits, the Village provides post employment health care and life insurance benefits, in accordance with the personnel policy manual, all employees who meet the eligibility requirements under the applicable retirement system. Currently, 73 retirees meet those eligibility requirements. The employee pays 100% of the cost of the health and life insurance premiums for the post employment benefits with the exception of health benefits for retirees that have reached 65. Once an employee reaches 65 years of age, the Village subsidizes 50% of the health insurance premium. Expenditures, if any, for post employment health care and life insurance benefits are recognized as insurance premiums as paid.

11. EMPLOYEE RETIREMENT SYSTEMS

A. Plan Descriptions and Provisions

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan which is also a single-employer pension plan (collectively the Pension Plans). The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. None of the Pension Plans issue separate reports on the Pension Plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the IMRF plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Illinois Municipal Retirement Fund

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in amount equal to 1 2/3% of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings for each year of credited service up to 15 years and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amount necessary to fund the coverage of its own employees in IMRF, as specified by statute; for 2007 the rate was 12.50%.



**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Descriptions and Provisions (Continued)

Illinois Municipal Retirement Fund (Continued)

For December 31, 2007, the Village's annual pension cost of \$1,537,454 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% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.40% to 10.00% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increase of 3% annually. The actuarial value of IMRF 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% corridor. The assumptions used for the 2007 actuarial valuation were based on the 2003-2005 experience study.

Fiscal Year Ended December 31	Employer Contributions	Annual Pension Cost	Percentage Contributed
2007	\$ 1,537,454	\$ 1,537,454	100.00%
2006	1,527,163	1,527,163	100.00%
2005	1,187,439	1,187,439	100.00%

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40-Article 5/3) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund.

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension (Asset)
December 31, 2006	\$ 1,057,007	103.4%	\$ (956,626)
April 30, 2006	841,711	104.1%	(920,369)
April 30, 2005	855,642	104.0%	(885,440)

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

---

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Descriptions and Provisions (Continued)

Police Pension Plan (Continued)

At December 31, 2006, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated	46
Terminated plan members entitled to benefits but not yet receiving them	2
Current employees	
Vested	51
Nonvested	<u>29</u>
 TOTAL	 <u>128</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and to a maximum of 75% of such salary. Employees with at least eight 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 retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Funding Policy - Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded by the year 2033.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Descriptions and Provisions (Continued)

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (Chapter 40-Article 5/4) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
December 31, 2006	\$ 1,458,027	107.8%	\$ 385,940
April 30, 2006	1,449,004	100.1%	499,946
April 30, 2005	1,310,695	99.9%	500,698

At December 31, 2006, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated	26
Terminated plan members entitled to benefits but not yet receiving them	2
Current employees	
Vested	58
Nonvested	24
<b>TOTAL</b>	<u>110</u>

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

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

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Descriptions and Provisions (Continued)

Firefighters' Pension Plan (Continued)

The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching 55, by 3% of the original pension, and 3% annually thereafter.

Funding Policy - Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded by the year 2033.

Funding Policy and Annual Pension Cost

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution rates			
Village	12.50%	19.10%	25.96%
Members	4.50%	9.91%	9.46%
Annual pension cost	\$ 1,537,454	\$ 1,057,007	\$ 1,458,027
Contributions made	1,537,454	1,093,264	1,572,033
Actuarial valuation date	December 31, 2005	December 31, 2006	December 31, 2006
Actuarial method	Entry-age	Entry-age	Entry-age
Amortization method	Level percentage of pay, closed	Level percentage of pay, closed	Level percentage of pay, closed
Amortization period	25 years, closed	27 years, closed	27 years, closed
Asset valuation method	5-year smoothed market	5-year smoothed market	5-year smoothed market
Actuarial assumptions			
Investment rate of return*	7.50%	8.00%	8.00%
Projected salary	.40% to 10.00%	5.00%	5.00%
* Includes inflation at	3.00%	3.00%	3.00%

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Descriptions and Provisions (Continued)

Funding Policy and Annual Pension Cost (Continued)

The Village's annual pension cost and net pension obligation to the pension funds for the December 31, 2006 valuation (most recent data available) were as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 1,082,440	\$ 1,444,212
Interest on net pension obligation	(73,630)	39,996
Adjustment to annual required contribution	48,197	(26,181)
Annual pension cost	1,057,007	1,458,027
Contributions made	1,093,264	1,572,033
Increase (decrease) in net pension obligation	(36,257)	(114,066)
Net pension obligation (asset), beginning of year	(920,369)	499,946
NET PENSION OBLIGATION (ASSET), END OF YEAR	<u>\$ (956,626)</u>	<u>\$ 385,940</u>

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized when due. Benefits and refunds are recognized when due and payable.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Administrative Costs

Administrative costs for the Police Pension Plan and Firefighters' Pension Plan are financed primarily through investment earnings.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

---

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

B. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Significant Investments

The Police Pension Plan has the following significant investments that are greater than 5% of the Police Pension Plan's assets:

VanGuard Institutional Index Fund 94	\$ 7,277,243
Keyport Life Annuity	2,128,916
The Jensen Portfolio	1,788,601
Sun Life Financial Annuity	1,932,651

The Firefighters' Pension Plan has the following significant investments that are greater than 5% of the Firefighters' Pension Plan's assets:

Fidelity Diversified	\$ 3,039,780
VanGuard Fund	6,432,881

12. DEFICIT FUND BALANCES (NET ASSETS)

The following funds had a deficit in fund balances (net assets) as of the date of this report.

Fund	Deficit
Transportation	\$ 1,646,334
Risk Management	1,459,551

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY

A. Summary of Significant Accounting Policies

The statements for the component unit, Downers Grove Public Library (the Library), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

A. Summary of Significant Accounting Policies (Continued)

The more significant of the Village's accounting policies are described below.

1. Fund Accounting

The Library uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to determine legal compliance and to aid financial management by segregating transactions related to certain governments functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for substantially all of the Library's general activities, including, the acquisition or construction of general capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the Library, not accounted for in some other fund.

2. 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 of the nonfiduciary activities of the Library. For the most part, the effect of interfund activity has been removed 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 or segment 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.

Major individual governmental funds are reported as separate columns in the combining and individual fund financial statements.

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

A. Summary of Significant Accounting Policies (Continued)

2. Government-Wide and Fund Financial Statements (Continued)

The Library reports the following major governmental funds:

The *General Fund* is the Library's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Library Construction Fund* is used to account for capital improvements at the Library.

The *Library Debt Service Fund* is used for the payment of the Library's debt service.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Library considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

Charges for services revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Fine revenues are not susceptible to accrual because generally they are not measurable until received in cash. The Library recognizes property taxes when they become both measurable and available in the year intended to finance.



13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

A. Summary of Significant Accounting Policies (Continued)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

When both restricted and unrestricted resources are available for use, it is the Library's policy to use restricted resources first, then unrestricted resources as they are needed.

The Library reports deferred (unearned) revenue on its financial statements. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Library before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Library has a legal claim to the resources, the liability for deferred revenue is removed from the financial statements and revenue is recognized.

4. Cash and Cash Equivalents and Investments

Investments consist of certificates of deposit and treasury obligations with maturities greater than three months. Investments are reported at fair value, except that non-negotiable certificates of deposit are stated at cost.

5. Receivables

The recognition of receivables associated with nonexchange transactions is as follows:

- Imposed nonexchange receivables (such as: property taxes and fines) are recognized when an enforceable legal claim has arisen.

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

A. Summary of Significant Accounting Policies (Continued)

6. Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined as having a useful life greater than one year with an initial, individual cost of \$25,000 or more for all capital assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Description	Years
Buildings	50 - 65
Capital equipment	5 - 15

7. Compensated Absences

It is the Library's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All pay due in the event of termination is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have been incurred, for example, as a result of employee resignations and retirements.

8. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs and gains (losses) on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and gains (losses) on refundings. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

A. Summary of Significant Accounting Policies (Continued)

9. Fund Balances/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. None of the Library's net assets are restricted as a result of enabling legislation adopted by the Library. Invested in capital assets, net of related debt represents the book value of capital assets less any long-term debt outstanding issued to acquire or construct the capital assets.

10. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. Deposits and Investments

The Library maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Library's funds.

Library Deposits and Investments

The Library's investment policy authorizes the Library to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

Library Deposits and Investments (Continued)

The Library's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety, liquidity, and yield.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Library, an independent third-party or the Federal Reserve Bank of Chicago.

Investments

The following table presents the investments and maturities of the Library's debt securities as of December 31, 2007:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Illinois Funds	\$ 2,106,321	\$ 2,106,321	\$ -	\$ -	\$ -

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities.

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

Investments (Continued)

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Library limits its exposure to credit risk limiting investments to the safest types of securities; pre-qualifying the financial institutions, intermediaries, and advisors with which the Library will conduct business; and diversifying the investment portfolio so that potential losses on individual investments will be minimized. Illinois Funds are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Library's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Library has a high percentage of its investments invested in one type of investment. The Library's investment policy requires diversification of investments to avoid unreasonable risk by limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); no financial institution shall hold more than 40% of the Library's investment portfolio, exclusive of U.S. treasury securities in safekeeping; monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution; commercial paper shall not exceed 10% of the Library's investment portfolio, excepting bond issue proceed investments; and deposits in any one public investment pool shall not exceed 50% of the Library's investment portfolio.

C. Receivables

Property taxes for 2007 attach as an enforceable lien on January 1 of the year of the levy on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically. Management has determined that an allowance for uncollectible accounts is not necessary. As the 2007 tax levy is intended to fund expenditures for the 2008 fiscal year, these taxes are deferred as of December 31, 2007.

**Village of Downers Grove, Illinois**  
Notes to Financial Statements (Continued)

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

D. Capital Assets

Capital asset activity for the year ended December 31, 2007 was as follows:

	Balances May 1	Increases	Decreases	Balances December 31
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 222,211	\$ -	\$ -	\$ 222,211
Total capital assets not being depreciated	222,211	-	-	222,211
Capital assets being depreciated				
Buildings	9,479,919	-	-	9,479,919
Capital equipment	7,353,578	494,088	345,041	7,502,625
Total capital assets being depreciated	16,833,497	494,088	345,041	16,982,544
Less accumulated depreciation for				
Buildings	694,970	176,844	-	871,814
Capital equipment	1,706,832	554,059	117,878	2,143,013
Total accumulated depreciation	2,401,802	730,903	117,878	3,014,827
Total capital assets being depreciated, net	14,431,695	(236,815)	227,163	13,967,717
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 14,653,906</b>	<b>\$ (236,815)</b>	<b>\$ 227,163</b>	<b>\$ 14,189,928</b>

Depreciation expense was charged to functions/programs of the primary government as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
Community services	<u>\$ 730,903</u>

E. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2007, was as follows:

	Balances May 1	Additions	Reductions	Balances December 31	Current Portion
Compensated absences payable*	\$ 25,730	\$ 24,643	\$ 25,730	\$ 24,643	\$ 7,393
Unamortized premium	24,428	-	1,496	22,932	-
Unamortized loss on refundings	(543,328)	-	(52,580)	(490,748)	-
General obligation bonds payable	5,945,000	-	470,000	5,475,000	475,000
<b>TOTAL</b>	<b>\$ 5,451,830</b>	<b>\$ 24,643</b>	<b>\$ 444,646</b>	<b>\$ 5,031,827</b>	<b>\$ 482,393</b>

\* The General Fund primarily liquidates the compensated absences liabilities.

**Village of Downers Grove, Illinois**  
**Notes to Financial Statements (Continued)**

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

E. Long-Term Debt (Continued)

General Obligation Bonds

The Village issues general obligation bonds for the Library 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. All of the general obligation bonds are retired by the debt service fund. General obligation bonds currently outstanding are as follows:

	Balances May 1	Additions	Refunding/ Retirements	Balances December 31	Current Portion
\$6,265,000 General Obligation Refunding Bonds, Series 2003, dated June 1, 2003, due in installments of \$160,000 to \$630,000 plus interest ranging from 2.5% to 3.75% due January 1, 2017.	\$ 5,945,000	\$ -	\$ 470,000	\$ 5,475,000	\$ 475,000
<b>TOTAL</b>	<b>\$ 5,945,000</b>	<b>\$ -</b>	<b>\$ 470,000</b>	<b>\$ 5,475,000</b>	<b>\$ 475,000</b>

Debt Service Requirements and Maturities

Annual debt service requirements to maturity for general obligation bonds and note payable are as follows:

Fiscal Year Ending December 31	Governmental Activities	
	Principal	Interest
2008	\$ 475,000	\$ 173,083
2009	490,000	159,805
2010	505,000	144,871
2011	520,000	128,660
2012	535,000	111,780
2013	555,000	94,340
2014	570,000	75,913
2015	585,000	56,128
2016	610,000	34,758
2017	630,000	11,813
<b>TOTAL</b>	<b>\$ 5,475,000</b>	<b>\$ 991,151</b>

13. COMPONENT UNIT - DOWNERS GROVE PUBLIC LIBRARY (Continued)

F. Risk Management

The Library is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. The Library purchases insurance in the open market.

G. Contingent Liabilities

The Library is not aware of any current or potential litigation.

H. Post Employment Benefits

In addition to providing pension benefits, the Library (through the Village) provides post employment health care and life insurance benefits, in accordance with the personnel policy manual, to all employees who meet the eligibility requirements under the applicable retirement system. Currently, 3 retirees meet those eligibility requirements. The employee pays 100% of the cost of the health and life insurance premiums for the post employment benefits. Expenditures, if any, for post employment health care and life insurance benefits are recognized as insurance premiums are paid.

I. Legal Compliance and Accountability - Budgets

All departments of the Library submit requests for budgets to the Library Director so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested budgets for the next fiscal year.

The proposed budget is presented to the Library Board for review.

The Library Director is authorized to transfer budgeted amounts between programs within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Library Board and Village Council.



Village of Downers Grove, Illinois

Required Supplementary Information  
General Fund

Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended			Eight Months
	December 31, 2007			Ended
	Original Budget	Final Budget	Actual	December 31, 2006
<b>REVENUES</b>				
Taxes	\$ 14,876,652	\$ 14,876,652	\$ 15,531,558	\$ 13,456,271
Licenses and permits	1,894,200	1,894,200	2,091,432	1,326,107
Intergovernmental	17,997,798	17,997,798	18,016,896	12,135,528
Sales revenue	21,150	21,150	17,401	10,948
Charges for services, fees, and fines	4,565,452	4,565,452	4,607,187	3,216,812
Investment income	533,000	533,000	752,352	519,110
Contributions and donations	82,500	82,500	82,092	4,123
<b>Total revenues</b>	<b>39,970,752</b>	<b>39,970,752</b>	<b>41,098,918</b>	<b>30,668,899</b>
<b>EXPENDITURES</b>				
Current				
General government	4,880,956	4,880,956	4,860,375	3,460,732
Public works	6,226,106	6,226,106	6,241,104	3,686,439
Community development	2,335,979	2,335,979	2,335,260	1,344,981
Public safety	25,165,435	25,165,435	25,000,788	17,200,025
Community services	2,075,045	2,075,045	2,033,975	500,043
Capital outlay	455,326	470,326	369,219	349,830
Debt service				
Principal retirement	12,222	12,222	-	18,333
Interest and fiscal charges	2,321	2,321	-	769
<b>Total expenditures</b>	<b>41,153,390</b>	<b>41,168,390</b>	<b>40,840,721</b>	<b>26,561,152</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,182,638)</b>	<b>(1,197,638)</b>	<b>258,197</b>	<b>4,107,747</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	-	25,721	-
Transfers in	-	-	18,358	-
Transfers (out)	(1,680,000)	(1,880,000)	(1,880,000)	(2,933,333)
<b>Total other financing sources (uses)</b>	<b>(1,680,000)</b>	<b>(1,880,000)</b>	<b>(1,835,921)</b>	<b>(2,933,333)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (2,862,638)</b>	<b>\$ (3,077,638)</b>	<b>(1,577,724)</b>	<b>1,174,414</b>
<b>FUND BALANCE, BEGINNING</b>			<b>18,628,490</b>	<b>17,454,076</b>
<b>FUND BALANCE, ENDING</b>			<b>\$ 17,050,766</b>	<b>\$ 18,628,490</b>

(See independent auditor's report.)

