

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL MEETING**  
**JUNE 15, 2010 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
2009 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, 2009, also known as the Comprehensive Annual Financial Report (CAFR) dated December 31, 2009, as audited by Sikich LLP. Acceptance of the audit and CAFR is required prior to submittal to the State of Illinois. The deadline to submit the CAFR and audit to the State is June 30, 2010.

**STRATEGIC PLAN ALIGNMENT**

The Five Year Plan and Goals identified *Exceptional Services and Communication*.

**FISCAL IMPACT**

N/A.

**RECOMMENDATION**

Approval on the June 15, 2010, 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, 2010. The Village's auditors are Sikich LLP, based in Aurora, Illinois.

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 20 years.

**ATTACHMENTS**

Year Ended December 31, 2009, Comprehensive Annual Financial Report

Village of Downers Grove

Table of Contents

---

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

Village of Downers Grove  
Table of Contents (Continued)

---

	<u>Page(s)</u>
<b>FINANCIAL SECTION (Continued)</b>	
<b>Basic Financial Statements (Continued)</b>	
<b>Proprietary Funds</b>	
Statement of Net Assets .....	9
Statement of Revenues, Expenses, and Changes in Fund Net Assets .....	10
Statement of Cash Flows .....	11
<b>Fiduciary Funds</b>	
Statement of Fiduciary Net Assets .....	12
Statement of Changes in Fiduciary Net Assets .....	13
Notes to Financial Statements .....	14-53
<b>Required Supplementary Information</b>	
<b>Schedule of Revenues, Expenditures, and Changes     in Fund Balances - Budget and Actual</b>	
General Fund .....	54
Downtown Redevelopment TIF Fund .....	55
Illinois Municipal Retirement Fund .....	56
Police Pension Fund .....	57
Fire Pension Fund .....	58
Other Post-Employment Benefits Plan .....	59
Notes to Required Supplementary Information .....	60
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES</b>	
<b>Major Governmental Funds – Budget and Actual Schedules</b>	
General Fund Revenues .....	61-62
General Fund Expenditures .....	63
Capital Improvements Fund .....	64
Stormwater Improvements Fund .....	65
<b>Nonmajor Governmental Funds</b>	
Combining Balance Sheet .....	66
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	67

Village of Downers Grove

Table of Contents (Continued)

---

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
Combining Balance Sheet - Nonmajor Special Revenue Funds .....	68
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds .....	69
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund.....	70
Foreign Fire Insurance Fund.....	71
Ogden TIF Fund.....	72
Sales Tax Abatement Fund.....	73
Transportation Fund.....	74
Combining Balance Sheet - Nonmajor Debt Service Funds.....	75
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Debt Service Funds .....	76
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Fairview Avenue Debt Service Fund.....	77
Downtown Redevelopment TIF Debt Service Fund.....	78
Stormwater/Facilities Debt Service Fund .....	79
Combining Balance Sheet – Nonmajor Capital Projects Funds .....	80
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances – Nonmajor Capital Projects Funds.....	81
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Municipal Buildings Fund.....	82
Real Estate Fund .....	83
Major Enterprise Funds	
Schedule of Operating Expenses - Budget and Actual	
Waterworks Fund.....	84
Parking Fund.....	85
Internal Service Funds	
Combining Statement of Net Assets.....	86
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets.....	87
Combining Statement of Cash Flows .....	88
Schedule of Operating Expenses - Budget and Actual	
Equipment Replacement Fund.....	89
Fleet Services Fund.....	90
Health Insurance Fund.....	91
Risk Management Fund .....	92

Village of Downers Grove

Table of Contents (Continued)

---

	<u>Page(s)</u>
<b>FINANCIAL SECTION (Continued)</b>	
Fiduciary Funds	
Combining Statement of Net Assets - Pension Trust Funds .....	93
Combining Statement of Changes in Net Assets - Pension Trust Funds.....	94
Schedule of Changes in Net Assets - Budget and Actual	
Police Pension Fund.....	95
Firefighters' Pension Fund .....	96
Schedule of Changes in Assets and Liabilities - Construction Deposit Fund .....	97
Component Unit - Downers Grove Public Library	
Statement of Net Assets and Governmental Funds	
Combining Balance Sheet .....	98
Statement of Activities and Governmental Funds	
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances/Net Assets.....	99
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
General Fund.....	100
Debt Service Fund .....	101
Construction Fund.....	102
SUPPLEMENTAL DATA	
Schedule of Insurance in Force .....	103
Long-Term Debt Requirements	
General Obligation Bonds, Series 1998 .....	104
General Obligation Bonds, Series 1999 .....	105
General Obligation Bonds, Series 2000 .....	106
General Obligation Bonds, Series 2001 .....	107
General Obligation Bonds, Series 2001A.....	108
General Obligation Bonds, Series 2002 .....	109
General Obligation Refunding Bonds, Series 2003.....	110
General Obligation Bonds, Series 2003A.....	111
Taxable General Obligation Refunding Bonds, Series 2005.....	112
General Obligation Bonds, Series 2007 .....	113
General Obligation Bonds, Series 2008A.....	114
General Obligation Refunding Bonds, Series 2008B.....	115
General Obligation Refunding Bonds, Series 2009.....	116

Village of Downers Grove

Table of Contents (Continued)

---

	<u>Page(s)</u>
STATISTICAL SECTION	
Financial Trends	
Net Assets by Component .....	117
Change in Net Assets .....	118-119
Fund Balances of Governmental Funds.....	120
Changes in Fund Balances of Governmental Funds .....	121
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property .....	122
Property Tax Rates - Direct and Overlapping Governments.....	123
Principal Property Taxpayers.....	124
Property Tax Levies and Collections.....	125
Taxable Sales by Category .....	126
Direct and Overlapping Sales Tax Rates.....	127
Debt Capacity	
Ratios of Outstanding Debt by Type .....	128
Ratios of General Bonded Debt Outstanding.....	129
Direct and Overlapping Governmental Activities Debt.....	130
Schedule of Legal Debt Margin.....	131
Pledged Revenue Coverage .....	132
Demographic and Economic Information	
Demographic and Economic Information .....	133
Principal Employers .....	134
Operating Information	
Full Time Equivalent Employees .....	135
Operating Indicators .....	136
Capital Asset Statistics .....	137

# Village of Downers Grove, Illinois

## Principal Officials

---

### LEGISLATIVE

Ronald Sandack, Mayor

### *Commissioners*

Marilyn Schnell

William Waldack

Sean Durkin

Geoff Neustadt

Bruce Beckman

Robert Barnett

---

### ADMINISTRATIVE

David Fieldman, Village Manager

Michael Baker, Deputy Village Manager

Enza Petrarca, Village Attorney

April Holden, Village Clerk

Judy Buttny, Finance Director/Treasurer

Naneil Newlon, Public Works Director

Tom Dabareiner, Community Development Director

James Jackson, Fire Chief

Robert Porter, Police Chief

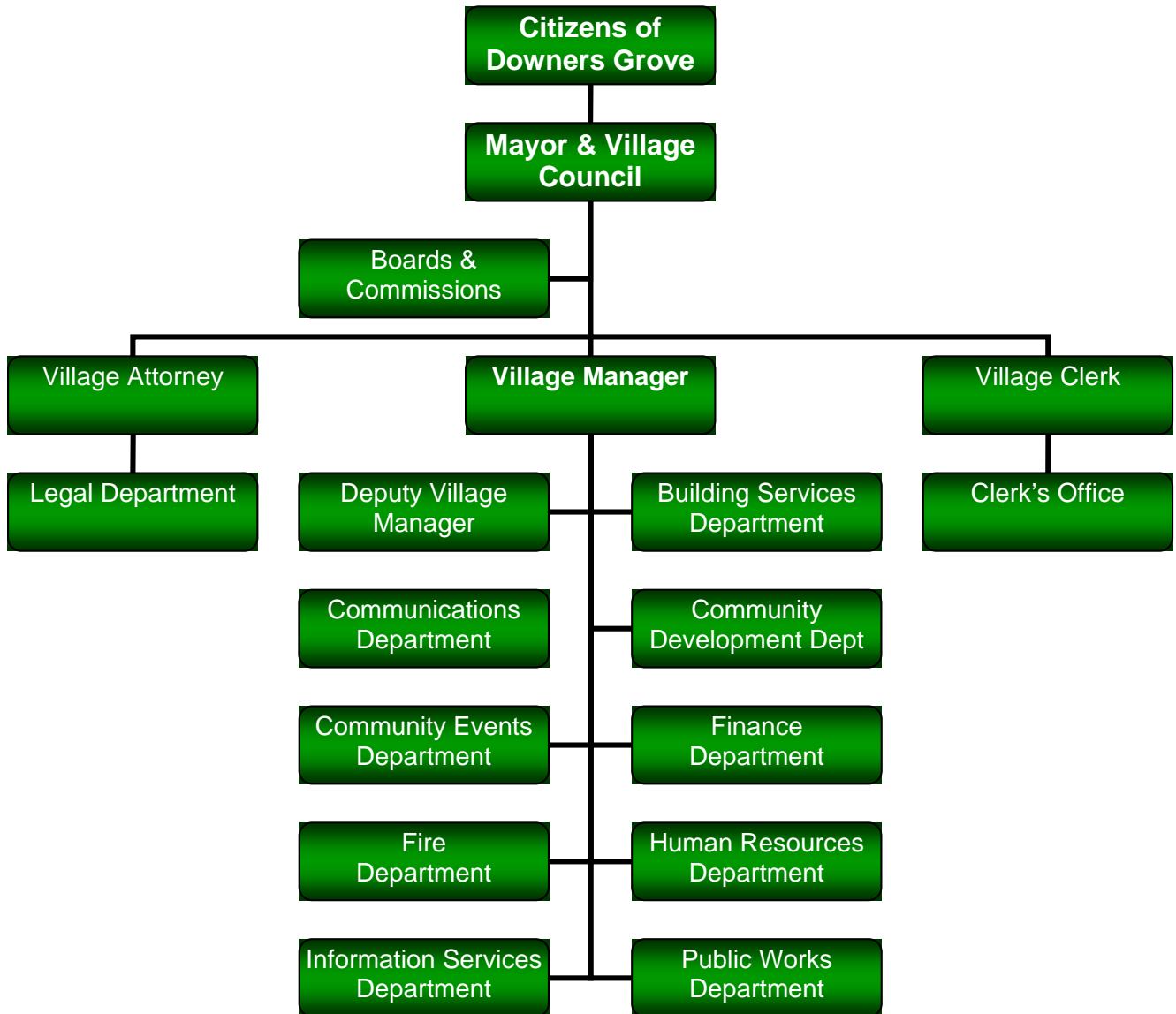
Doug Kozlowski, Communications Director

Mary Scalzetti, Community Events Director

Wesley Morgan, Human Resources Director

Dr. Liangfu Wu, Information Services Director

# 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 Fiscal Year Ended  
December 31, 2008

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.