Village of Downers Grove, Illinois

Required Supplementary Information  
Downtown Redevelopment TIF Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007			Eight Months Ended December 31, 2006
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Taxes				
Property tax	\$ 1,300,000	\$ 1,300,000	\$ 1,268,247	\$ 1,118,064
Investment income	-	-	113,763	75,562
<b>Total revenues</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,382,010</b>	<b>1,193,626</b>
<b>EXPENDITURES</b>				
Current				
Public works	59,500	76,500	76,359	15,743
Community development	14,600	960,600	789,549	93,765
<b>Total expenditures</b>	<b>74,100</b>	<b>1,037,100</b>	<b>865,908</b>	<b>109,508</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,225,900</b>	<b>262,900</b>	<b>516,102</b>	<b>1,084,118</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from disposal of capital assets	886,000	886,000	-	1,275,135
Transfers (out)	(1,167,228)	(1,167,228)	(1,167,228)	(293,586)
<b>Total other financing sources (uses)</b>	<b>(281,228)</b>	<b>(281,228)</b>	<b>(1,167,228)</b>	<b>981,549</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 944,672</b>	<b>\$ (18,328)</b>	<b>(651,126)</b>	<b>2,065,667</b>
<b>FUND BALANCE, BEGINNING</b>			<b>879,975</b>	<b>(1,185,692)</b>
<b>FUND BALANCE, ENDING</b>			<b>\$ 228,849</b>	<b>\$ 879,975</b>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Required Supplementary Information  
 Illinois Municipal Retirement Fund  
 Schedule of Funding Progress  
 December 31, 2007

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry-Age (b)	Unfunded (Overfunded) AAL (UAAL) (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (OAAL) as a Percentage of Covered Payroll ((b-a)/c)
12/31/2002	\$ 27,958,475	\$ 27,570,468	\$ (388,007)	101.41%	\$ 11,473,696	(3.38)%
12/31/2003	25,662,381	27,922,017	2,259,636	91.91%	11,672,643	19.36%
12/31/2004	22,274,657	27,990,818	5,716,161	79.58%	11,696,157	48.87%
12/31/2005	24,749,324	30,237,833	5,488,509	81.85%	11,641,556	47.15%
12/31/2006	26,394,027	31,198,058	4,804,031	84.60%	11,738,379	40.93%
12/31/2007	26,568,893	30,841,977	4,273,084	86.15%	12,299,631	34.74%

Digest of changes

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 experience study.

The principal changes were:

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

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Required Supplementary Information  
Police Pension Fund  
Schedule of Funding Progress  
December 31, 2007

---

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) Entry-Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
4/30/2002	\$ 24,612,657	\$ 31,530,814	\$ 6,918,157	78.1%	\$ 4,484,461	154.3%
4/30/2003	24,204,160	33,636,977	9,432,817	72.0%	4,865,306	193.9%
4/30/2004	27,130,429	36,930,159	9,799,730	73.5%	5,008,049	195.7%
4/30/2005	28,298,190	41,163,348	12,865,158	68.7%	5,207,916	247.0%
4/30/2006	31,013,258	43,683,525	12,670,267	71.0%	5,445,595	232.7%
12/31/2006	32,479,439	45,803,580	13,324,141	70.9%	5,725,199	232.7%

Note: The Village of Downers Grove changed its fiscal year end to December 31 in 2006.

(See independent auditor's report.)

Village of Downers Grove, Illinois

Required Supplementary Information  
 Firefighters' Pension Fund  
 Schedule of Funding Progress  
 December 31, 2007

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)
4/30/2002	\$ 14,756,325	\$ 25,033,747	\$ 10,277,422	58.9%	\$ 4,687,638	219.2%
4/30/2003	15,864,372	28,178,148	12,313,776	56.3%	4,977,241	247.4%
4/30/2004	17,725,022	31,208,845	13,483,823	56.8%	5,416,261	249.0%
4/30/2005	19,773,346	33,783,756	14,010,410	58.5%	5,638,490	248.5%
4/30/2006	22,026,939	37,523,071	15,496,132	58.7%	5,817,029	266.4%
12/31/2006	25,426,339	39,731,499	14,305,160	64.0%	6,055,797	236.2%

Note: The Village of Downers Grove changed its fiscal year end to December 31 in 2006.

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

**Required Supplementary Information  
Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
December 31, 2007**

---

<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contributions (ARC)</u>	<u>Percentage Contributed</u>
2002	\$ 956,906	\$ 956,906	100.00%
2003	870,779	870,779	100.00%
2004	970,781	970,781	100.00%
2005	1,187,439	1,187,439	100.00%
2006	1,527,163	1,527,163	100.00%
2007	1,537,454	1,537,454	100.00%

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Required Supplementary Information  
Police Pension Fund  
Schedule of Employer Contributions  
December 31, 2007

---

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contributions (ARC)</u>	<u>Percentage Contributed</u>
4/30/2002	\$ 275,792	\$ 272,918	101.05%
4/30/2003	610,985	604,699	101.04%
4/30/2004	637,856	632,453	100.85%
4/30/2005	889,575	880,982	100.98%
4/30/2006	876,640	866,178	101.21%
12/31/2006	1,093,264	1,082,440	101.00%

Note: The Village of Downers Grove changed its fiscal year to December 31 in 2006.

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Required Supplementary Information  
Firefighters' Pension Fund  
Schedule of Employer Contributions  
December 31, 2007

---

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contributions (ARC)</u>	<u>Percentage Contributed</u>
4/30/2002	\$ 936,147	\$ 926,396	101.05%
4/30/2003	1,075,993	1,066,412	100.90%
4/30/2004	1,168,048	1,158,602	100.82%
4/30/2005	1,309,021	1,296,314	100.98%
4/30/2006	1,449,756	1,435,168	101.02%
12/31/2006	1,572,033	1,444,212	108.85%

Note: The Village of Downers Grove changed its fiscal year to December 31 in 2006.

(See independent auditor's report.)



**Village of Downers Grove, Illinois**

Notes to Required Supplementary Information  
December 31, 2007

---

1. BUDGETS

All departments of the Village submit requests for budgets to the Village Manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested budgets for the next fiscal year. Budgets are prepared in accordance with generally accepted accounting principles, except for depreciation.

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

The manager is authorized to transfer budgeted amounts between programs within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. Two budget amendments were completed during the fiscal year with Village Council's approval.

Expenditures may not legally exceed budgeted appropriations at the fund level.

**Village of Downers Grove, Illinois**

General Fund

Schedule of Revenues - Budget and Actual

For the For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended			Eight Months
	December 31, 2007			Ended
	Original Budget	Final Budget	Actual	December 31, 2006
<b>Taxes</b>				
Property taxes - current				
General	\$ 4,947,000	\$ 4,947,000	\$ 4,989,456	\$ 4,946,052
Pension	2,656,752	2,656,752	2,683,741	2,665,297
Special service areas	241,500	241,500	241,620	238,536
Township road and bridge	290,000	290,000	308,295	309,089
Home rule sales tax	-	-	-	825,907
Hotel tax	900,000	900,000	999,177	714,378
Natural gas use tax	350,000	350,000	451,267	145,131
Electricity tax	1,850,000	1,850,000	1,981,566	1,287,015
Telecommunications tax	3,600,000	3,600,000	3,836,383	2,295,212
Other local taxes	41,400	41,400	40,053	29,654
<b>Total taxes</b>	<b>14,876,652</b>	<b>14,876,652</b>	<b>15,531,558</b>	<b>13,456,271</b>
<b>Licenses and permits</b>				
Building and related	1,481,000	1,481,000	1,769,173	1,051,142
Alcoholic beverage	150,000	150,000	156,926	156,401
Professional and occupational	168,000	168,000	72,625	74,058
Other licenses and permits	95,200	95,200	92,708	44,506
<b>Total licenses and permits</b>	<b>1,894,200</b>	<b>1,894,200</b>	<b>2,091,432</b>	<b>1,326,107</b>
<b>Intergovernmental</b>				
Sales tax	12,500,000	12,500,000	12,389,441	8,483,995
Illinois income tax	4,195,208	4,195,208	4,312,595	2,671,973
Personal property replacement tax	400,000	400,000	491,553	248,525
Local use tax	645,808	645,808	654,168	441,394
Grant revenue	242,782	242,782	141,995	270,538
State reimbursements	14,000	14,000	27,144	19,103
<b>Total intergovernmental</b>	<b>17,997,798</b>	<b>17,997,798</b>	<b>18,016,896</b>	<b>12,135,528</b>
<b>Sales revenue</b>	<b>21,150</b>	<b>21,150</b>	<b>17,401</b>	<b>10,948</b>

(This schedule is continued on the following page.)

Village of Downers Grove, Illinois

General Fund

Schedule of Revenues - Budget and Actual (Continued)

For the For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended			Eight Months
	December 31, 2007			Ended
	Original Budget	Final Budget	Actual	December 31, 2006
Charges for services, fees and fines				
Ambulance user fee - resident	\$ 550,000	\$ 550,000	\$ 524,850	\$ 391,858
Ambulance user fee - nonresident	150,000	150,000	126,490	198,141
Review and inspection fees	410,000	410,000	390,765	288,828
Administrative booking and tow fees	410,000	410,000	272,371	236,980
Fines	570,000	570,000	675,571	636,884
Cable franchise fees	460,000	460,000	548,042	375,482
Cellular antenna rental	550,000	550,000	738,860	405,494
Heritage Fest fees	175,000	175,000	14,822	340
Other fees, charges, and fines	1,290,452	1,290,452	1,315,416	682,805
Total charges for services, fees, and fines	4,565,452	4,565,452	4,607,187	3,216,812
Investment income	533,000	533,000	752,351	519,110
Contributions and donations	82,500	82,500	82,092	4,123
<b>TOTAL REVENUES</b>	<b>\$ 39,970,752</b>	<b>\$ 39,970,752</b>	<b>\$ 41,098,917</b>	<b>\$ 30,668,899</b>

(See independent auditor's report.)

Village of Downers Grove, Illinois

General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended December 31, 2007  
 (With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended			Eight Months
	December 31, 2007			Ended
	Original Budget	Final Budget	Actual	December 31, 2006
<b>General government</b>				
Personnel services	\$ 3,045,191	\$ 3,045,191	\$ 3,109,057	\$ 1,989,445
Supplies	175,367	175,367	139,320	104,496
Contractual services	1,200,099	1,200,099	1,158,064	929,190
Other charges and services	460,299	460,299	453,934	437,601
<b>Total general government</b>	<b>4,880,956</b>	<b>4,880,956</b>	<b>4,860,375</b>	<b>3,460,732</b>
<b>Public works</b>				
Personnel services	3,279,502	3,279,502	3,289,221	1,887,099
Supplies	504,867	504,867	579,186	294,772
Contractual services	1,213,667	1,213,667	1,156,299	689,866
Other charges and services	1,228,070	1,228,070	1,216,398	814,702
<b>Total public works</b>	<b>6,226,106</b>	<b>6,226,106</b>	<b>6,241,104</b>	<b>3,686,439</b>
<b>Community development</b>				
Personnel services	1,449,031	1,449,031	1,421,252	871,534
Supplies	15,275	15,275	8,371	8,667
Contractual services	100,610	100,610	81,527	63,682
Other charges and services	771,063	771,063	824,110	401,098
<b>Total community development</b>	<b>2,335,979</b>	<b>2,335,979</b>	<b>2,335,260</b>	<b>1,344,981</b>
<b>Public safety</b>				
Personnel services	20,686,182	20,686,182	20,961,526	14,627,846
Supplies	466,107	466,107	347,339	286,596
Contractual services	919,603	919,603	814,282	452,536
Other charges and services	3,093,543	3,093,543	2,877,641	1,833,047
<b>Total public safety</b>	<b>25,165,435</b>	<b>25,165,435</b>	<b>25,000,788</b>	<b>17,200,025</b>
<b>Community services</b>				
Personnel services	1,023,700	1,023,700	996,843	387,472
Supplies	31,153	31,153	28,371	9,272
Contractual services	961,846	961,846	952,937	56,682
Other charges and services	58,346	58,346	55,824	46,617
<b>Total community services</b>	<b>2,075,045</b>	<b>2,075,045</b>	<b>2,033,975</b>	<b>500,043</b>

(This schedule is continued on the following page.)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures - Budget and Actual (Continued)

For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended			Eight Months
	December 31, 2007			Ended
	Original Budget	Final Budget	Actual	December 31, 2006
Capital outlay	\$ 455,326	\$ 470,326	\$ 369,219	\$ 349,830
Debt service				
Principal	12,222	12,222	-	18,333
Interest and fiscal charges	2,321	2,321	-	769
Total debt service	14,543	14,543	-	19,102
TOTAL EXPENDITURES	\$ 41,153,390	\$ 41,168,390	\$ 40,840,721	\$ 26,561,152

(See independent auditor's report.)

Village of Downers Grove, Illinois

Downtown Redevelopment TIF Fund  
 Schedules of Expenditures - Budget and Actual  
 For the For the Year Ended December 31, 2007  
 (With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007			Eight Months Ended December 31, 2006
	Original Budget	Final Budget	Actual	Actual
Public works				
Public works streets				
Supplies	\$ 10,000	\$ 10,000	\$ 10,000	\$ 9,381
Sidewalk construction				
Other charges and services	49,500	66,500	66,359	6,362
Total public works	59,500	76,500	76,359	15,743
Community development				
Planning				
Contractual services	14,600	960,600	789,549	93,765
Total planning	14,600	960,600	789,549	93,765
Total community development	14,600	960,600	789,549	93,765
<b>TOTAL EXPENDITURES</b>	<b>\$ 74,100</b>	<b>\$ 1,037,100</b>	<b>\$ 865,908</b>	<b>\$ 109,508</b>

(See independent auditor's report.)

Village of Downers Grove, Illinois

G.O. Bonds Downtown Redevelopment TIF Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended		Eight Months
	December 31, 2007		Ended
	Original and Final Budget	Actual	December 31, 2006
REVENUES			
Property taxes	\$ 790,383	\$ 735,904	\$ 873,213
Investment income	6,000	25,906	16,292
Total revenues	796,383	761,810	889,505
EXPENDITURES			
Debt service			
Principal	565,000	565,000	4,500,000
Interest and fiscal charges	1,795,904	1,570,904	912,219
Total expenditures	2,360,904	2,135,904	5,412,219
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,564,521)	(1,374,094)	(4,522,714)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,570,521	1,345,520	5,045,086
Total other financing sources (uses)	1,570,521	1,345,520	5,045,086
NET CHANGE IN FUND BALANCE	\$ 6,000	(28,574)	522,372
FUND BALANCE, BEGINNING		683,042	160,670
FUND BALANCE, ENDING		\$ 654,468	\$ 683,042

(See independent auditor's report.)

Village of Downers Grove, Illinois

G.O. Bonds Downtown Redevelopment TIF Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended December 31, 2007  
 (With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended		Eight Months
	December 31, 2007		Ended
	Original and Final Budget	Actual	December 31, 2006
G.O. Bond Series			
1999 Downtown Redevelopment TIF			
Principal	\$ 95,000	\$ 95,000	\$ -
Interest and fiscal charges	83,293	83,293	42,763
	<u>178,293</u>	<u>178,293</u>	<u>42,763</u>
G.O. Bond Series			
2000 Downtown Redevelopment TIF			
Principal	35,000	35,000	-
Interest and fiscal charges	73,826	73,826	37,438
	<u>108,826</u>	<u>108,826</u>	<u>37,438</u>
G.O. Bond Series			
2001 Downtown Redevelopment TIF			
Principal	40,000	40,000	-
Interest and fiscal charges	299,862	299,862	150,381
	<u>339,862</u>	<u>339,862</u>	<u>150,381</u>
G.O. Bond Series			
2002 Downtown Redevelopment TIF			
Principal	105,000	105,000	-
Interest and fiscal charges	262,895	262,895	132,366
	<u>367,895</u>	<u>367,895</u>	<u>132,366</u>
G.O. Bond Series			
2003 Downtown Redevelopment TIF			
Principal	225,000	225,000	-
Interest and fiscal charges	493,540	493,540	248,458
	<u>718,540</u>	<u>718,540</u>	<u>248,458</u>
Taxable G.O. Bond Series of 2005			
Principal	-	-	4,500,000
Interest and fiscal charges	-	-	121,500
	<u>-</u>	<u>-</u>	<u>4,621,500</u>
G.O. Bond Refunding Series			
2005 Downtown Redevelopment TIF			
Principal	65,000	65,000	-
Interest and fiscal charges	357,488	357,488	179,313
	<u>422,488</u>	<u>422,488</u>	<u>179,313</u>
G.O. Bond Series			
2007 Fire Station			
Principal	-	-	-
Interest and fiscal charges	225,000	-	-
	<u>225,000</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 2,360,904</u>	<u>\$ 2,135,904</u>	<u>\$ 5,412,219</u>

(See independent auditor's report.)