A stylized, handwritten signature in black ink, appearing to be "JHR".

President

A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

Executive Director



www.downers.us

May 20, 2010

COMMUNITY RESPONSE CENTER  
To: The Honorable Mayor and Commissioners  
Citizens of Downers Grove

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**

5420 Main Street  
Downers Grove  
Illinois 60515-4834  
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

The Comprehensive Annual Financial Report (CAFR) of the Village of Downers Grove for the year ended December 31, 2009, 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, 2009, 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, 2009, 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 14. 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 49,681; 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 76 percent residential, 21 percent commercial, and 3 percent industrial. The ten leading commercial property tax payers are from a diverse economic base and account for only 7 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; and the construction and maintenance of streets, stormwater, and other municipal infrastructure.

## **FACTORS AFFECTING FINANCIAL CONDITION**

Local Economy: The Village of Downers Grove maintained a relative strong financial position during the year, even with a decline in the sales taxes. 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 has risen from 4.9 percent in 2007 to 10.6 percent as of December 31, 2009. The EAV for the Village was \$2,549,832,438 for the 2009 tax levy, basically flat from a year ago. EAVs are expected to diminish in the future due to the housing value declines. As revenues decline, management continually monitors their impact on the budget and makes decisions accordingly. In spite of the declining revenues, the Village continued to deliver important services to its customers in 2009. Recognizing and responding to the challenging economic conditions, the Village provided these services in a fiscally responsible manner, identifying and implementing innovative ideas throughout the organization. The customer service focus and fiscal responsibility was evident as the Village reduced General Fund expenses by \$2.2 million while maintaining the high service level expected by the residents and businesses.

Economic Development Successes: Through the joint efforts of the Village and the Downers Grove Economic Development Corporation, 2009 was a good year for economic development.

- A global provider of education service since 1931, **DeVry Inc.** is one of the largest publicly-held educational organizations in the world. In early 2010, DeVry will relocate its management team and staff to the Highland Landmark V building located near 31st Street and Highland Avenue and bring approximately 700 jobs to the Village.
- The Harold **Zeigler Automotive Group** will establish a Chrysler/Dodge/Jeep dealership at 2311 Ogden Ave., the former site of Downers Grove Dodge. The new facility will create 75 jobs within the first year of operation and generate hundreds of thousands of dollars in sales tax revenue for the Village.
- **Dover Corporation** will be moving to 3005 Highland Ave. from their current home on Park Avenue in New York. The company manufactures products ranging from garbage trucks to oil drilling equipment. The move is expected to be complete the summer of 2010 and will create 90 new jobs.
- Local grocer **Michael's Fresh Market** agreed to lease the space at 75<sup>th</sup> St. and Lemont Rd. which was vacated by Dominick's in 2007.

Long Range Financial Plan: In addition to recognizing and reacting to the economic conditions of 2009, the Village kept an eye on the future as it developed a Long Range Financial Plan (LRFP) to ensure that the Village maintains its strong financial position. The LRFP, a product of rigorous financial analysis, extensive public input and thoughtful consideration by the Village Council will be used as a guide for financial decision making, annual budget preparations and Strategic Plan updates for the next five years. The Village also prepares 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.

Bond Refunding: In April of 2009 the Village's AA+ rating was reaffirmed by Standard and Poor's (S&P) for a bond refunding of \$9.0 million which resulted in a net present value savings of \$411,000. According to the S&P report, the Village's AA+ rating reflects its participation in the deep and diverse Chicago metropolitan area economy, very strong income and extremely strong wealth levels, strong financial operations and strong reserve levels supported by strong financial management practices, and a low overall debt burden with limited capital needs.

## **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 its Mission Statement as highlighted in the Village's Strategic Plan. "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." The most significant of these projects are discussed more thoroughly below:

Total Community Development (TCD3): In 2009 the Village continued its tradition of effective public participation. The Village engaged its citizenry in TCD3, a process that allowed residents and business citizens to discuss a variety of community planning and growth issues and offer recommendations as to how the Village, as well other units of government can work most effectively to reach our goals and ensure the Village's continued success. Over 1000 citizens participated in TCD3, which will guide long-range community planning over the next 10-20 years.

Belmont Underpass: In 2002, a partnership was formed between the Village of Downers Grove, DuPage County, Illinois Department of Transportation (IDOT), Metra, and the Burlington Northern Santa Fe Railroad (BNSF) to construct an underpass at the Belmont Road grade crossing in Downers Grove. With funding commitments finally secured from all agencies, the project broke ground on October 24, 2008.

The underpass will benefit Downers Grove and DuPage County in a number of ways:

- Improve safety conditions for motorists and pedestrians.
- Reduce the chance that response times by emergency vehicles will be affected by train delays.
- Increase the likelihood that the entire BNSF line from Chicago to Aurora will be classified as a Quiet Zone by the Federal Railroad Administration. *(Cannot currently be designated as such due to safety issues at the Belmont Road crossing.)*
- Support the local economy by improving commerce and commuter transportation.
- Improve the efficiency of north-south traffic flow throughout the area.

Community Investment Program: The Community Investment Program (CIP) provides a summary of all major capital projects planned over the next five years, including a description and cost summary for each project and the funding source.

Major projects in the CIP that were completed in 2009 include:

- **Prairie Ave. Reconstruction (Belmont Rd. to Fairview Ave.)**

The Prairie Ave. project involves three parts:

1. Utility improvements, including water main replacement and sanitary and storm sewer work;
2. Road resurfacing and reconstruction;
3. Intersection improvements at Prairie Ave. and Main St., including right-of-way acquisition.

A Surface Transportation Program (STP) grant from Illinois Department of Transportation (IDOT) funded 70% of this project.

- **Rogers Street Resurfacing and Water Main Project**

This project consisted of three components:

1. New storm sewer between Highland Avenue and Elm Street
2. Replacement water main from Highland Avenue to Maple Avenue
3. A full resurfacing from Bryan Place to Maple Avenue

Late in the year, the Village was informed that the Sanitary District received federal American Recovery and Reinvestment Act (ARRA) funds to replace sewer in this area. As a result, the top layer of asphalt on Rogers St. will be placed after the completion of the Sanitary District work.

Watershed Infrastructure Improvement Plan: Approved by the Village council in September of 2007, the Watershed Infrastructure Improvement Plan (WIIP) is the result of a thorough analysis of the Village's three primary watersheds to address deficiencies in the operation and maintenance of our stormwater system. The Plan recommended solutions to problem areas of the village and assigned high, medium, or low priorities to each.

High priority projects are defined as problems that result in an immediate danger to public health and safety or complete loss of property value; structural damage (including any flooding of the first floor of a primary structure; basement flooding of more than 6" that resulted from overland flow through a window or door; or garage flooding of more than 7"). Problems that cause disruption of major traffic routes were also classified as High.

In 2009, the following two High priority WIIP multi-year projects were started:

- **McCollum Park Stormwater Improvements**

The *McCollum Park* project provides improvements to the neighborhood stormwater and drainage system and is being funded from the Village's Stormwater Fund. Work includes excavation of a stormwater detention basin at the northeast corner of McCollum Park. Following excavation, underdrain & irrigation systems, modular block retaining walls, soccer field equipment, a new sand volleyball court, a new basketball court, and landscaping will be constructed. When completed, the basin will serve as a soccer field in addition to storing stormwater after large rain events.

- **Washington Park Stormwater Improvements**

This project provides improvements to the neighborhood stormwater and drainage system and is being funded from the Village's Stormwater Fund. Work includes the excavation of two stormwater detention basins, plus the construction of concrete perimeter retaining walls and an under drain irrigation system. Enhanced park features include a fountain, soccer and baseball field equipment, playground equipment, and landscaping. When completed, the basins will be used as softball & soccer fields and serve to hold stormwater after large rain events. The overall project will be completed in three phases through 2011, if warranted.

Phase I operations in 2009 included the construction of a detention basin, the replacement of storm sewer on Rogers Street between Bryan Place and Elm St., and a relief storm sewer on Washington between Chicago and Prairie.

Public Safety:

Police Department Achievements:

- By the numbers: handled 22,428 calls for service, issued 12,235 citations, 239 DUI arrests, educated 6,715 children in Crime Prevention Unit safety programs, and logged 11,762 patrol hours.
- The department participated in the 2009 Illinois Traffic Safety Challenge. This year-long initiative focuses on traffic violations that are causative factors in traffic crashes, specifically speeding, seat belt/child safety seat and DUIs. The seat belt compliance rate reached 95.4%; traffic crashes decreased by 19%, crash injuries declined by 22%, and the number of crashes in high accident locations dropped by 14%.
- In April, the police department hosted its annual free Paper-Shredding Event as a means to help residents prevent identity theft. Customers were allowed to bring one banker's

box worth of personal documents to be shredded on site. The event served 400 participants.

Fire Department Achievements:

- Maintained an average response time of 5 minutes.
- Responded to 2,399 fire calls and 2,962 Emergency medical Service (EMS) Calls in 2009.
- Firefighters completed a total of 21,921 hours of training in 2009.
- The Department acquired two new ambulances to replace older medic units that were purchased in 1993 and 1994. Both ambulances are built on a larger chassis that allows for greater visibility while driving and are built for better patient comfort.
- The Public Education Division contacted approximately 36,273 people in 2009, 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.

For the twenty-fifth consecutive year, Downers Grove was named a Tree City USA. Only 191 other municipalities in Illinois were honored with this distinction.

The Village hosted the 2009 National Ice Carving Competition. The Village’s Heritage Festival was named “Best Festival or Fair” by West Suburban Living magazine.

In collaboration with DuPage County and several other local agencies, the Village hosted its annual Recycling Extravaganza on September 26, 2009. The event aimed to reduce the amount of refuse collected on Amnesty Day, reuse as many donated items as possible, and properly recycle electronics. Of particular concern was the potential volume of televisions that might be discarded due to the impending switch from analog signals to digital. The event drew over 1,760 vehicles and saved 141,607 pounds of electronics from entering landfills.