**Village of Downers Grove, Illinois**

Capital Improvements Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
<b>REVENUES</b>			
Taxes			
Property tax	\$ 8,671	\$ 8,758	\$ 8,748
Home rule sales tax	4,400,000	4,442,108	2,305,767
Utility tax	-	-	70,627
Intergovernmental	150,200	590,362	159,841
Investment income	50,000	221,312	61,306
<b>Total revenues</b>	<u>4,608,871</u>	<u>5,262,540</u>	<u>2,606,289</u>
<b>EXPENDITURES</b>			
Current			
General government	148,000	104,397	153,573
Public works	1,972,711	1,107,320	1,553,075
Capital outlay	5,310,800	5,361,669	1,681,563
<b>Total expenditures</b>	<u>7,431,511</u>	<u>6,573,386</u>	<u>3,388,211</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(2,822,640)</u>	<u>(1,310,846)</u>	<u>(781,922)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,300,000	1,300,000	-
Transfers (out)	(225,000)	(18,357)	-
<b>Total other financing sources (uses)</b>	<u>1,075,000</u>	<u>1,281,643</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (1,747,640)</u>	<u>(29,203)</u>	<u>(781,922)</u>
<b>FUND BALANCE, BEGINNING</b>		<u>2,137,687</u>	<u>2,919,609</u>
<b>FUND BALANCE, ENDING</b>		<u>\$ 2,108,484</u>	<u>\$ 2,137,687</u>

(See independent auditor's report.)

Village of Downers Grove, Illinois

Capital Improvements Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
	General government		
Building services			
Other charges and services	\$ 148,000	\$ 104,397	\$ 153,573
Total general government	148,000	104,397	153,573
Public works			
Sidewalk construction			
Other charges and services	125,000	106,077	119,215
Public works streets			
Personnel services	189,595	185,369	175,056
Materials and supplies	65,000	25,875	5,744
Contractual services	68,080	36,801	17,158
Other charges and services	998,536	593,389	827,363
Total public works streets	1,321,211	841,434	1,025,321
Public works stormwater			
Contractual services	300,000	-	113,986
Other charges and services	205,000	159,809	199,053
Total public works stormwater	505,000	159,809	313,039
Traffic signals			
Other charges and services	21,500	-	95,500
Total public works	1,972,711	1,107,320	1,553,075
Capital outlay	5,310,800	5,361,669	1,681,563
TOTAL EXPENDITURES	\$ 7,431,511	\$ 6,573,386	\$ 3,388,211

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Municipal Buildings Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

	Year Ended December 31, 2007	
	Original and Final Budget	Actual
<b>REVENUES</b>		
Investment income	\$ -	\$ 282,137
Total revenues	-	282,137
<b>EXPENDITURES</b>		
Current		
General government		
Supplies	-	448
Contractual services	-	40,775
Capital outlay	7,635,000	4,401,973
Debt service		
Interest	-	16,831
Issuance costs	-	70,651
Total expenditures	7,635,000	4,530,678
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(7,635,000)	(4,248,541)
<b>OTHER FINANCING SOURCES (USES)</b>		
Bonds issued	10,000,000	9,250,000
Bond premium	-	106,188
Total other financing sources (uses)	10,000,000	9,356,188
<b>NET CHANGE IN FUND BALANCE</b>	\$ 2,365,000	5,107,647
<b>FUND BALANCE, BEGINNING</b>		-
<b>FUND BALANCE, ENDING</b>		\$ 5,107,647

(See independent auditor's report.)

Village of Downers Grove, Illinois

Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2007

	Special Revenue Funds	G.O. Bond Series of 1998 Fairview Avenue	Real Estate	Total
<b>ASSETS</b>				
Cash and investments	\$ 3,705,445	\$ 201,639	\$ 342,245	\$ 4,249,329
Receivables				
Property taxes	698,135	-	-	698,135
Other taxes	114,870	21,267	-	136,137
Accounts	7,285	-	-	7,285
Accrued interest	-	-	10,048	10,048
Other	17,305	-	7,090	24,395
Advances to other funds	-	-	201,393	201,393
<b>TOTAL ASSETS</b>	<b>\$ 4,543,040</b>	<b>\$ 222,906</b>	<b>\$ 560,776</b>	<b>\$ 5,326,722</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Vouchers and accounts payable	\$ 904,032	\$ -	\$ 1,536	\$ 905,568
Due to other funds	1,671,645	-	-	1,671,645
Deposits payable	-	-	6,545	6,545
Deferred property taxes	694,949	-	-	694,949
<b>Total liabilities</b>	<b>3,270,626</b>	<b>-</b>	<b>8,081</b>	<b>3,278,707</b>
<b>FUND BALANCES</b>				
<b>Reserved</b>				
Advances to other funds	-	-	201,393	201,393
Debt service	-	222,906	-	222,906
Public works	1,204,482	-	-	1,204,482
Economic development	1,434,025	-	-	1,434,025
Public safety	147,048	-	-	147,048
Capital projects	-	-	351,302	351,302
<b>Unreserved</b>				
Undesignated	(1,513,141)	-	-	(1,513,141)
<b>Total fund balances</b>	<b>1,272,414</b>	<b>222,906</b>	<b>552,695</b>	<b>2,048,015</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,543,040</b>	<b>\$ 222,906</b>	<b>\$ 560,776</b>	<b>\$ 5,326,722</b>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Year Ended December 31, 2007

	Special Revenue Funds	G.O. Bond Series of 1998 Fairview Avenue	Real Estate	Total
<b>REVENUES</b>				
Taxes	\$ 688,847	\$ 254,920	\$ -	\$ 943,767
Intergovernmental	2,397,425	-	-	2,397,425
Charges for services	102,476	-	89,064	191,540
Investment income	159,740	1,209	12,526	173,475
Total revenues	3,348,488	256,129	101,590	3,706,207
<b>EXPENDITURES</b>				
Current				
General government	-	-	21,013	21,013
Public works	1,495,000	-	-	1,495,000
Community development	717,573	-	-	717,573
Public safety	58,865	-	-	58,865
Community services	1,008,427	-	-	1,008,427
Capital outlay	82,756	-	-	82,756
Debt service				
Principal	-	200,000	-	200,000
Interest and fiscal charges	-	69,840	-	69,840
Total expenditures	3,362,621	269,840	21,013	3,653,474
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(14,133)</b>	<b>(13,711)</b>	<b>80,577</b>	<b>52,733</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	410,000	-	-	410,000
Transfers out	-	(30,000)	-	(30,000)
Total other financing sources (uses)	410,000	(30,000)	-	380,000
<b>NET CHANGE IN FUND BALANCES</b>	<b>395,867</b>	<b>(43,711)</b>	<b>80,577</b>	<b>432,733</b>
<b>FUND BALANCE, BEGINNING</b>	<b>876,547</b>	<b>266,617</b>	<b>472,118</b>	<b>1,615,282</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,272,414</b>	<b>\$ 222,906</b>	<b>\$ 552,695</b>	<b>\$ 2,048,015</b>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Nonmajor Special Revenue Funds  
 Combining Balance Sheet  
 December 31, 2007

	Motor Fuel Tax	Foreign Fire Insurance	Community Events
<b>ASSETS</b>			
Cash and investments	\$ 1,089,612	\$ 152,025	\$ 138,871
Receivables			
Property taxes	-	-	-
Other taxes	114,870	-	-
Accounts	-	-	-
Other	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,204,482</b>	<b>\$ 152,025</b>	<b>\$ 138,871</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Vouchers and accounts payable	\$ -	\$ 4,977	\$ 678
Deferred property taxes	-	-	-
Due to other funds	-	-	5,000
<b>Total liabilities</b>	<b>-</b>	<b>4,977</b>	<b>5,678</b>
<b>FUND BALANCES</b>			
Reserved			
Public works	1,204,482	-	-
Economic development	-	-	-
Public safety	-	147,048	-
Unreserved			
Undesignated	-	-	133,193
<b>Total fund balances</b>	<b>1,204,482</b>	<b>147,048</b>	<b>133,193</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,204,482</b>	<b>\$ 152,025</b>	<b>\$ 138,871</b>

Ogden Avenue Corridor TIF	Sales Tax Abatement	Transportation	Total
\$ 1,913,150	\$ 411,787	\$ -	\$ 3,705,445
698,135	-	-	698,135
-	-	-	114,870
-	-	7,285	7,285
4,085	-	13,220	17,305
<u>\$ 2,615,370</u>	<u>\$ 411,787</u>	<u>\$ 20,505</u>	<u>\$ 4,543,040</u>
\$ 486,396	\$ 411,787	\$ 194	\$ 904,032
694,949	-	-	694,949
-	-	1,666,645	1,671,645
<u>1,181,345</u>	<u>411,787</u>	<u>1,666,839</u>	<u>3,270,626</u>
-	-	-	1,204,482
1,434,025	-	-	1,434,025
-	-	-	147,048
<u>-</u>	<u>-</u>	<u>(1,646,334)</u>	<u>(1,513,141)</u>
<u>1,434,025</u>	<u>-</u>	<u>(1,646,334)</u>	<u>1,272,414</u>
<u>\$ 2,615,370</u>	<u>\$ 411,787</u>	<u>\$ 20,505</u>	<u>\$ 4,543,040</u>

See accompanying notes to financial statements.

**Village of Downers Grove, Illinois**

Nonmajor Special Revenue Funds  
 Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 For the Year Ended December 31, 2007

	Motor Fuel Tax	Foreign Fire Insurance	Community Events
<b>REVENUES</b>			
Taxes	\$ -	\$ 56,977	\$ -
Intergovernmental	1,411,226	-	-
Charges for services	-	-	-
Investment income	80,014	6,182	-
<b>Total revenues</b>	<b>1,491,240</b>	<b>63,159</b>	<b>-</b>
<b>EXPENDITURES</b>			
Current			
Public works	1,495,000	-	-
Community development	-	-	-
Public safety	-	58,865	-
Community services	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>1,495,000</b>	<b>58,865</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(3,760)</b>	<b>4,294</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(3,760)</b>	<b>4,294</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT), BEGINNING</b>	<b>1,208,242</b>	<b>142,754</b>	<b>133,193</b>
<b>FUND BALANCES (DEFICIT), ENDING</b>	<b>\$ 1,204,482</b>	<b>\$ 147,048</b>	<b>\$ 133,193</b>



Ogden Avenue			
Corridor	Sales Tax		
TIF	Abatement	Transportation	Total
\$ 631,870	\$ -	\$ -	\$ 688,847
66,461	717,573	202,165	2,397,425
-	-	102,476	102,476
73,544	-	-	159,740
<u>771,875</u>	<u>717,573</u>	<u>304,641</u>	<u>3,348,488</u>
-	-	-	1,495,000
-	717,573	-	717,573
-	-	-	58,865
531,163	-	477,264	1,008,427
82,756	-	-	82,756
<u>613,919</u>	<u>717,573</u>	<u>477,264</u>	<u>3,362,621</u>
<u>157,956</u>	<u>-</u>	<u>(172,623)</u>	<u>(14,133)</u>
-	-	410,000	410,000
-	-	410,000	410,000
157,956	-	237,377	395,867
<u>1,276,069</u>	<u>-</u>	<u>(1,883,711)</u>	<u>876,547</u>
<u>\$ 1,434,025</u>	<u>\$ -</u>	<u>\$ (1,646,334)</u>	<u>\$ 1,272,414</u>

See accompanying notes to financial statements.

**Village of Downers Grove, Illinois**

Motor Fuel Tax Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
<b>REVENUES</b>			
Intergovernmental Allotments	\$ 1,495,000	\$ 1,411,226	\$ 955,118
Investment income	50,000	80,014	69,587
Total revenues	1,545,000	1,491,240	1,024,705
<b>EXPENDITURES</b>			
Public works			
Other charges and services	1,495,000	1,495,000	1,880,000
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 50,000</u>	(3,760)	(855,295)
<b>FUND BALANCE, BEGINNING</b>		1,208,242	2,063,537
<b>FUND BALANCE, ENDING</b>		<u>\$ 1,204,482</u>	<u>\$ 1,208,242</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Foreign Fire Insurance Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
<b>REVENUES</b>			
Taxes			
Foreign fire insurance tax	\$ 59,000	\$ 56,977	\$ 59,724
Investment income	200	6,182	3,748
Total revenues	59,200	63,159	63,472
<b>EXPENDITURES</b>			
Public Safety			
Supplies	11,350	13,870	20,159
Contractual services	47,850	44,736	13,765
Other charges and services	-	259	18,195
Total expenditures	59,200	58,865	52,119
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>4,294</b>	<b>11,353</b>
<b>FUND BALANCE, BEGINNING</b>		<b>142,754</b>	<b>131,401</b>
<b>FUND BALANCE, ENDING</b>		<b>\$ 147,048</b>	<b>\$ 142,754</b>

(See independent auditor's report.)

Village of Downers Grove, Illinois

Ogden Avenue Corridor TIF Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
<b>REVENUES</b>			
Taxes			
Property taxes	\$ 525,000	\$ 631,870	\$ 488,987
Intergovernmental	179,478	66,461	-
Investment income	10,000	73,544	34,834
Total revenues	<u>714,478</u>	<u>771,875</u>	<u>523,821</u>
<b>EXPENDITURES</b>			
Public works			
Personnel services	-	-	(513)
Other charges and services	53,100	-	-
Total publications	<u>53,100</u>	<u>-</u>	<u>(513)</u>
Community development			
Contractual services	20,800	18,774	1,250
Other charges and services	1,435,000	512,389	35,000
Total community development	<u>1,455,800</u>	<u>531,163</u>	<u>36,250</u>
Capital outlay	<u>449,420</u>	<u>82,756</u>	<u>-</u>
Total expenditures	<u>1,958,320</u>	<u>613,919</u>	<u>35,737</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,243,842)</u>	157,956	488,084
FUND BALANCE, BEGINNING		<u>1,276,069</u>	<u>787,985</u>
FUND BALANCE, ENDING		<u>\$ 1,434,025</u>	<u>\$ 1,276,069</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Sales Tax Abatement Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
<b>REVENUES</b>			
Intergovernmental	\$ 720,000	\$ 717,573	\$ 569,971
Total revenues	720,000	717,573	569,971
<b>EXPENDITURES</b>			
Intergovernmental			
Other charges and services	720,000	717,573	569,971
Total expenditures	720,000	717,573	569,971
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, BEGINNING</b>		<b>-</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>		<b>\$ -</b>	<b>\$ -</b>

(See independent auditor's report.)

Village of Downers Grove, Illinois

Transportation Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final		Actual
	Budget	Actual	
<b>REVENUES</b>			
Charges for services	\$ 140,878	\$ 102,476	\$ 123,988
Intergovernmental revenue	261,000	202,165	40,510
Total revenues	401,878	304,641	164,498
<b>EXPENDITURES</b>			
Community services			
Personnel services	189,895	198,050	137,721
Supplies	950	275	251
Contractual services	20,972	9,071	147,687
Other charges and services	269,855	269,868	266,739
Total expenditures	481,672	477,264	552,398
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(79,794)	(172,623)	(387,900)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	410,000	410,000	-
NET CHANGE IN FUND BALANCE	\$ 330,206	237,377	(387,900)
FUND BALANCE (DEFICIT), BEGINNING		(1,883,711)	(1,495,811)
FUND BALANCE (DEFICIT), ENDING		\$ (1,646,334)	\$ (1,883,711)

(See independent auditor's report.)