The Village continued the practice of purchasing fuel efficient, alternative energy vehicles and took delivery of six Honda Civic GX models, which run exclusively on clean-burning, compressed natural gas (CNG). Over 50% of vehicles in the Village fleet are powered by alternative fuels.



Innovation: The Village installed a solar and wind powered street lighting system to a previously unlit neighborhood, the first of its kind in any residential area in the United States. These lights will reduce CO2 emissions drastically.

The Village also began using nitrogen for tire inflation, anti-icing chemicals ahead of snowstorms, more efficient lighting in the Downtown parking deck.

## **FINANCIAL MANAGEMENT POLICIES**

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.

Cash Management Polices and Practices: Cash in the Village's operating funds was invested in the Illinois Metropolitan Investment Fund (IMET), Illinois State Treasurer's Pool (Illinois Funds), and other money market funds, U.S. Agency Treasuries and certificates of deposit. The maturities of the investments range from next day (money market funds) to 36 months (certificates of deposit). The average yields on the investments were three 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, 2009, the portfolios of the Police and Fire Pension funds increased 10.5 percent and 9.5 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.

## **AWARDS AND ACKNOWLEDGEMENTS**

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 year ended December 31, 2008. 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. For the first time, the Village received the GFOA Distinguished Budget Presentation award for its 2010 Annual Budget.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire Finance department. We want to take this opportunity to thank Doug Haywood, Assistant Finance Director and the members of the Finance team for all their efforts. We also wish to express appreciation for the policies and decisions provided by the Village Council, as reflected in this report.

Submitted by:



Dave Fieldman  
Village Manager



Judy Buttney  
Finance Director



998 Corporate Boulevard • Aurora, IL 60502

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
Members of the Village Council  
Village of Downers Grove  
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, 2009, which collectively comprise the Village of Downers Grove, Illinois' basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village of Downers Grove, Illinois' management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2009, 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 accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2010 on our consideration of Village of Downers Grove, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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 financial statements. The combining and individual fund financial statements and 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 combining and individual fund financial statements and schedules and supplemental data have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic 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 cursive script, appearing to read "J. Hill LLP".

Aurora, Illinois  
May 20, 2010

Village of Downers Grove  
Statement of Net Assets  
December 31, 2009

	Governmental Activities	Business-type Activities	Total	Component Unit
<b>ASSETS</b>				
Cash and investments	\$ 46,597,950	\$ 3,232,898	\$49,830,848	\$ 3,884,121
Property tax receivable	15,995,178	-	15,995,178	4,661,393
Sales tax receivable	4,458,606	-	4,458,606	-
Other taxes receivable	2,294,636	-	2,294,636	-
Accounts receivable	1,049,913	1,210,563	2,260,476	-
Accrued interest receivable	183,600	2,422	186,022	439
Other receivables	770,870	73,572	844,442	-
Prepaid expenses	41,928	-	41,928	-
Restricted cash	24,251	-	24,251	-
Inventory	110,602	210,683	321,285	-
Deposits	75,000	-	75,000	-
Note receivable	66,153	36,974	103,127	-
Loan receivable	-	4,788,000	4,788,000	-
Unamortized debt issuance costs	494,813	-	494,813	67,442
Net pension asset	1,049,686	-	1,049,686	-
Capital assets not being depreciated	19,944,716	2,875,129	22,819,845	222,211
Capital assets net accumulated depreciation	104,015,225	30,802,200	134,817,425	12,871,010
Total assets	<u>\$ 197,173,127</u>	<u>\$ 43,232,441</u>	<u>\$240,405,568</u>	<u>\$ 21,706,616</u>
<b>LIABILITIES</b>				
Accrued interest payable	1,569,237	-	1,569,237	76,381
Due to fiduciary funds	136	-	136	-
Accounts payable	5,215,912	1,033,736	6,249,648	47,127
Accrued payroll	286,601	-	286,601	-
Deposits payable	11,120	75,750	86,870	-
Claims payable	3,606,342	-	3,606,342	-
Other payables	275,890	181,144	457,034	-
Unearned revenue	15,765,602	1,628,906	17,394,508	4,622,245
Debt due within 1 year	6,179,867	841,044	7,020,911	515,202
Debt due in more than 1 year	75,135,141	5,654,533	80,789,674	3,696,289
Total liabilities	<u>108,045,848</u>	<u>9,415,113</u>	<u>117,460,961</u>	<u>8,957,244</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	66,960,166	32,272,328	99,232,494	8,948,868
Restricted for capital outlay	27,700,886	-	27,700,886	243,565
Restricted for debt service	855,579	-	855,579	855,566
Restricted for economic development	3,030,893	-	3,030,893	-
Restricted for public safety	184,174	-	184,174	-
Restricted for public works	14,079	-	14,079	-
Unrestricted	(9,618,498)	1,545,000	(8,073,498)	2,701,373
Total net assets	<u>\$ 89,127,279</u>	<u>\$ 33,817,328</u>	<u>\$ 122,944,607</u>	<u>\$ 12,749,372</u>

See accompanying notes to financial statements

Village of Downers Grove  
Statement of Activities  
For the Year Ended December 31, 2009

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Primary Government	Component Unit
Primary government								
Governmental activities								
General government	4,841,080	2,051,863	6,946	-	(2,782,271)	-	(2,782,271)	-
Public works	15,700,831	191,793	198,202	1,581,512	(13,729,324)	-	(13,729,324)	-
Community development	2,805,057	955,121	-	-	(1,849,936)	-	(1,849,936)	-
Public safety	27,635,348	2,506,035	90,148	-	(25,039,165)	-	(25,039,165)	-
Community services	1,882,066	1,059,451	78,573	-	(744,042)	-	(744,042)	-
Interest and fiscal charges	2,956,043	-	-	-	(2,956,043)	-	(2,956,043)	-
Total governmental activities	<u>55,820,425</u>	<u>6,764,263</u>	<u>373,869</u>	<u>1,581,512</u>	<u>(47,100,783)</u>	<u>-</u>	<u>(47,100,781)</u>	<u>-</u>
Business-type activities								
Waterworks	7,709,858	7,472,898	-	-	-	(236,960)	(236,960)	-
Parking	945,515	1,241,762	120,447	-	-	416,694	416,694	-
Total business-type activities	<u>8,655,373</u>	<u>8,714,660</u>	<u>120,447</u>	<u>-</u>	<u>-</u>	<u>179,734</u>	<u>179,734</u>	<u>-</u>
Total primary government	<u>\$ 64,475,798</u>	<u>\$ 15,478,923</u>	<u>\$ 494,316</u>	<u>\$ 1,581,512</u>	<u>(47,100,783)</u>	<u>179,734</u>	<u>(46,921,049)</u>	<u>-</u>
Component unit								
Community services	4,193,035	167,625	70,115	-	-	-	-	(3,955,295)
Interest and fiscal charges	209,317	-	-	-	-	-	-	(209,317)
Total Component Unit	<u>\$ 4,402,352</u>	<u>\$ 167,625</u>	<u>\$ 70,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,164,612)</u>
		General revenues						
		Property tax			14,818,980	-	14,818,980	4,503,737
		Sales tax			10,864,159	-	10,864,159	-
		Home rule sales tax			5,466,108	-	5,466,108	-
		Utility tax			6,370,564	-	6,370,564	-
		Income tax			3,960,237	-	3,960,237	-
		Hotel tax			702,555	-	702,555	-
		Local use tax			590,394	-	590,394	-
		Personal property replacement tax			408,626	-	408,626	58,373
		Local fuel tax			317,748	-	317,748	-
		Other taxes			107,433	-	107,433	-
		Investment earnings			1,072,748	99,611	1,172,359	27,046
		Gain on disposal of capital assets			37,903	-	37,903	-
		Transfers			569,930	(569,930)	-	-
		Total general revenues			<u>45,287,385</u>	<u>(470,319)</u>	<u>44,817,066</u>	<u>4,589,156</u>
		Change in net assets			<u>(1,813,398)</u>	<u>(290,585)</u>	<u>(2,103,983)</u>	<u>424,544</u>
		Net assets - beginning			92,637,306	34,107,913	126,745,219	12,469,031
		Restatement			<u>(1,696,629)</u>	<u>-</u>	<u>(1,696,629)</u>	<u>(144,203)</u>
		Net assets - ending			<u>\$ 89,127,279</u>	<u>\$ 33,817,328</u>	<u>\$ 122,944,607</u>	<u>\$ 12,749,372</u>

See accompanying notes to financial statements

Village of Downers Grove

Balance Sheet

Governmental Funds

December 31, 2009

	General	Downtown Redevelopment TIF	Capital Improvements	Stormwater Improvements	Nonmajor	Total
<b>ASSETS</b>						
Cash and investments	\$ 8,987,669	\$ 256,572	\$ 3,449,297	\$ 23,971,092	\$ 5,953,551	\$ 42,618,181
Restricted cash	24,251	-	-	-	-	24,251
Property taxes receivable	10,215,311	2,350,359	8,671	2,630,139	790,699	15,995,179
Sales taxes receivable	2,917,273	-	1,027,549	513,783	-	4,458,605
Other taxes receivable	2,005,488	-	152,413	-	136,736	2,294,637
Accounts receivable	138,578	-	16,999	88,159	18,331	262,067
Other receivable	603,673	-	162,737	-	4,460	770,870
Due from other funds	1,976,067	-	-	-	-	1,976,067
Note receivable	66,153	-	-	-	-	66,153
Interest receivable	47,614	-	1,605	133,950	429	183,598
Total assets	<u>26,982,077</u>	<u>2,606,931</u>	<u>4,819,271</u>	<u>27,337,123</u>	<u>6,904,206</u>	<u>68,649,608</u>
<b>LIABILITIES &amp; FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	913,567	21,800	2,215,589	696,022	1,265,477	5,112,455
Accrued payroll	286,601	-	-	-	-	286,601
Due to other funds	372	-	-	-	1,976,067	1,976,439
Other payables	222,706	-	-	-	8,120	230,826
Deferred revenue	10,115,621	2,234,073	8,671	2,630,139	780,098	15,768,602
Total liabilities	<u>11,538,867</u>	<u>2,255,873</u>	<u>2,224,260</u>	<u>3,326,161</u>	<u>4,029,762</u>	<u>23,374,923</u>
<b>FUND BALANCE</b>						
Reserved for:						
Long-term Receivables	66,153	-	-	-	-	66,153
Unreserved, reported in						
Capital Projects	-	-	2,595,011	24,010,962	1,094,912	27,700,885
Debt Service	-	-	-	-	855,579	855,579
General Fund	15,377,057	-	-	-	-	15,377,057
Special Revenue	-	351,058	-	-	923,953	1,275,011
Total fund balances	<u>15,443,210</u>	<u>351,058</u>	<u>2,595,011</u>	<u>24,010,962</u>	<u>2,874,444</u>	<u>45,274,685</u>
Total liabilities and fund balances	<u>\$ 26,982,077</u>	<u>\$ 2,606,931</u>	<u>\$ 4,819,271</u>	<u>\$ 27,337,123</u>	<u>\$ 6,904,206</u>	<u>\$ 68,649,608</u>