Village of Downers Grove, Illinois

G.O. Bond Series of 1998 Fairview Avenue Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
REVENUES			
Taxes			
Local fuel tax	\$ 290,000	\$ 254,920	\$ 201,733
Investment income	-	1,209	-
Total revenues	290,000	256,129	201,733
EXPENDITURES			
Debt service			
Principal	200,000	200,000	-
Interest	69,840	69,840	36,770
Total expenditures	269,840	269,840	36,770
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,160	(13,711)	164,963
OTHER FINANCING SOURCES (USES)			
Transfers out	(30,000)	(30,000)	-
NET CHANGE IN FUND BALANCE	<u>\$ (9,840)</u>	(43,711)	164,963
FUND BALANCE, BEGINNING		266,617	101,654
FUND BALANCE, ENDING		<u>\$ 222,906</u>	<u>\$ 266,617</u>

(See independent auditor's report.)

Village of Downers Grove, Illinois

Real Estate Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
<b>REVENUES</b>			
Charges for services			
Rental income	\$ 45,000	\$ 89,064	\$ 65,549
Investment Interest	5,000	12,526	8,869
Total revenues	50,000	101,590	74,418
<b>EXPENDITURES</b>			
General government			
Supplies	750	930	399
Contractual services	18,800	15,458	10,554
Other charges and services	3,294	4,625	24,204
Total expenditures	22,844	21,013	35,157
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	27,156	80,577	39,261
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	(121,500)
NET CHANGE IN FUND BALANCE	\$ 27,156	80,577	(82,239)
FUND BALANCE, BEGINNING		472,118	554,357
FUND BALANCE, ENDING		\$ 552,695	\$ 472,118

(See independent auditor's report.)



Village of Downers Grove, Illinois

Waterworks Fund  
 Schedule of Operating Expenses - Budget and Actual  
 For the Year Ended December 31, 2007  
 (With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended		Eight Months
	December 31, 2007		Ended
	Original and Final Budget	Actual	December 31, 2006
<b>OPERATING EXPENSES</b>			
Water financial services			
Personnel services	\$ 85,159	\$ 93,301	\$ 61,373
Supplies	1,000	-	79
Contractual services	152,000	75,449	39,499
Other charges and services	1,000	-	-
Total water financial services	239,159	168,750	100,951
Water administration			
Personnel services	290,423	292,799	190,942
Supplies	7,540	5,092	1,963
Contractual services	50,525	49,842	29,983
Other charges and services	1,123,128	1,123,128	813,833
Total water administration	1,471,616	1,470,861	1,036,721
Water pumping and treatment			
Personnel services	99,987	79,948	59,520
Supplies	10,140	5,921	11,726
Contractual services	67,828	64,532	42,014
Other charges and services	260,125	31,987	408,926
Capital outlay	-	12,276	-
Total water pumping and treatment	438,080	194,664	522,186
Water transmission and distribution			
Personnel services	595,074	514,042	377,746
Supplies	227,745	186,473	175,346
Contractual services	146,550	161,619	96,223
Other charges and services	70,797	70,800	75,529
Capital outlay	3,098,600	1,721,221	703,316
Total water transmission and distribution	4,138,766	2,654,155	1,428,160
DuPage Water Commission			
Supplies	3,769,571	2,960,799	2,282,414
Depreciation	-	1,356,274	1,063,974
Less assets capitalized	-	(1,708,861)	(703,316)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 10,057,192</b>	<b>\$ 7,096,642</b>	<b>\$ 5,731,090</b>

(See independent auditor's report.)

Village of Downers Grove, Illinois

Parking Fund  
 Schedule of Operating Expenses - Budget and Actual  
 For the Year Ended December 31, 2007  
 (With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007			Eight Months Ended December 31, 2006
	Original Budget	Final Budget	Actual	Actual
<b>OPERATING EXPENSES</b>				
<b>Non-deck parking operations and maintenance</b>				
Personnel services	\$ -	\$ -	\$ -	\$ (12,141)
Supplies	8,025	8,025	3,055	2,914
Contractual services	1,250	1,250	(246)	5,266
Other charges and services	-	-	-	1,699
Capital outlay	138,200	138,200	131,803	271,483
<b>Total non-deck parking operations and maintenance</b>	<b>147,475</b>	<b>147,475</b>	<b>134,612</b>	<b>269,221</b>
<b>Deck parking operations and maintenance</b>				
Supplies	5,805	5,805	13,555	6,538
Contractual services	82,798	117,798	100,611	54,866
<b>Total deck parking operations and maintenance</b>	<b>88,603</b>	<b>123,603</b>	<b>114,166</b>	<b>61,404</b>
<b>Parking enforcement</b>				
Personnel services	203,382	203,382	203,063	146,149
Supplies	2,375	2,375	1,425	1,425
Contractual services	12,800	12,800	10,386	6,289
Other charges and services	493,663	493,663	493,668	331,089
<b>Total parking enforcement</b>	<b>712,220</b>	<b>712,220</b>	<b>708,542</b>	<b>484,952</b>
Depreciation	-	-	16,515	8,073
Less assets capitalized	-	-	-	(271,483)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 948,298</b>	<b>\$ 983,298</b>	<b>\$ 973,835</b>	<b>\$ 552,167</b>

(See independent auditor's report.)

Village of Downers Grove, Illinois

Internal Service Funds  
 Combining Statement of Net Assets  
 December 31, 2007

	Fleet Services	Risk Management	Health Insurance	Equipment Replacement	Total
<b>CURRENT ASSETS</b>					
Cash and investments	\$ 15,613	\$ 540,295	\$ 1,273,333	\$ 677,967	\$ 2,507,208
Receivables					
Accounts receivable	8,776	-	81,230	-	90,006
Accrued interest	-	-	17,091	739	17,830
Deposits	-	-	85,755	-	85,755
Prepaid expenses	-	-	-	286,633	286,633
Inventory	120,858	-	-	-	120,858
<b>Total current assets</b>	<b>145,247</b>	<b>540,295</b>	<b>1,457,409</b>	<b>965,339</b>	<b>3,108,290</b>
Capital assets being depreciated					
Cost	1,027,698	-	-	9,018,819	10,046,517
Accumulated depreciation	(520,903)	-	-	(4,265,882)	(4,786,785)
<b>Net capital assets being depreciated</b>	<b>506,795</b>	<b>-</b>	<b>-</b>	<b>4,752,937</b>	<b>5,259,732</b>
<b>Total assets</b>	<b>652,042</b>	<b>540,295</b>	<b>1,457,409</b>	<b>5,718,276</b>	<b>8,368,022</b>
<b>CURRENT LIABILITIES</b>					
Vouchers and accounts payable	148,340	12,978	174	223,222	384,714
Accrued payroll	-	-	31,442	-	31,442
Other payables	-	-	6,387	-	6,387
Compensated absences payable	13,864	15,448	9,869	-	39,181
Claims payable	-	1,935,374	460,006	-	2,395,380
<b>Total current liabilities</b>	<b>162,204</b>	<b>1,963,800</b>	<b>507,878</b>	<b>223,222</b>	<b>2,857,104</b>
<b>LONG-TERM LIABILITIES</b>					
Compensated absences payable	32,349	36,046	23,027	-	91,422
<b>Total liabilities</b>	<b>194,553</b>	<b>1,999,846</b>	<b>530,905</b>	<b>223,222</b>	<b>2,948,526</b>
<b>NET ASSETS</b>					
Invested in capital assets	506,795	-	-	4,752,937	5,259,732
Unrestricted (deficit)	(49,306)	(1,459,551)	926,504	742,117	159,764
<b>TOTAL NET ASSETS</b>	<b>\$ 457,489</b>	<b>\$ (1,459,551)</b>	<b>\$ 926,504</b>	<b>\$ 5,495,054</b>	<b>\$ 5,419,496</b>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Internal Service Funds  
 Combining Statement of Revenues, Expenses, and  
 Changes in Net Assets  
 For the Year Ended December 31, 2007

	Fleet Services	Risk Management	Health Insurance	Equipment Replacement	Total
<b>OPERATING REVENUES</b>					
Charges for services					
Interfund services	\$ 1,904,774	\$ 1,694,882	\$ 3,885,785	\$ 1,221,168	\$ 8,706,609
Insurance premiums	-	-	1,902,801	-	1,902,801
Other	-	41,432	8,483	10,040	59,955
Miscellaneous	612	-	-	-	612
<b>Total operating revenues</b>	<b>1,905,386</b>	<b>1,736,314</b>	<b>5,797,069</b>	<b>1,231,208</b>	<b>10,669,977</b>
<b>OPERATING EXPENSES</b>					
Personnel services	576,146	141,853	117,165	-	835,164
Supplies	833,226	94	501	-	833,821
Contractual services	156,112	393,977	736,000	-	1,286,089
Other charges and services	154,682	1,791,649	4,698,009	502,914	7,147,254
Depreciation	37,026	-	-	638,612	675,638
<b>Total operating expenses</b>	<b>1,757,192</b>	<b>2,327,573</b>	<b>5,551,675</b>	<b>1,141,526</b>	<b>10,777,966</b>
<b>OPERATING INCOME (LOSS)</b>	<b>148,194</b>	<b>(591,259)</b>	<b>245,394</b>	<b>89,682</b>	<b>(107,989)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	-	25,366	108,357	26,773	160,496
Gain (loss) on sale of capital assets	-	-	-	(68,298)	(68,298)
<b>Total nonoperating revenues (expenses)</b>	<b>-</b>	<b>25,366</b>	<b>108,357</b>	<b>(41,525)</b>	<b>92,198</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>148,194</b>	<b>(565,893)</b>	<b>353,751</b>	<b>48,157</b>	<b>(15,791)</b>
<b>TRANSFERS</b>					
Transfers in	-	200,000	-	-	200,000
<b>CHANGE IN NET ASSETS</b>	<b>148,194</b>	<b>(365,893)</b>	<b>353,751</b>	<b>48,157</b>	<b>184,209</b>
<b>NET ASSETS (DEFICIT), BEGINNING</b>	<b>309,295</b>	<b>(1,093,658)</b>	<b>572,753</b>	<b>5,446,897</b>	<b>5,235,287</b>
<b>NET ASSETS (DEFICIT), ENDING</b>	<b>\$ 457,489</b>	<b>\$ (1,459,551)</b>	<b>\$ 926,504</b>	<b>\$ 5,495,054</b>	<b>\$ 5,419,496</b>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Internal Service Funds  
 Combining Statement of Cash Flows  
 For the Year Ended December 31, 2007

	Fleet Services	Risk Management	Health Insurance	Equipment Replacement	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from interfund services	\$ 1,905,663	\$ 1,736,314	\$ 5,965,428	\$ 1,231,208	\$ 10,838,613
Payments to suppliers	(1,031,467)	(1,727,624)	(5,347,664)	(815,151)	(8,921,906)
Payments to employees	(575,775)	(139,150)	(121,899)	-	(836,824)
Net cash from operating activities	298,421	(130,460)	495,865	416,057	1,079,883
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Increase in due from other funds	(228,776)	374	-	-	(228,402)
Decrease in due to other funds	-	-	(1,454,338)	-	(1,454,338)
Transfer from other funds	-	200,000	-	-	200,000
Net cash from noncapital financing activities	(228,776)	200,374	(1,454,338)	-	(1,482,740)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital assets purchased	(54,032)	-	-	(1,323,819)	(1,377,851)
Proceeds from sale of capital assets	-	-	-	143,164	143,164
Net cash from capital and related financing activities	(54,032)	-	-	(1,180,655)	(1,234,687)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Sale of investments	-	-	886,003	-	886,003
Purchase of investments	-	-	-	(1,359)	(1,359)
Interest received	-	25,366	126,384	26,792	178,542
Net cash from investing activities	-	25,366	1,012,387	25,433	1,063,186
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15,613	95,280	53,914	(739,165)	(574,358)
CASH AND CASH EQUIVALENTS, BEGINNING	-	445,015	819,419	1,389,465	2,653,899
CASH AND CASH EQUIVALENTS, ENDING	\$ 15,613	\$ 540,295	\$ 873,333	\$ 650,300	\$ 2,079,541

(This statement is continued on the following page.)

Village of Downers Grove, Illinois

Internal Service Funds  
 Combining Statement of Cash Flows (Continued)  
 For the Year Ended December 31, 2007

	Fleet Services	Risk Management	Health Insurance	Equipment Replacement	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ 148,194	\$ (591,259)	\$ 245,394	\$ 89,682	\$ (107,989)
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Depreciation	37,026	-	-	638,612	675,638
Change in assets and liabilities					
Accounts receivable	277	-	168,359	-	168,636
Prepaid expenses	-	-	-	(286,633)	(286,633)
Deposits	-	-	(10,755)	-	(10,755)
Inventory	12,403	-	-	-	12,403
Vouchers and accounts payable	100,150	(209)	174.00	(25,604)	74,511
Accrued payroll	-	-	(7,901)	-	(7,901)
Compensated absences payable	371	2,703	3,167	-	6,241
Claims payable	-	458,305	97,427	-	555,732
Total adjustments	150,227	460,799	250,471	326,375	1,187,872
NET CASH FROM OPERATING ACTIVITIES	\$ 298,421	\$ (130,460)	\$ 495,865	\$ 416,057	\$ 1,079,883
RECONCILIATION OF CASH AND INVESTMENTS					
Cash and cash equivalents	\$ 15,613	\$ 540,295	\$ 873,333	\$ 650,300	\$ 2,079,541
Investments	-	-	400,000	27,667	427,667
Total cash and investments	\$ 15,613	\$ 540,295	\$ 1,273,333	\$ 677,967	\$ 2,507,208

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Fleet Services Fund

Schedule of Operating Expenses - Budget and Actual

For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended		Eight Months
	December 31, 2007		Ended
	Original and Final		December 31,
	Budget	Actual	2006
OPERATING EXPENSES			
Personnel services	\$ 572,198	\$ 576,146	\$ 358,082
Supplies	906,817	833,226	528,792
Contractual services	150,775	156,112	61,029
Other charges and services	217,141	154,682	102,575
Subtotal	1,846,931	1,720,166	1,050,478
Depreciation	-	37,026	23,373
TOTAL OPERATING EXPENSES	\$ 1,846,931	\$ 1,757,192	\$ 1,073,851

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Risk Management Fund

Schedule of Operating Expenses - Budget and Actual

For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007			Eight Months Ended December 31, 2006
	Original Budget	Final Budget	Actual	Actual
	<b>OPERATING EXPENSES</b>			
Personnel services	\$ 133,863	\$ 133,863	\$ 141,853	\$ 89,825
Supplies	600	600	94	147
Contractual services	427,247	427,247	393,977	390,030
Other charges and services	1,086,282	1,836,282	1,791,649	1,251,885
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,647,992</b>	<b>\$ 2,397,992</b>	<b>\$ 2,327,573</b>	<b>\$ 1,731,887</b>

(See independent auditor's report.)