See accompanying notes to financial statements

Village of Downers Grove

Reconciliation of Fund Balances of Governmental Funds to the  
Governmental Activities in the Statement of Net Assets  
December 31, 2009

---

FUND BALANCES OF GOVERNMENTAL FUNDS	\$45,274,685
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	123,959,941
Less internal service funds	(5,143,341)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	(69,830,000)
Compensated absences payable are not due and payable in the current period, and, therefore, are not reported in the governmental funds	(4,566,225)
Less internal service funds	131,504
The net OPEB payable is not due and payable in the current period, and, therefore, is not reported in the governmental funds	(6,385,200)
Less internal service funds	142,158
Unamortized premium is reported as a liability on the statement of net assets	(831,680)
The unamortized accounting loss is reported as a reduction of a liability in the statement of net assets	693,563
Accrued interest on long-term liabilities is reported as a liability on the statement of net assets	(1,569,237)
The net pension asset of the police pension fund is included in the governmental activities in the statement of net assets	1,049,686
The net pension obligation of the fire pension fund is included in the governmental activities in the statement of net assets	(395,466)
Unamortized costs of issuance on bonds are reported as a deferred charge in the statement of net assets	494,813
The net assets of the internal service funds are included in the governmental activities in the statement of net assets	<u>6,102,079</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$89,127,279</u></u>

See accompanying notes to financial statements



Village of Downers Grove  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2009

	General	Downtown Redevelopment TIF	Capital Improvements	Stormwater Improvements	Nonmajor	Total
REVENUES						
Sales tax	\$ 10,300,409	\$ -	\$ 3,644,045	\$ 1,822,062	\$ 563,750	\$ 16,330,266
Property tax	9,174,755	2,229,096	8,760	2,630,139	776,229	14,818,979
Utility tax	5,694,903	-	675,661	-	-	6,370,564
Income tax	3,960,237	-	-	-	-	3,960,237
Other taxes	1,738,771	-	-	-	387,985	2,126,756
Licenses & permits	1,148,160	-	-	-	-	1,148,160
Intergovernmental	95,997	-	433,845	-	1,218,400	1,748,242
Charges for services & fees	4,345,198	16,104	-	-	203,990	4,565,292
Fines & forfeitures	1,246,286	-	-	-	-	1,246,286
Investment income	299,304	(273)	20,306	737,625	15,786	1,072,748
Contributions & donations	76,521	-	-	130,618	-	207,139
Total revenues	<u>38,080,541</u>	<u>2,244,927</u>	<u>4,782,617</u>	<u>5,320,444</u>	<u>3,166,140</u>	<u>53,594,670</u>
EXPENDITURES						
Current						
General government	4,106,150	-	369	-	429,412	4,535,931
Public works	5,692,304	11,387	312,439	2,195,836	2,668,753	10,880,719
Community development	2,170,863	62,036	-	-	111,410	2,344,309
Public safety	25,481,390	-	-	-	36,541	25,517,931
Community services	1,831,063	-	-	-	-	1,831,063
Debt service						
Principal Retirement	-	-	-	-	1,245,000	1,245,000
Interest	-	-	-	-	2,728,297	2,728,297
Issuance costs	-	-	-	-	125,575	125,575
Capital outlay						
General government	-	-	190,717	-	-	190,717
Public works	-	63,796	4,033,235	5,145,168	-	9,242,199
Total expenditures	<u>39,281,770</u>	<u>137,219</u>	<u>4,536,760</u>	<u>7,341,004</u>	<u>7,344,989</u>	<u>58,641,741</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,201,229)</u>	<u>2,107,708</u>	<u>245,857</u>	<u>(2,020,560)</u>	<u>(4,178,849)</u>	<u>(5,047,071)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	830,070	-	-	-	3,924,830	4,754,900
Transfers out	-	(2,011,139)	(476,708)	(1,025,053)	(922,070)	(4,434,970)
Proceeds from disposal of capital assets	37,903	-	-	-	-	37,903
Bonds issued	-	-	-	-	9,030,000	9,030,000
Payment to escrow agent	-	-	-	-	(9,144,258)	(9,144,258)
Bond premium	-	-	-	-	238,858	238,858
Total other financing sources and uses	<u>867,973</u>	<u>(2,011,139)</u>	<u>(476,708)</u>	<u>(1,025,053)</u>	<u>3,127,360</u>	<u>482,433</u>
NET CHANGE IN FUND BALANCE	(333,256)	96,569	(230,851)	(3,045,613)	(1,051,488)	(4,564,639)
Fund balances -- beginning	15,776,466	254,489	2,825,862	27,056,575	3,925,932	49,839,324
Fund balances -- ending	<u>\$ 15,443,210</u>	<u>\$ 351,058</u>	<u>\$ 2,595,011</u>	<u>\$ 24,010,962</u>	<u>\$ 2,874,444</u>	<u>\$ 45,274,685</u>