Village of Downers Grove, Illinois

Health Insurance Fund  
 Schedule of Operating Expenses - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
	<b>OPERATING EXPENSES</b>		
Health administration			
Personnel services	\$ 110,293	\$ 117,165	\$ 75,602
Supplies	600	501	-
Contractual services	101,500	101,068	66,288
Other charges and services	450	456	300
Total health administration	212,843	219,190	142,190
Vision insurance			
Other charges and services	62,812	54,625	27,622
Total vision insurance	62,812	54,625	27,622
Medical insurance			
Contractual services	908,352	617,660	474,077
Other charges and services	4,595,255	4,293,283	2,343,574
Total medical insurance	5,503,607	4,910,943	2,817,651
Dental insurance			
Contractual services	4,562	5,562	3,020
Other charges and services	175,953	144,335	97,892
Total dental insurance	180,515	149,897	100,912
Dental insurance, managed			
Contractual services	11,414	11,710	6,501
Other charges and services	247,830	205,310	140,245
Total dental insurance, managed	259,244	217,020	146,746
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 6,219,021</b>	<b>\$ 5,551,675</b>	<b>\$ 3,235,121</b>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Equipment Replacement Fund  
 Schedule of Operating Expenses - Budget and Actual  
 For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
<b>OPERATING EXPENSES</b>			
Other charges and services	\$ 872,011	\$ 502,914	\$ 129,691
Capital outlay	1,669,058	937,361	937,361
Depreciation	-	638,612	468,247
Less assets capitalized	-	(937,361)	(937,361)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 2,541,069</b>	<b>\$ 1,141,526</b>	<b>\$ 597,938</b>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Pension Funds  
Combining Statement of Net Assets  
December 31, 2007

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,049,823	\$ 2,640,632	\$ 3,690,455
Investments			
U.S. Treasury obligations	2,413,052	7,878,831	10,291,883
U.S. Agency obligations	13,362,044	4,501,639	17,863,683
Mutual funds - equity	10,604,023	11,214,965	21,818,988
Common and preferred stock	2,015,593	133,314	2,148,907
Insurance contracts	5,895,201	1,729,699	7,624,900
Total investments	34,289,913	25,458,448	59,748,361
Prepays	-	563	563
Interest receivable	192,341	154,977	347,318
Total assets	35,532,077	28,254,620	63,786,697
<b>LIABILITIES</b>			
Vouchers payable	15,214	9,897	25,111
Due to general fund	434,842	119,215	554,057
Total liabilities	450,056	129,112	579,168
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<b>\$ 35,082,021</b>	<b>\$ 28,125,508</b>	<b>\$ 63,207,529</b>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Pension Funds  
 Combining Statement of Changes in Net Assets  
 For the Year Ended December 31, 2007

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions - employer	\$ 1,102,546	\$ 1,565,405	\$ 2,667,951
Contributions - employees	583,511	581,053	1,164,564
Total contributions	<u>1,686,057</u>	<u>2,146,458</u>	<u>3,832,515</u>
Investment income			
Net appreciation in fair value of investments	1,946,654	977,933	2,924,587
Interest earned on investments	1,065,672	919,664	1,985,336
Less investment expense	<u>(82,020)</u>	<u>(57,252)</u>	<u>(139,272)</u>
Net investment income	<u>2,930,306</u>	<u>1,840,345</u>	<u>4,770,651</u>
Total additions	<u>4,616,363</u>	<u>3,986,803</u>	<u>8,603,166</u>
<b>DEDUCTIONS</b>			
Contractual services	18,243	32,319	50,562
Other charges and services	6,000	6,000	12,000
Benefits and refunds	<u>1,989,538</u>	<u>1,249,315</u>	<u>3,238,853</u>
Total deductions	<u>2,013,781</u>	<u>1,287,634</u>	<u>3,301,415</u>
NET INCREASE	2,602,582	2,699,169	5,301,751
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>			
BEGINNING	<u>32,479,439</u>	<u>25,426,339</u>	<u>57,905,778</u>
ENDING	<u>\$ 35,082,021</u>	<u>\$ 28,125,508</u>	<u>\$ 63,207,529</u>

See accompanying notes to financial statements.

Village of Downers Grove, Illinois

Police Pension Fund  
 Schedule of Changes in Net Assets - Budget and Actual  
 For the Year Ended December 31, 2007  
 (With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final		
	Budget	Actual	Actual
<b>ADDITIONS</b>			
Contributions - employer	\$ 1,090,889	\$ 1,102,546	\$ 1,093,264
Contributions - employees	594,880	583,511	391,262
Total contributions	<u>1,685,769</u>	<u>1,686,057</u>	<u>1,484,526</u>
Investment income			
Net appreciation in fair value of investments	250,000	1,946,654	866,231
Interest earned on investments	750,000	1,065,672	553,201
Less investment expense	(65,500)	(82,020)	(50,609)
Net investment income	<u>934,500</u>	<u>2,930,306</u>	<u>1,368,823</u>
Total additions	<u>2,620,269</u>	<u>4,616,363</u>	<u>2,853,349</u>
<b>DEDUCTIONS</b>			
Supplies	150	-	-
Contractual services	25,850	18,243	12,112
Other charges and services	6,000	6,000	4,000
Benefits and refunds	2,010,000	1,989,538	1,179,765
Total deductions	<u>2,042,000</u>	<u>2,013,781</u>	<u>1,195,877</u>
NET INCREASE	<u>\$ 578,269</u>	2,602,582	1,657,472
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>			
BEGINNING		<u>32,479,439</u>	<u>30,821,967</u>
ENDING		<u>\$ 35,082,021</u>	<u>\$ 32,479,439</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Firefighters' Pension Fund  
 Schedule of Changes in Net Assets - Budget and Actual  
 For the Year Ended December 31, 2007  
 (With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007			Eight Months Ended December 31, 2006
	Original Budget	Final Budget	Actual	Actual
<b>ADDITIONS</b>				
Contributions - employer	\$ 1,565,863	\$ 1,565,863	\$ 1,565,405	\$ 1,572,033
Contributions - employees	594,880	594,880	581,053	404,764
Total contributions	<u>2,160,743</u>	<u>2,160,743</u>	<u>2,146,458</u>	<u>1,976,797</u>
Investment income				
Net appreciation in fair value of investments	300,000	300,000	977,933	1,594,658
Interest earned on investments	650,000	650,000	919,664	782,093
Less investment expense	(60,254)	(60,254)	(57,252)	(41,538)
Net investment income	<u>889,746</u>	<u>889,746</u>	<u>1,840,345</u>	<u>2,335,213</u>
Total additions	<u>3,050,489</u>	<u>3,050,489</u>	<u>3,986,803</u>	<u>4,312,010</u>
<b>DEDUCTIONS</b>				
Supplies	20	20	-	-
Contractual services	11,750	24,750	32,319	14,218
Other charges and services	6,000	6,000	6,000	4,000
Benefits and refunds	1,136,960	1,256,960	1,249,315	739,351
Total deductions	<u>1,154,730</u>	<u>1,287,730</u>	<u>1,287,634</u>	<u>757,569</u>
<b>NET INCREASE IN NET ASSETS</b>	<u>\$ 1,895,759</u>	<u>\$ 1,762,759</u>	2,699,169	3,554,441
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>				
<b>BEGINNING</b>			<u>25,426,339</u>	<u>21,871,898</u>
<b>ENDING</b>			<u>\$ 28,125,508</u>	<u>\$ 25,426,339</u>

(See independent auditor's report.)

Village of Downers Grove, Illinois

Construction Deposit Fund  
Schedule of Changes in Assets and Liabilities  
For the Year Ended December 31, 2007

---

	Balances January 1	Additions	Deductions	Balances December 31
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,452,603	\$ 426,655	\$ 873,921	\$ 1,005,337
Investments	2,192,229	466,185	-	2,658,414
<b>TOTAL ASSETS</b>	<b>\$ 3,644,832</b>	<b>\$ 892,840</b>	<b>\$ 873,921</b>	<b>\$ 3,663,751</b>
<b>LIABILITIES</b>				
Vouchers payable	\$ 76,761	\$ 85,098	\$ 76,761	\$ 85,098
Deposits payable	3,568,071	807,742	797,160	3,578,653
<b>TOTAL LIABILITIES</b>	<b>\$ 3,644,832</b>	<b>\$ 892,840</b>	<b>\$ 873,921</b>	<b>\$ 3,663,751</b>

(See independent auditor's report.)

**Downers Grove Public Library  
Component Unit**

Statement of Net Assets and Governmental Funds  
Combining Balance Sheet  
December 31, 2007

	General	Debt Service
<b>ASSETS</b>		
Cash and investments	\$ 2,251,632	\$ 811,126
Receivables		
Property taxes	3,705,995	663,419
Accrued interest	2,782	2,619
Other	30	-
Unamortized debt issuance costs	-	-
Capital assets not being depreciated	-	-
Capital assets net of accumulated depreciation	-	-
TOTAL ASSETS	5,960,439	\$ 1,477,164
<b>LIABILITIES AND FUND BALANCES/NET ASSETS</b>		
<b>LIABILITIES</b>		
Vouchers and accounts payable	\$ 60,977	\$ -
Accrued Interest	-	-
Deferred property taxes	3,667,507	663,419
Noncurrent liabilities		
Due within one year	-	-
Due in more than one year	-	-
Total liabilities	3,728,484	663,419
<b>FUND BALANCE/NET ASSETS</b>		
Invested in capital assets, net of related debt	-	-
Reserved		
Debt service	-	813,745
Unreserved		
Undesignated	2,231,955	-
Total fund balances/net assets	2,231,955	813,745
TOTAL LIABILITIES AND FUND BALANCE/ NET ASSETS	\$ 5,960,439	\$ 1,477,164



Construction	Total	Adjustments	Statement of Net Assets
\$ 297,021.00	\$ 3,359,779	\$ -	\$ 3,359,779
-	4,369,414	-	4,369,414
6,595	11,996	-	11,996
-	30	-	30
-	-	78,379	78,379
-	-	222,211	222,211
-	-	13,967,717	13,967,717
<u>\$ 303,616</u>	<u>\$ 7,741,219</u>	<u>\$ 14,268,307</u>	<u>\$ 22,009,526</u>
\$ -	\$ 60,977	\$ -	\$ 60,977
-	-	89,659	89,659
-	4,330,926	-	4,330,926
-	-	482,393	482,393
-	-	4,549,434	4,549,434
-	4,391,903	5,121,486	9,513,389
-	-	8,714,928	8,714,928
-	813,745	-	813,745
303,616	2,535,571	431,893	2,967,464
303,616	3,349,316	9,146,821	12,496,137
<u>\$ 303,616</u>	<u>\$ 7,741,219</u>	<u>\$ 14,268,307</u>	<u>\$ 22,009,526</u>

See accompanying notes to financial statements.

**Downers Grove Public Library  
Component Unit**

Statement of Activities and Governmental Funds  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances/Net Assets  
For the Year Ended December 31, 2007

	General	Debt Service
<b>REVENUES</b>		
Taxes	\$ 3,484,732	\$ 661,067
Intergovernmental	129,835	-
Charges for services	72,847	-
Fines and forfeits	110,122	-
Investment income	104,349	21,922
Miscellaneous	14,916	-
	<b>3,916,801</b>	<b>682,989</b>
<b>EXPENDITURES</b>		
Current		
Community services	3,063,734	-
Capital outlay	494,104	-
Debt service		
Principal retirement	-	470,000
Interest and fiscal charges	-	185,193
	<b>3,557,838</b>	<b>655,193</b>
<b>NET CHANGE IN FUND BALANCES/NET ASSETS</b>	<b>358,963</b>	<b>27,796</b>
<b>FUND BALANCE/NET ASSETS, BEGINNING</b>	<b>1,872,992</b>	<b>785,949</b>
<b>FUND BALANCES/NET ASSETS, ENDING</b>	<b>\$ 2,231,955</b>	<b>\$ 813,745</b>

Construction	Total	Adjustments	Statement of Activities
\$ -	\$ 4,145,799	\$ -	\$ 4,145,799
-	129,835	-	129,835
-	72,847	-	72,847
-	110,122	-	110,122
14,388	140,659	-	140,659
-	14,916	-	14,916
14,388	4,614,178	-	4,614,178
-	3,063,734	962,464	4,026,198
-	494,104	(494,104)	-
-	470,000	(470,000)	-
-	185,193	45,209	230,402
-	4,213,031	43,569	4,256,600
14,388	401,147	(43,569)	357,578
289,228	2,948,169	9,190,390	12,138,559
\$ 303,616	\$ 3,349,316	\$ 9,146,821	\$ 12,496,137

See accompanying notes to financial statements.

**Downers Grove Public Library  
Component Unit**

General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2007  
(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final		Actual
	Budget	Actual	
<b>REVENUES</b>			
Taxes			
Property taxes	\$ 3,458,281	\$ 3,484,732	\$ 3,328,828
Intergovernmental revenue			
Personal property replacement tax	36,000	70,221	35,504
Grants	60,000	59,614	-
Charges for services	77,750	72,847	57,139
Fines and forfeits	96,000	110,122	64,636
Investment income	40,166	104,349	62,139
Miscellaneous			
Donations	11,000	14,641	3,666
Other	-	275	216
Total revenues	<u>3,779,197</u>	<u>3,916,801</u>	<u>3,552,128</u>
<b>EXPENDITURES</b>			
Current			
Community services	3,327,336	3,063,734	2,101,444
Capital outlay	416,543	494,104	235,406
Total expenditures	<u>3,743,879</u>	<u>3,557,838</u>	<u>2,336,850</u>
NET CHANGE IN FUND BALANCE	<u>\$ 35,318</u>	<u>358,963</u>	<u>1,215,278</u>
FUND BALANCE, BEGINNING		1,872,992	665,684
Prior period adjustment		-	(7,970)
FUND BALANCE, BEGINNING, RESTATED		<u>1,872,992</u>	<u>657,714</u>
FUND BALANCE, ENDING		<u>\$ 2,231,955</u>	<u>\$ 1,872,992</u>

(See independent auditor's report.)

**Downers Grove Public Library  
Component Unit**

General Fund  
Schedules of Expenditures - Budget and Actual  
For the Year Ended December 31, 2007  
(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
Administrative services			
Personnel services	\$ 409,617	\$ 404,844	\$ 261,041
Supplies	97,326	74,201	19,574
Contractual services	300,158	268,189	187,133
Other charges and services	71,073	53,141	80,714
Total administrative services	<u>878,174</u>	<u>800,375</u>	<u>548,462</u>
Reference and information services			
Personnel services	638,948	619,878	400,945
Supplies	3,863	3,869	3,159
Contractual services	7,534	5,112	1,285
Total reference and information services	<u>650,345</u>	<u>628,859</u>	<u>405,389</u>
Junior services			
Personnel services	398,501	406,295	259,354
Supplies	13,569	11,733	9,067
Contractual services	7,978	7,758	4,125
Total junior services	<u>420,048</u>	<u>425,786</u>	<u>272,546</u>
Circulation services			
Personnel services	462,575	457,142	288,951
Supplies	20,623	13,160	6,130
Contractual services	25,977	22,003	11,406
Other charges and services	2,073	3,189	1,871
Total circulation services	<u>511,248</u>	<u>495,494</u>	<u>308,358</u>
Technical services			
Personnel services	185,614	162,016	110,054
Supplies	28,981	31,259	20,845
Contractual services	21,398	1,599	19,638
Total technical services	<u>235,993</u>	<u>194,874</u>	<u>150,537</u>

(This schedule is continued on the following page.)

**Downers Grove Public Library  
Component Unit**

General Fund  
Schedules of Expenditures - Budget and Actual (Continued)  
For the Year Ended December 31, 2007  
(With Comparative Actual Amounts for the Year Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
Literature and audio visual services			
Personnel services	\$ 358,313	\$ 372,112	\$ 240,195
Supplies	127,318	2,324	82,584
Contractual services	6,894	5,516	3,820
Total literature and audio visual services	<u>492,525</u>	<u>379,952</u>	<u>326,599</u>
Programs and community awareness			
Personnel services	95,517	102,885	61,440
Supplies	5,778	2,252	3,570
Contractual services	37,708	33,257	24,543
Total programs and community awareness	<u>139,003</u>	<u>138,394</u>	<u>89,553</u>
Capital outlay	<u>416,543</u>	<u>494,104</u>	<u>235,406</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$ 3,743,879</u></u>	<u><u>\$ 3,557,838</u></u>	<u><u>\$ 2,336,850</u></u>

(See independent auditor's report.)

**Downers Grove Public Library  
Component Unit**

Debt Service Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2007

(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
<b>REVENUES</b>			
Taxes			
Property taxes	\$ 655,193	\$ 661,067	\$ 661,067
Investment income	5,000	21,922	18,496
Total revenues	660,193	682,989	679,563
<b>EXPENDITURES</b>			
Debt service - refunding bonds			
Principal	470,000	470,000	95,534
Interest and fiscal charges	185,193	185,193	-
Total expenditures	655,193	655,193	95,534
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 5,000</u>	27,796	584,029
<b>FUND BALANCE, BEGINNING</b>		<u>785,949</u>	201,920
<b>FUND BALANCE, ENDING</b>		<u>\$ 813,745</u>	<u>\$ 785,949</u>

(See independent auditor's report.)

**Downers Grove Public Library  
Component Unit**

Construction Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2007  
(With Comparative Actual Amounts for the Eight Months Ended December 31, 2006)

	Year Ended December 31, 2007		Eight Months Ended December 31, 2006
	Original and Final Budget	Actual	Actual
REVENUES			
Investment income	\$ 16,000	\$ 14,388	\$ 7,362
EXPENDITURES			
None	-	-	-
NET CHANGE IN FUND BALANCE	\$ 16,000	14,388	7,362
FUND BALANCE, BEGINNING		289,228	281,866
FUND BALANCE, ENDING		\$ 303,616	\$ 289,228

(See independent auditor's report.)



Village of Downers Grove, Illinois

Schedule of Insurance in Force  
December 31, 2007

---

<u>Insurance Company</u>	<u>Term</u>	<u>Description of Coverage</u>
Chubb	05/01/07- 04/30/08	All Risk Property \$53,000,000 Excess of \$25,000
Illinois National Insurance Co.	05/01/07- 04/30/08	Excess GL/Auto/Crime/Fidelity/Terrorism Excess up to \$15,000,000, Retained Limit of \$1,000,000
Westchester Insurance	05/01/07- 04/30/08	Excess GL/Auto \$20,000,000 Excess after the 1st Layer \$10,000,000
Safety National	05/01/07- 04/30/08	Workers' Compensation Full Statutory Benefits \$2,000,000 Excess of \$450,000

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Long-Term Debt Requirements  
General Obligation Bonds, Series 1998  
December 31, 2007

Date of Issue            October 1, 1998  
 Date of Maturity        January 1, 2014  
 Authorized Issue        \$3,000,000  
 Denomination of Bonds \$5,000  
 Interest Rates          3.70% to 4.00%  
 Interest Dates          July 1 and January 1  
 Principal Maturity Dates January 1  
 Payable at                Bank One  
 Purpose of Issuance    To finance the widening of the Fairview Avenue

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 210,000	\$ 33,070	\$ 243,070			2008	\$ 33,070
2007	215,000	58,160	273,160	2008	\$ 29,080	2009	29,080
2008	225,000	49,776	274,776	2009	24,888	2010	24,888
2009	240,000	41,000	281,000	2010	20,500	2011	20,500
2010	250,000	31,400	281,400	2011	15,700	2012	15,700
2011	260,000	21,400	281,400	2012	10,700	2013	10,700
2012	275,000	11,000	286,000	2013	5,500	2014	5,500
	<u>\$ 1,675,000</u>	<u>\$ 245,806</u>	<u>\$ 1,920,806</u>		<u>\$ 106,368</u>		<u>\$ 139,438</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Long-Term Debt Requirements  
General Obligation Bonds, Series 1999  
December 31, 2007

Date of Issue	July 1, 1999
Date of Maturity	January 1, 2019
Authorized Issue	\$6,500,000
Denomination of Bonds	\$5,000
Interest Rates	4.70% to 6.00%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable at	The Northern Trust Company
Purpose of Issuance	To finance the redevelopment of the Central Business District

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 130,000	\$ 40,530	\$ 170,530			2008	\$ 40,530
2007	195,000	74,950	269,950	2008	\$ 37,475	2009	37,475
2008	250,000	65,590	315,590	2009	32,795	2010	32,795
2009	320,000	53,340	373,340	2010	26,670	2011	26,670
2010	350,000	37,500	387,500	2011	18,750	2012	18,750
2011	400,000	20,000	420,000	2012	10,000	2013	10,000
	<u>\$ 1,645,000</u>	<u>\$ 291,910</u>	<u>\$ 1,936,910</u>		<u>\$ 125,690</u>		<u>\$ 166,220</u>

Bonds due January 1, 2014 through January 1, 2019 totaling \$4,480,000 were defeased in fiscal year 2005 from a portion of the proceeds of the G. O. Refunding Bonds, Series 2005.

(See independent auditor's report.)

Village of Downers Grove, Illinois

Long-Term Debt Requirements  
 General Obligation Bonds, Series 2000  
 December 31, 2007

Date of Issue	May 1, 2000
Date of Maturity	January 1, 2020
Authorized Issue	\$6,200,000
Denomination of Bonds	\$5,000
Interest Rates	5.38% to 6.00%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable at	The Northern Trust Company
Purpose of Issuance	To finance the redevelopment of the Central Business District

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 85,000	\$ 36,388	\$ 121,388			2008	\$ 36,388
2007	145,000	67,676	212,676	2008	\$ 33,838	2009	33,838
2008	170,000	58,976	228,976	2009	29,488	2010	29,488
2009	225,000	58,976	283,976	2010	29,488	2011	29,488
2010	265,000	48,776	313,776	2011	24,388	2012	24,388
2011	320,000	35,276	355,276	2012	17,638	2013	17,638
2012	55,000	20,170	75,170	2013	10,085	2014	10,085
	<u>\$ 1,265,000</u>	<u>\$ 326,238</u>	<u>\$ 1,591,238</u>		<u>\$ 144,925</u>		<u>\$ 181,313</u>

Bonds due January 1, 2015 through January 1, 2020 totaling \$4,620,000 were defeased in fiscal year 2005 from a portion of the proceeds of the G. O. Refunding Bonds, Series 2005.

Village of Downers Grove, Illinois

Long-Term Debt Requirements  
 General Obligation Bonds, Series 2001  
 December 31, 2007

Date of Issue	August 1, 2001
Date of Maturity	January 1, 2021
Authorized Issue	\$6,000,000
Denomination of Bonds	\$5,000
Interest Rates	4.500% to 5.125%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To finance the redevelopment of the Central Business District

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 40,000	\$ 149,481	\$ 189,481			2008	\$ 149,481
2007	20,000	297,162	317,162	2008	\$ 148,581	2009	148,581
2008	60,000	296,262	356,262	2009	148,131	2010	148,131
2009	65,000	293,412	358,412	2010	146,706	2011	146,706
2010	135,000	290,326	425,326	2011	145,163	2012	145,163
2011	185,000	283,912	468,912	2012	141,956	2013	141,956
2012	255,000	274,662	529,662	2013	137,331	2014	137,331
2013	150,000	261,912	411,912	2014	130,956	2015	130,956
2014	135,000	254,414	389,414	2015	127,207	2016	127,207
2015	195,000	247,662	442,662	2016	123,831	2017	123,831
2016	180,000	237,916	417,916	2017	118,958	2018	118,958
2017	320,000	228,914	548,914	2018	114,457	2019	114,457
2018	1,530,000	212,912	1,742,912	2019	106,456	2020	106,456
2019	2,690,000	134,500	2,824,500	2020	67,250	2021	67,250
	<u>\$ 5,960,000</u>	<u>\$ 3,463,447</u>	<u>\$ 9,423,447</u>		<u>\$ 1,656,983</u>		<u>\$ 1,806,464</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Long-Term Debt Requirements  
General Obligation Bonds, Series 2001A  
December 31, 2007

Date of Issue	December 27, 2001
Date of Maturity	January 1, 2012
Authorized Issue	\$4,000,000
Denomination of Bonds	\$5,000
Interest Rates	2.75% to 4.60%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To finance the installation of the AMR system

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 415,000	\$ 49,716	\$ 464,716			2008	\$ 49,716
2007	430,000	82,210	512,210	2008	\$ 41,105	2009	41,105
2008	450,000	63,720	513,720	2009	31,860	2010	31,860
2009	470,000	43,695	513,695	2010	21,848	2011	21,848
2010	485,000	22,310	507,310	2011	11,155	2012	11,155
	<u>\$ 2,250,000</u>	<u>\$ 261,651</u>	<u>\$ 2,511,651</u>		<u>\$ 105,968</u>		<u>\$ 155,684</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Long-Term Debt Requirements  
General Obligation Bonds, Series 2002  
December 31, 2007

Date of Issue	August 1, 2002
Date of Maturity	January 1, 2021
Authorized Issue	\$6,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.50% to 4.75%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To finance the redevelopment of the Central Business District

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 190,000	\$ 130,529	\$ 320,529			2008	\$ 130,529
2007	100,000	264,407	364,407	2008	\$ 132,203	2009	132,204
2008	100,000	250,408	350,408	2009	125,204	2010	125,204
2009	100,000	246,407	346,407	2010	123,204	2011	123,203
2010	120,000	242,408	362,408	2011	121,204	2012	121,204
2011	185,000	237,007	422,007	2012	118,503	2013	118,504
2012	265,000	229,608	494,608	2013	114,804	2014	114,804
2013	355,000	219,007	574,007	2014	109,504	2015	109,503
2014	220,000	204,275	424,275	2015	102,137	2016	102,138
2015	560,000	194,925	754,925	2016	97,463	2017	97,462
2016	685,000	170,565	855,565	2017	85,282	2018	85,283
2017	830,000	140,083	970,083	2018	70,042	2019	70,041
2018	980,000	102,317	1,082,317	2019	51,158	2020	51,159
2019	1,205,000	57,238	1,262,238	2020	28,619	2021	28,619
	<u>\$ 5,895,000</u>	<u>\$ 2,689,184</u>	<u>\$ 8,584,184</u>		<u>\$ 1,279,327</u>		<u>\$ 1,409,857</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Long-Term Debt Requirements  
 General Obligation Refunding Bonds, Series 2003  
 December 31, 2007

Date of Issue	June 1, 2003
Date of Maturity	January 1, 2017
Authorized Issue	\$6,265,000
Denomination of Bonds	\$5,000
Interest Rates	2.5 % to 3.75%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable at	The Northern Trust Company
Purpose of Issuance	To refund Library G. O. Bonds, Series 1996

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 475,000	\$ 89,659	\$ 564,659			2008	\$ 89,659
2007	490,000	166,850	656,850	2008	\$ 83,425	2009	83,425
2008	505,000	152,761	657,761	2009	76,381	2010	76,380
2009	520,000	136,980	656,980	2010	68,490	2011	68,490
2010	535,000	120,340	655,340	2011	60,170	2012	60,170
2011	555,000	103,220	658,220	2012	51,610	2013	51,610
2012	570,000	85,460	655,460	2013	42,730	2014	42,730
2013	585,000	66,365	651,365	2014	33,182	2015	33,183
2014	610,000	45,890	655,890	2015	22,945	2016	22,945
2015	630,000	23,625	653,625	2016	11,813	2017	11,812
	<u>\$ 5,475,000</u>	<u>\$ 991,150</u>	<u>\$ 6,466,150</u>		<u>\$ 450,746</u>		<u>\$ 540,404</u>

(See independent auditor's report.)



Village of Downers Grove, Illinois

Long-Term Debt Requirements  
 General Obligation Bonds, Series 2003A  
 December 31, 2007

Date of Issue	November 1, 2003
Date of Maturity	January 1, 2021
Authorized Issue	\$12,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To finance the redevelopment of the Central Business District

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 275,000	\$ 245,083	\$ 520,083			2008	\$ 245,083
2007	400,000	480,540	880,540	2008	\$ 240,270	2009	240,270
2008	750,000	466,540	1,216,540	2009	233,270	2010	233,270
2009	770,000	440,290	1,210,290	2010	220,145	2011	220,145
2010	795,000	411,414	1,206,414	2011	205,707	2012	205,707
2011	815,000	379,616	1,194,616	2012	189,808	2013	189,808
2012	845,000	347,014	1,192,014	2013	173,507	2014	173,507
2013	875,000	313,216	1,188,216	2014	156,608	2015	156,608
2014	915,000	278,214	1,193,214	2015	139,107	2016	139,107
2015	950,000	239,784	1,189,784	2016	119,892	2017	119,892
2016	990,000	199,410	1,189,410	2017	99,705	2018	99,705
2017	1,030,000	155,850	1,185,850	2018	77,925	2019	77,925
2018	1,070,000	109,500	1,179,500	2019	54,750	2020	54,750
2019	1,120,000	56,000	1,176,000	2020	28,000	2021	28,000
	<u>\$ 11,600,000</u>	<u>\$ 4,122,471</u>	<u>\$ 15,722,471</u>		<u>\$ 1,938,694</u>		<u>\$ 2,183,777</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Long-Term Debt Requirements  
Taxable General Obligation Refunding Bonds, Series 2005  
December 31, 2007

Date of Issue	March 1, 2005
Date of Maturity	January 1, 2020
Authorized Issue	\$9,950,000
Denomination of Bonds	\$5,000
Interest Rates	2.30% to 3.85%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable at	The Northern Trust Company
Purpose of Issuance	To refund G. O. Bonds, Series 1999 and G. O. Bonds, Series 2000

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2006	\$ 70,000	\$ 178,175	\$ 248,175			2008	\$ 178,175
2007	70,000	353,900	423,900	2008	\$ 176,950	2009	176,950
2008	70,000	351,450	421,450	2009	175,725	2010	175,725
2009	70,000	349,000	419,000	2010	174,500	2011	174,500
2010	80,000	346,550	426,550	2011	173,275	2012	173,275
2011	80,000	343,750	423,750	2012	171,875	2013	171,875
2012	840,000	340,950	1,180,950	2013	170,475	2014	170,475
2013	1,175,000	311,550	1,486,550	2014	155,775	2015	155,775
2014	1,365,000	269,838	1,634,838	2015	134,919	2016	134,919
2015	1,505,000	220,698	1,725,698	2016	110,349	2017	110,349
2016	1,735,000	166,518	1,901,518	2017	83,259	2018	83,259
2017	1,820,000	102,323	1,922,323	2018	51,161	2019	51,162
2018	885,000	34,073	919,073	2019	17,037	2020	17,036
	<u>\$ 9,765,000</u>	<u>\$ 3,368,775</u>	<u>\$ 13,133,775</u>		<u>\$ 1,595,300</u>		<u>\$ 1,773,475</u>

(See independent auditor's report.)

**Village of Downers Grove, Illinois**

Long-Term Debt Requirements  
General Obligation Bonds, Series 2007  
December 31, 2007

Date of Issue	May 1, 2007
Date of Maturity	January 1, 2028
Authorized Issue	\$9,250,000
Denomination of Bonds	\$5,000
Interest Rates	3.75% to 5.50%
Interest Dates	July 1 and January 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To finance the redevelopment of the Central Business District

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2007	\$ 100,000	\$ 631,179	\$ 731,179	2008	\$ 441,825	2009	\$ 189,354
2008	335,000	374,708	709,708	2009	187,354	2010	187,354
2009	350,000	361,308	711,308	2010	180,654	2011	180,654
2010	360,000	347,308	707,308	2011	173,654	2012	173,654
2011	375,000	332,906	707,906	2012	166,453	2013	166,453
2012	390,000	317,908	707,908	2013	158,954	2014	158,954
2013	400,000	302,306	702,306	2014	151,153	2015	151,153
2014	420,000	280,308	700,308	2015	140,154	2016	140,154
2015	435,000	257,208	692,208	2016	128,604	2017	128,604
2016	450,000	240,896	690,896	2017	120,448	2018	120,448
2017	470,000	223,796	693,796	2018	111,898	2019	111,898
2018	490,000	205,700	695,700	2019	102,850	2020	102,850
2019	500,000	186,834	686,834	2020	93,417	2021	93,417
2020	525,000	167,334	692,334	2021	83,667	2022	83,667
2021	550,000	146,336	696,336	2022	73,168	2023	73,168
2022	570,000	124,334	694,334	2023	62,167	2024	62,167
2023	595,000	101,536	696,536	2024	50,768	2025	50,768
2024	620,000	77,734	697,734	2025	38,867	2026	38,867
2025	645,000	52,936	697,936	2026	26,468	2027	26,468
2026	670,000	27,134	697,134	2027	13,567	2028	13,567
	<u>\$ 9,250,000</u>	<u>\$ 4,759,709</u>	<u>\$ 14,009,709</u>		<u>\$ 2,506,090</u>		<u>\$ 2,253,619</u>

(See independent auditor's report.)

## STATISTICAL SECTION

This part of the Village of Downers Grove's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	129-134
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Village's most significant local revenue sources, the property tax and sales tax.	135-140
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	141-145
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	146-147
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	148-150

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

VILLAGE OF DOWNERS GROVE, ILLINOIS

NET ASSETS BY COMPONENT (in thousands)  
Last Five Fiscal Years

	2004	2005	Fiscal Year 2006	2006(A)	2007
<b>Governmental Activities</b>					
Invested in capital assets	\$ 62,467	\$ 63,898	\$ 61,598	\$ 65,925	\$ 66,275
net of related debt	4,815	5,982	3,697	3,847	4,007
Restricted	8,171	11,963	15,822	17,532	19,581
Unrestricted					
<b>Total Governmental Activities</b>	<b>\$ 75,453</b>	<b>\$ 81,843</b>	<b>\$ 81,117</b>	<b>\$ 87,304</b>	<b>\$ 89,863</b>
<b>Business-type Activities</b>					
Invested in capital assets	\$ 24,031	\$ 25,531	\$ 25,370	\$ 25,213	\$ 25,279
net of related debt	-	-	-	-	-
Restricted	4,614	4,465	5,724	4,424	7,746
Unrestricted					
<b>Total Business-type Activities</b>	<b>\$ 28,645</b>	<b>\$ 29,996</b>	<b>\$ 31,094</b>	<b>\$ 29,637</b>	<b>\$ 33,025</b>
<b>Primary Government</b>					
Invested in capital assets	\$ 86,498	\$ 89,429	\$ 86,968	\$ 91,137	\$ 91,554
net of related debt	4,815	5,982	3,697	3,847	4,007
Restricted	12,785	16,428	21,546	21,956	27,327
Unrestricted					
<b>Total Primary Government</b>	<b>\$ 104,098</b>	<b>\$ 111,839</b>	<b>\$ 112,211</b>	<b>\$ 116,940</b>	<b>\$ 122,888</b>

Notes

(A) The Village changed its fiscal year end from April 30 to December 31.

Data Source  
Audited Financial Statements

VILLAGE OF DOWNERS GROVE, ILLINOIS

CHANGE IN NET ASSETS (in thousands)  
Last Five Fiscal Years

	Fiscal Year				
	2004	2005	2006	2006(A)	2007
<b>Expenses</b>					
<b>Governmental Activities</b>					
General government	\$ 3,939	\$ 626	\$ 4,418	\$ 4,263	\$ 5,276
Public works	8,478	9,717	9,669	8,362	10,810
Community development	1,452	1,565	1,686	2,469	4,181
Public safety	22,757	22,139	23,057	17,740	25,603
Community services	6,044	2,747	4,149	2,125	3,059
Interest and fiscal charges	2,657	1,881	1,836	1,283	2,010
<b>Total Governmental Activities Expenses</b>	<b>45,327</b>	<b>38,675</b>	<b>44,815</b>	<b>36,242</b>	<b>50,939</b>
<b>Business-type Activities</b>					
Waterworks	9,112	8,459	8,626	5,813	7,863
Parking	1,212	793	884	292	977
Transportation	671	540	-	-	-
<b>Total Business-type Activities Expenses</b>	<b>10,995</b>	<b>9,792</b>	<b>9,510</b>	<b>6,105</b>	<b>8,840</b>
<b>Total Primary Government Expenses</b>	<b>\$ 56,322</b>	<b>\$ 48,467</b>	<b>\$ 54,325</b>	<b>\$ 42,347</b>	<b>\$ 59,779</b>
<b>Program Revenues</b>					
<b>Governmental Activities</b>					
Charges for Services	\$ 2,765	\$ 762	\$ 1,006	\$ 2,152	\$ 1,577
General government	203	202	372	181	249
Public works	25	19	1,831	1,272	2,107
Community development	2,627	1,804	2,533	1,941	2,181
Public safety	3,016	2,506	878	863	825
Community services	2,038	1,708	1,552	1,198	1,898
Operating Grants and Contributions	170	617	428	249	1,216
Capital Grants and Contributions	-	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	<b>10,844</b>	<b>7,618</b>	<b>8,600</b>	<b>7,856</b>	<b>10,053</b>
<b>Business-type Activities</b>					
Charges for Services	\$ 8,696	\$ 10,134	\$ 8,696	\$ 5,440	\$ 7,799
Waterworks	756	856	1,013	699	1,289
Parking	391	213	-	-	-
Transportation	-	-	-	-	-
Operating Grants and Contributions	-	-	179	268	1
Capital Grants and Contributions	-	-	-	-	-
<b>Total Business-type Activities Program Revenues</b>	<b>9,843</b>	<b>11,203</b>	<b>9,888</b>	<b>6,407</b>	<b>9,089</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 20,687</b>	<b>\$ 18,821</b>	<b>\$ 18,488</b>	<b>\$ 14,263</b>	<b>\$ 19,142</b>

VILLAGE OF DOWNERS GROVE, ILLINOIS

CHANGE IN NET ASSETS (in thousands) (Continued)  
Last Five Fiscal Years

	2004	2005	Fiscal Year 2006	2006(A)	2007
<b>Net Revenue (Expense)</b>					
Governmental activities	\$ (34,483)	\$ (31,057)	\$ (36,215)	\$ (28,386)	\$ (40,886)
Business-type activities	(1,152)	1,411	378	302	249
<b>Total Primary Government Net Revenue (Expense)</b>	<b>\$ (35,635)</b>	<b>\$ (29,646)</b>	<b>\$ (35,837)</b>	<b>\$ (28,084)</b>	<b>\$ (40,637)</b>
<b>General Revenues and Other Changes in Net Assets</b>					
<b>Governmental Activities</b>					
Taxes					
Property	\$ 12,679	\$ 8,993	\$ 10,237	\$ 10,648	\$ 10,868
Sales	3,183	17,195	17,925	12,627	4,442
Utility	4,659	6,363	876	714	6,269
Intergovernmental	15,125	3,994	6,268	3,798	18,565
Other	1,080	1,432	4,551	3,212	1,351
Investment Earnings	243	291	814	888	1,730
Miscellaneous	332	79	18	92	43
Special Item	-	-	(4,684)	1,261	-
Transfers	100	100	181	1,930	178
<b>Total Governmental Activities</b>	<b>37,401</b>	<b>38,447</b>	<b>36,186</b>	<b>35,170</b>	<b>43,446</b>
<b>Business-type Activities</b>					
Investment Earnings	39	39	203	170	304
Miscellaneous	(5)	-	-	-	3,013
Transfers	(100)	(100)	(181)	(1,930)	(178)
<b>Total Business-type Activities</b>	<b>(66)</b>	<b>(61)</b>	<b>22</b>	<b>(1,760)</b>	<b>3,139</b>
<b>Total Primary Government</b>	<b>\$ 37,335</b>	<b>\$ 38,386</b>	<b>\$ 36,208</b>	<b>\$ 33,410</b>	<b>\$ 46,585</b>
<b>Change in net assets</b>					
Governmental activities	\$ 2,918	\$ 7,390	\$ (29)	\$ 6,784	\$ 2,559
Business-type activities	(1,218)	1,350	400	(1,457)	3,388
<b>Total Primary Government Change in Net Assets</b>	<b>\$ 1,700</b>	<b>\$ 8,740</b>	<b>\$ 371</b>	<b>\$ 5,327</b>	<b>\$ 5,947</b>

Notes

(A) The Village changed its fiscal year end from April 30 to December 31. The Village of Downers Grove implemented GASB S-34 in 2004

Data Source  
Audited Financial Statements

VILLAGE OF DOWNERS GROVE, ILLINOIS

Fund Balances of Governmental Funds (in thousands)  
Last Ten Fiscal Years

	1999	2000	2001	2002	2003	2004	2005	2006	2006(A)	2007
General Fund										
Reserved	\$ 174	\$ 9	\$ 132	\$ 125	\$ 127	\$ 121	\$ 104	\$ 194	\$ 99	\$ 89
Unreserved	10,590	10,889	10,082	7,268	5,486	6,378	12,217	17,858	18,530	16,962
Total General Fund	\$ 10,764	\$ 10,898	\$ 10,214	\$ 7,393	\$ 5,613	\$ 6,499	\$ 12,321	\$ 18,052	\$ 18,629	\$ 17,051
All Other Governmental Funds										
Reserved	\$ 259	\$ 185	\$ 139	\$ 90	\$ 81	\$ 4,113	\$ 5,479	\$ 5,493	\$ 5,741	\$ 5,908
Unreserved, reported in										
Special Revenue Funds	409	1,919	3,484	2,877	4,726	-	(724)	(2,476)	(871)	(1,284)
Capital Project Funds	3,690	4,002	2,948	3,942	2,861	-	1,352	1,227	445	5,524
Total All Other Governmental Funds	\$ 4,358	\$ 6,106	\$ 6,571	\$ 6,909	\$ 7,668	\$ 4,113	\$ 6,107	\$ 4,244	\$ 5,315	\$ 10,148

Notes

In fiscal year 2006, the transportation fund was reclassified to a governmental activity  
(A) The Village changed its fiscal year end from April 30 to December 31.

Data Source  
Audited Financial Statements



VILLAGE OF DOWNERS GROVE, ILLINOS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (in thousands)  
Last Ten Fiscal Years

	1999	2000	2001	2002	2003
<b>Revenues</b>					
Taxes	\$ 25,290	\$ 25,160	\$ 26,338	\$ 25,060	\$ 26,653
Licenses and permits	534	543	1,069	1,296	1,882
Intergovernmental	4,886	6,867	6,487	6,307	6,143
Sales revenues					
Charges for services	2,261	2,965	3,519	3,712	4,346
Fines and forfeitures	602	573	606	701	751
Investment income	940	851	1,163	545	268
Miscellaneous	874	1,375	25	188	334
<b>Total revenues</b>	<b>35,387</b>	<b>38,334</b>	<b>39,207</b>	<b>37,809</b>	<b>40,377</b>
<b>Expenditures</b>					
General government	8,846	8,432	10,600	6,903	6,599
Public works	5,371	5,675	6,206	8,523	7,966
Community development	-	-	-	-	-
Public safety	13,757	14,707	15,741	18,809	19,233
Community services	2,672	2,714	2,738	4,201	4,665
Capital outlay	10,015	9,329	12,141	7,590	5,565
Debt service					
Principal	270	380	440	465	5,145
Interest and fiscal charges	414	684	1,045	1,485	1,654
<b>Total expenditures</b>	<b>41,345</b>	<b>41,921</b>	<b>48,911</b>	<b>47,976</b>	<b>50,827</b>
<b>Excess of Revenues over (under)</b>					
Expenditures	(5,958)	(3,587)	(9,704)	(10,167)	(10,450)
<b>Other Financing Sources (Uses)</b>					
Transfers in	300	1,867	554	948	1,510
Transfers out	(600)	(1,792)	(643)	(815)	(1,295)
Issuance of debt	3,000	6,500	10,700	6,000	10,500
Payment to the refunded bond escrow agent	-	-	-	-	-
Bond issue premium	-	-	-	-	-
Proceeds from disposal of capital assets	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,700</b>	<b>6,575</b>	<b>10,611</b>	<b>6,133</b>	<b>10,715</b>
<b>Net Change in Fund Balances</b>	<b>\$ (3,258)</b>	<b>\$ 2,988</b>	<b>\$ 907</b>	<b>\$ (4,034)</b>	<b>\$ 265</b>
<b>Debt Service as a Percentage of</b>					
Noncapital Expenditures	1.65%	3.25%	3.04%	3.10%	13.38%

Notes

(A) The Village changed its fiscal year end from April 30 to December 31.

Data Source

Audited Financial Statements

	2004	2005	2006	2006(A)	2007
\$	33,275	\$ 20,766	\$ 22,086	\$ 18,583	\$ 22,930
	2,254	1,708	2,036	1,326	2,092
	5,262	18,819	19,642	13,820	21,005
	-	-	-	11	17
	5,100	3,026	3,737	3,708	4,799
	1,391	559	871	-	-
	243	291	814	792	1,569
	445	279	104	103	82
	47,970	45,448	49,290	38,343	52,494
	5,805	2,222	4,474	3,649	5,027
	8,304	8,182	7,693	7,135	8,920
	-	1,524	1,689	2,009	3,842
	23,381	22,043	23,139	17,252	25,060
	4,598	2,728	3,475	1,758	3,042
	9,159	7,048	1,659	2,031	10,216
	631	4,828	668	4,518	765
	1,698	2,164	1,809	950	1,728
	53,576	50,739	44,606	39,302	58,600
	(5,606)	(5,291)	4,684	(959)	(6,106)
	(84)	6,811	1,184	5,278	3,074
	184	(6,711)	(1,003)	(3,348)	(3,096)
	5,922	14,450	-	-	9,250
	-	(9,840)	-	-	-
	-	35	-	-	106
	-	-	49	1,275	26
	6,022	4,745	230	3,205	9,360
\$	416	\$ (546)	\$ 4,914	\$ 2,246	\$ 3,254
	4.35%	13.78%	5.55%	13.91%	5.15%

VILLAGE OF DOWNERS GROVE, ILLINOIS  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
1998	\$ 878,243,353	\$ 333,742,065	\$ 59,182,410	\$ 1,271,167,828	0.27	\$ 3,813,503,484	33.3333%
1999	908,570,562	368,807,495	59,627,430	1,337,005,487	0.28	4,011,016,461	33.3333%
2000	946,421,391	401,202,390	62,509,950	1,410,133,731	0.20	4,230,401,193	33.3333%
2001	1,018,660,526	421,897,362	65,942,155	1,506,500,043	0.29	4,519,500,129	33.3333%
2002	1,102,277,929	469,463,965	63,794,320	1,635,536,214	0.37	4,906,608,642	33.3333%
2003	1,215,329,035	467,952,910	64,409,960	1,747,691,905	0.44	5,243,075,715	33.3333%
2004	1,323,442,153	495,011,598	66,794,600	1,885,248,351	0.44	5,655,745,053	33.3333%
2005	1,483,717,879	505,593,618	68,323,460	2,057,634,957	0.41	6,172,904,871	33.3333%
2006	1,624,870,481	526,745,115	71,259,570	2,222,875,166	0.38	6,668,625,498	33.3333%
2007	1,801,439,088	539,361,723	72,243,603	2,413,044,414	0.46	7,239,133,242	33.3333%

Data Source  
 Office of the County Clerk

## Village of Downers Grove, Illinois

### Property Tax Rates - Direct And Overlapping Governments Last Ten Levy Years

Tax Levy Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Village Direct Rates</b>										
Corporate	0.1033	0.1032	0.0620	0.0916	0.0911	0.1341	0.1350	0.1237	0.1156	0.1146
Firefighter's Pension	0.0544	0.0649	0.0664	0.0715	0.0716	0.0749	0.0769	0.0764	0.0712	0.0427
Police Pension	0.0204	0.0194	0.0196	0.0406	0.0391	0.0509	0.0465	0.0532	0.0496	0.0479
Debt service	0.0000	0.0000	0.0000	0.0000	0.0812	0.0494	0.0526	0.0429	0.0335	0.0330
Fire Protection	0.0960	0.0958	0.0548	0.0850	0.0845	0.1274	0.1283	0.1175	0.1100	0.1158
Stormwater	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.1090
<b>Total Direct Rate</b>	<b>0.2741</b>	<b>0.2833</b>	<b>0.2028</b>	<b>0.2887</b>	<b>0.3675</b>	<b>0.4367</b>	<b>0.4393</b>	<b>0.4137</b>	<b>0.3799</b>	<b>0.4630</b>
<b>Overlapping Rates</b>										
Library District	0.2403	0.2371	0.2338	0.2275	0.2179	0.2109	0.2033	0.1942	0.1870	0.1795
Downers Grove Park District	*	*	0.4400	0.4311	0.3828	0.3489	0.3322	0.3188	0.3062	0.2932
Downers Grove Sanitary District	*	*	0.0387	0.0383	0.0366	0.0355	0.0339	0.0326	0.0316	0.0303
Special Service Area #1	0.1288	0.1175	0.1100	0.1006	0.0940	0.0813	0.0728	0.0619	0.0573	0.0000
Special Service Area #2	0.0000	1.3156	1.2847	1.3275	1.4089	1.5000	1.5000	1.5000	1.5000	1.4161
Special Service Area #3	0.7612	0.7012	0.6599	0.6212	0.5737	0.5071	0.4605	0.3655	0.3379	0.3315
Downers Grove Township	*	*	0.0352	0.0340	0.0324	0.0306	0.0290	0.0278	0.0268	0.0256
Downers Grove Township Road District	*	*	0.0521	0.0510	0.0486	0.0459	0.0434	0.0416	0.0401	0.0382
DuPage County	*	*	0.2536	0.2353	0.2154	0.1999	0.1850	0.1797	0.1713	0.1651
DuPage County Forest Preserve	*	*	0.1742	0.1654	0.1534	0.1419	0.1358	0.1271	0.1303	0.1187
Dupage Airport Authority	*	*	0.0291	0.0271	0.0248	0.0230	0.0213	0.0198	0.0183	0.0170
College of DuPage	*	*	0.1966	0.1930	0.2179	0.2097	0.1972	0.1874	0.1929	0.1888
Grade School District No. 58	*	*	2.1783	2.0881	1.9765	1.8523	1.7721	1.7049	1.6523	1.5327
High School District No. 99	*	*	1.8280	1.7972	1.7204	1.6696	1.5914	1.5365	1.4884	1.4269
Grade School District No. 44	*	*	*	*	*	*	*	2.8909	2.8473	2.8581
Grade School District No. 61	*	*	*	*	*	*	*	2.5340	2.3962	2.2923
Grade School District No. 66	*	*	*	*	*	*	*	1.9495	1.9357	1.8505
Grade School District No. 68	*	*	*	*	*	*	*	3.4365	3.5335	3.3935
Grade School District No. 89	*	*	*	*	*	*	*	2.6104	2.5370	2.4253
High School District No. 87	*	*	*	*	*	*	*	1.7716	1.7210	1.6612
Unit School District No. 201	*	*	*	*	*	*	*	3.6613	3.5126	3.3661
Unit School District No. 202	*	*	*	*	*	*	*	3.8609	3.7764	3.7513

\* Data is unavailable for the past years due to availability of data from other governments.

Data Source  
Office of the County Clerk

VILLAGE OF DOWNERS GROVE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS  
Current Year And Nine Years Ago

Taxpayer	2007			1998		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Hamilton Partners	\$ 47,374,567	1	1.96%	\$ 54,322,580	1	4.67%
Duke Realty Corp	29,940,060	2	1.24%	24,411,010	2	2.10%
PTA - K 225	22,066,430	3	0.91%	-	-	0.00%
MJH Downers Grove LLC	15,511,140	4	0.64%	-	-	0.00%
C B Richards	15,470,810	5	0.64%	-	-	0.00%
Highland Owner LLC	15,034,040	6	0.62%	-	-	0.00%
Wells REIT II/Lincoln	14,316,670	7	0.59%	-	-	0.00%
Corridors I & II	13,428,670	8	0.56%	-	-	0.00%
Arun Enterprises	12,469,720	9	0.52%	-	-	0.00%
TA Associates Realty	12,392,990	10	0.51%	8,409,500	3	0.72%
WMF Hunton Paige				7,010,720	4	0.60%
CNC				6,781,520	5	0.58%
Service Master				6,115,160	6	0.53%
Federal Realty				5,374,320	7	0.46%
WHML-S Real Estate				5,040,280	8	0.43%
Marriott Suites LTD				4,787,960	9	0.41%
Robin Realty Management Co.				4,342,930	10	0.34%
	<u>\$ 198,005,097</u>		<u>8.19%</u>	<u>\$ 126,595,980</u>		<u>10.84%</u>

Note

Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

VILLAGE OF DOWNERS GROVE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS (in thousands)  
Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Subsequent Collections	Total Amount	Percentage
		Amount	Percentage of Levy			
1998	3,705	3,735	100.81%	-	-	-
1999	4,007	4,001	99.85%	-	-	-
2000	3,083	3,081	99.94%	-	-	-
2001	4,570	4,584	100.31%	-	-	-
2002	6,243	6,389	102.34%	-	-	-
2003	7,867	7,855	99.85%	40	7,895	100.36%
2004	8,595	8,504	98.94%	54	8,558	99.57%
2005	8,745	8,731	99.84%	59	8,790	100.51%
2006	8,679	8,679	100%	63	8,706	100.31%
2007	11,148	*	*	*	*	*

Note

\* First installment of property taxes due June 1, 2008  
Subsequent collection data for levy years 1998-2002 are unavailable.

Data Source

Office of the County Clerk

VILLAGE OF DOWNERS GROVE, ILLINOIS

TAXABLE SALES BY CATEGORY (in thousands)  
Last Ten Calendar Years

Fiscal Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General merchandise	\$ 68,000	\$ 65,280	\$ 58,340	\$ 54,640	\$ 52,840	\$ 47,040	\$ 49,020	\$ 47,720	\$ 54,440	\$ 49,040
Food	26,420	29,980	32,740	36,220	35,080	29,620	28,700	28,700	31,180	31,440
Drinking and eating places	84,380	85,880	89,740	89,160	93,640	95,980	111,760	115,720	122,920	125,060
Apparel	16,880	14,440	9,520	15,560	15,860	15,940	23,500	24,480	24,900	25,300
Furniture and H.H. and radio	175,260	210,140	214,040	212,120	197,800	198,180	207,060	185,780	184,000	183,140
Lumber, building hardware	69,080	83,920	89,320	94,780	107,900	90,720	82,020	81,320	89,740	88,900
Automobile and filling stations	291,200	353,200	354,560	359,340	315,040	307,340	327,560	359,240	349,240	328,760
Drugs and miscellaneous retail	120,820	128,280	126,680	121,040	126,620	138,020	183,500	215,400	211,920	210,920
Agriculture and all others	150,500	152,360	131,100	111,240	86,560	82,600	93,440	86,340	103,960	115,160
Manufacturers	11,080	12,980	11,180	10,160	10,580	12,740	15,180	17,540	17,700	16,260
<b>TOTAL</b>	<b>\$ 1,013,620</b>	<b>\$ 1,136,460</b>	<b>\$ 1,117,220</b>	<b>\$ 1,104,260</b>	<b>\$ 1,041,920</b>	<b>\$ 1,018,180</b>	<b>\$ 1,121,740</b>	<b>\$ 1,162,240</b>	<b>\$ 1,190,000</b>	<b>\$ 1,173,980</b>

Data Source

Illinois Department of Revenue

VILLAGE OF DOWNERS GROVE, ILLINOIS  
DIRECT AND OVERLAPPING SALES TAX RATES  
Last Ten Fiscal Years

---

Fiscal Year	Village Direct Rate	Total Sales Tax Rate
1998	1.00%	6.75%
1999	1.00%	6.75%
2000	1.00%	6.75%
2001	1.00%	6.75%
2002	1.00%	6.75%
2003	1.00%	6.75%
2004	1.50%	7.25%
2005	1.50%	7.25%
2006	1.50%	7.25%
2007	1.50%	7.25%

Data Source  
Village and County Records



VILLAGE OF DOWNERS GROVE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE (in thousands)  
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income*		Per Capita*
	General Obligation Bonds	Note Payable	General Obligation Bonds	Note Payable		Personal Income*	Per Capita*	
1999	3,000	-	-	-	3,000	0.29%	61.24	
2000	9,400	-	-	-	9,400	0.61%	191.30	
2001	19,950	-	-	-	19,950	1.30%	409.45	
2002	29,790	-	-	-	29,790	1.91%	603.81	
2003	35,240	-	-	-	35,240	2.27%	716.86	
2004	43,180	55	3,410	2,550	49,195	3.16%	998.78	
2005	43,720	37	3,035	4,788	51,580	3.33%	1,050.64	
2006	43,070	18	2,650	4,788	50,526	3.26%	1,029.17	
2006(A)	38,570	-	2,650	4,788	46,008	2.97%	937.14	
2007	47,055	-	2,250	4,788	54,093	3.46%	1,091.84	

Notes

Details of the City's outstanding debt can be found in the notes to the financial statements.

(A) The Village changed its fiscal year end from April 30 to December 31.

\* See the Schedule of Demographic and Economic Statistics on page 146 for personal income and population data.

VILLAGE OF DOWNERS GROVE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
1999	3,000	-	3,000	0.08%	61.24
2000	9,400	-	9,400	0.23%	191.30
2001	19,950	-	19,950	0.47%	409.45
2002	29,790	-	29,790	0.66%	603.81
2003	35,240	-	35,240	0.72%	716.86
2004	43,180	103	43,077	0.82%	874.57
2005	43,720	529	43,191	0.76%	879.76
2006	43,070	263	42,807	0.69%	871.94
2006(A)	38,570	949	37,621	1.69%	766.31
2007	47,055	877	46,178	1.92%	930.63

Notes

Details of the City's outstanding debt can be found in the notes to the financial statements.

(A) The Village changed its fiscal year end from April 30 to December 31.

\* See the Schedule of Assessed Value and estimated Actual Value of Taxable Property on page 135 for property value data.

VILLAGE OF DOWNERS GROVE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
December 31, 2007

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village of Downers Grove (1)	Village of Downers Grove Share of Debt
Village of Downers Grove	\$ 47,055	100.00%	\$ 47,055
DuPage County	188,250	5.88%	11,069
Dupage County Forest Preserve	223,724	5.88%	13,155
Dupage Water Commission	137,945	6.53%	9,008
Downers Grove Park District	7,850	97.72%	7,671
Schools			
Grade School			
District No. 44	18,809	4.53%	852
District No. 58	4,870	77.88%	3,793
District No. 61	5,555	10.15%	564
District No. 66	6,175	4.06%	
District No. 68	11,808	5.08%	600
District No. 89	2,537	5.00%	127
High School			
District No. 87	21,166	98.00%	20,743
District No. 99	74,028	49.54%	36,673
Unit School District			
District No. 201	7,680	0.57%	44
District No. 202	13,600	5.75%	782
Total Overlapping	723,997		105,081
Total Direct and Overlapping	\$ 771,052		\$ 152,136

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village of Downers Grove to valuation of property subject to taxation in overlapping unit.

Data Source

Each applicable overlapping government

VILLAGE OF DOWNERS GROVE, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2007

---

Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.

VILLAGE OF DOWNERS GROVE, ILLINOIS

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Water Revenue Bonds						
Fiscal Year	Water Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service *		Coverage
				Principal	Interest	
1999	\$ 6,573,287	\$ 5,839,145	734,142	\$ -	\$ -	-
2000	\$ 6,582,998	\$ 5,797,588	785,410	\$ -	\$ -	-
2001	\$ 6,352,454	\$ 6,226,186	126,268	\$ -	\$ -	-
2002	\$ 6,582,327	\$ 6,068,815	513,512	\$ -	\$ -	-
2003	\$ 6,356,352	\$ 6,603,954	(247,602)	\$ 225,000	\$ 171,863	(0.62)
2004	\$ 8,695,750	\$ 7,178,009	1,517,741	\$ 365,000	\$ 152,455	2.93
2005	\$ 10,134,330	\$ 6,415,319	3,719,011	\$ 375,000	\$ 142,053	7.19
2006	\$ 8,695,900	\$ 8,525,190	170,710	\$ 385,000	\$ 129,676	0.33
2006(A)	\$ 5,439,857	\$ 4,667,116	772,741	\$ 400,000	\$ 107,433	1.52
2007	\$ 11,005,489	\$ 6,406,952	4,598,537	\$ 400,000	\$ 99,433	9.21

Note

Details of the Village's outstanding debt can be found in the notes to the financial statements.

Water Charges and Other includes investment earnings but not tap on fees.

Operating expenses do not include interest or depreciation.

(A) The Village changed its fiscal year end from April 30 to December 31.

\* Debt was issued December 27, 2001

VILLAGE OF DOWNERS GROVE, ILLINOIS  
 DEMOGRAPHIC AND ECONOMIC INFORMATION  
 Last Ten Fiscal Years

Calendar Year	(1) Population	Total Personal Income	(2) Per Capita Personal Income	(3) Unemployment Rate
1998	48,832	\$ 1,020,149,312	\$ 20,891	a 2.7%
1999	48,984	1,023,324,744	20,891	a 2.5%
2000	49,137	1,551,746,460	31,580	b 2.7%
2001	48,724	1,538,703,920	31,580	b 3.4%
2002	49,337	1,558,062,460	31,580	b 4.7%
2003	49,159	1,552,441,220	31,580	b 4.3%
2004	49,255	1,555,472,900	31,580	b 5.2%
2005	49,094	1,550,388,520	31,580	b 4.8%
2006	49,094	1,550,388,520	31,580	b 4.1%
2007	49,543	1,564,517,486	31,868	b 4.9%

Data Source

- (1) Director of Code Enforcement, Village of Downers Grove
- (2) U.S. Census, Census of population
  - (a) 1990 Census of population and housing
  - (b) 2000 Census of population and housing
- (3) Bureau of Labor Statistics

VILLAGE OF DOWNERS GROVE, ILLINOIS

PRINCIPAL EMPLOYERS  
Current Year and One Year Ago

Employer	2007			2006		
	Rank	% of Total City Population	# of Employees	Rank	% of Total City Population	# of Employees
Advocate Good Samaritan Hospital	1	5.05%	2,500	1	5.09%	2,500
Sara Lee Corp.	2	2.02%	1,000			
Acxion/may & Speh Inc.	3	1.61%	800	4	1.63%	800
First Health Group Corp.	3	1.61%	800			
Sentinel Technologies Inc.	4	1.21%	600	7	1.22%	600
Moore Wallace Inc.	5	1.11%	550			
RR Donnelly and Sons Co.	6	1.06%	527	8	1.07%	525
Ftd. Inc.	7	1.01%	500	9	1.02%	500
Downers Grove South High School	8	0.81%	400			
Delphi Mechatronic Systems	8	0.81%	400			
Midwestern University	8	0.81%	400	6	1.32%	650
Aramark Servicemaster				2	1.73%	850
Loyalty Life Insurance				3	1.43%	850
Armour Swift Eckrich				5	1.59%	775
Global Gear				10	1.02%	500

Note

1998 data not available

Data Source

Downers Grove Economic Development Corporation

VILLAGE OF DOWNERS GROVE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES  
Last Five Fiscal Years

Function/Program	2003	2004	2005	2006	2007
General Government					
Legislative support	1.50	1.50	1.50	1.50	2.00
General management	6.00	5.50	4.50	4.80	5.50
Legal	3.75	3.75	3.75	3.75	3.75
Building services	9.00	9.00	8.75	8.75	9.25
Human resources	4.50	4.50	2.00	2.00	4.50
Information services	8.50	8.50	8.50	8.50	8.75
Finance	12.00	12.00	12.00	11.50	13.18
Public Works					
Public works administrative	5.50	4.50	3.75	5.00	5.00
Permits/Inspections	2.00	3.00	3.00	7.48	8.00
Engineering	5.50	5.50	5.50	5.50	5.50
Supplies	2.00	2.00	2.00	2.00	2.00
Public service response	3.50	3.50	3.50	4.00	4.00
Forestry and grounds	9.50	8.50	8.50	8.50	8.75
Street construction	5.50	5.50	9.50	9.50	7.50
Stormwater management	7.50	10.50	11.00	5.50	7.50
Traffic	5.50	4.50	3.50	4.75	4.75
Transportation	4.00	4.40	-	4.40	4.40
Community Development					
Planning	8.00	8.66	6.00	7.38	5.00
Economic development	-	-	1.00	-	-
Code services	11.50	11.25	11.50	12.75	13.75
Public Safety					
Police					
Officers	76.60	76.60	76.60	81.00	81.00
Civilians	32.20	32.20	32.20	32.20	39.60
Fire					
Firefighters and officers	79.00	81.00	84.00	82.00	83.00
Civilians	8.50	9.00	9.50	9.50	9.50
Community Services					
Counseling and social services	4.10	4.10	3.60	3.35	4.13
Alcohol and tobacco control	0.25	0.25	0.25	0.25	0.25
Public information	2.50	2.50	2.50	2.50	2.50
Cable television	3.50	3.00	3.50	3.50	5.25
Tourism and events	4.40	3.48	4.00	4.00	3.00

Note

Data from 1998 to 2002 not available but the Village will collect the data going forward.

Data Source

Village budget office



VILLAGE OF DOWNERS GROVE, ILLINOIS

OPERATING INDICATORS  
Current Fiscal Year

Function/Program	2006	2007
Public Safety		
Police		
Physical arrests	2,106	1,936
Parking violations	9,595	10,427
Traffic violations	12,414	11,133
Fire		
EMS calls	3,307	3,542
Fire calls	2,058	2,086
Fires extinguished	130	95
Community Development		
Permits issued		1,538
Insoections conducted		4,301
Water		
Water main breaks	133	87
Water pumped (gallons)	2,316,377,000	2,078,808,000
Average daily consumption	6,346,000	5,695,364
Peak daily consumption	11,754,000	10,761,000

Note

Data from 1998 to 2005 not available but the Village will collect the data going forward.

Data Source

Village budget office

# Village of Downers Grove, Illinois

## Capital Asset Statistics

---

Function/Program	2007
General Government	
Vehicles	3
Community Development	
Vehicles	8
Public Safety	
Police	
Stations	1
Patrol units	55
Fire	
Fire stations	4
Vehicles	29
Public Works	
Traffic signals	60
Vehicles	69
Buses	8
Water	
Water mains (miles)	207
Fire hydrants	2,881
Vehicles	10

### Data Source

Various village departments

Prior year information is unavailable

The Village will obtain this information going forward