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, 2009

NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ (4,564,639)
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	6,997,289
Less internal service funds	(418,708)
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.	(3,607,235)
Less internal service funds	743,907
Bond proceeds are reported as an other financing source in governmental funds	(9,030,000)
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; and the in-substance defeasance is reported as an other financing use.	10,389,258
The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities	(176,635)
The change in the compensated absences liability is reported as an expense on the statement of activities	(10,229)
Less internal service funds included below	2,676
The increase in net pension asset is reported as a reduction of expense on the statement of activities	32,490
The increase in the net pension obligation is reported as an increase in expense on the statement of activities	(2,275)
Accounting loss on bonds issued are reported as an expenditure in governmental funds	134,258
The amortization of the accounting loss is reported as an expense in the statement of activities	(63,997)
Issuance costs on bonds issued are reported as an expenditure in governmental funds	125,575
The amortization of the deferred issuance costs on long-term debt is reported as an expense on the statement of activities	(31,276)
Premiums on bonds issued are reported as an other financing source in governmental funds	(238,858)
The amortization of the premium on long-term debt is reported as a reduction of expense on the statement of activities	44,163
The increase in OPEB payable is reported as an expense on the statement of activities	(2,248,068)
Less internal service funds	75,139
The change in net assets of certain activities of internal service funds is reported in governmental funds	33,767
CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ (1,813,398)</u>

See accompanying notes to financial statements

Village of Downers Grove  
Statement of Net Assets  
Proprietary Funds  
December 31, 2009

	Business-type Activities - Enterprise Funds			
	Waterworks	Parking	Total	Internal Service
<b>ASSETS</b>				
Current assets				
Cash and investments	2,289,546	943,352	3,232,898	3,979,769
Accounts receivable	1,107,443	103,120	1,210,563	787,845
Accrued interest	2,422	-	2,422	-
Other receivable	-	73,572	73,572	-
Due from other funds	-	-	-	236
Prepaid expenses	-	-	-	41,928
Note receivable	36,974	-	36,974	-
Inventory	210,683	-	210,683	110,602
Deposits	-	-	-	75,000
Total Current assets	3,647,068	1,120,044	4,767,112	4,995,380
Noncurrent assets				
Loan receivable	4,788,000	-	4,788,000	-
Capital assets not being depreciated	2,226,891	648,238	2,875,129	-
Capital assets being depreciated	51,518,694	3,331,447	54,850,141	10,274,851
Accumulated depreciation	(21,312,946)	(2,734,995)	(24,047,941)	(5,131,510)
Total Noncurrent assets	37,220,639	1,244,690	38,465,329	5,143,341
Total assets	40,867,707	2,364,734	43,232,441	10,138,721
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities				
Accounts payable	1,020,457	13,279	1,033,736	103,454
Deposits payable	72,400	3,350	75,750	-
Other payables	181,144	-	181,144	53,184
Compensated absences	22,438	298	22,736	39,452
Unearned revenue	-	1,628,906	1,628,906	-
Claims payable	-	-	-	1,439,426
Notes payable	368,308	-	368,308	-
Bonds payable	450,000	-	450,000	-
Total Current liabilities	2,114,747	1,645,833	3,760,580	1,635,516
Noncurrent liabilities				
Claims payable	-	-	-	2,166,915
Compensated absences	52,354	696	53,050	92,054
Other post-employment benefits	193,731	33,060	226,791	142,157
Notes payable	4,419,692	-	4,419,692	-
Bonds payable	955,000	-	955,000	-
Total Noncurrent liabilities	5,620,777	33,756	5,654,533	2,401,126
Total liabilities	7,735,524	1,679,589	9,415,113	4,036,642
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	31,027,639	1,244,689	32,272,328	5,143,340
Unrestricted	2,104,544	(559,544)	1,545,000	958,739
Total net assets	33,132,183	685,145	33,817,328	6,102,079

See accompanying notes to financial statements

Village of Downers Grove  
Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2009

	Business-type Activities - Enterprise Funds			
	Waterworks	Parking	Total	Internal Service
Operating revenues				
Sales	\$ -	\$ -	\$ -	\$ 75,625
Charges for services, fees, fines	7,472,088	1,241,762	8,713,850	-
Interfund services	-	-	-	8,351,903
Insurance premiums	-	-	-	1,958,155
Other	-	-	-	124,846
Total operating revenues	7,472,088	1,241,762	8,713,850	10,510,529
Operating expenses				
Personnel services	1,186,963	174,136	1,361,099	835,160
Supplies	3,571,355	6,182	3,577,537	612,301
Contractual services	314,066	102,706	416,772	1,309,875
Other charges and services	1,793,639	645,975	2,439,614	7,241,200
Depreciation	780,114	16,515	796,629	743,907
Total operating expenses	7,646,137	945,514	8,591,651	10,742,443
Operating income (loss)	(174,049)	296,248	122,199	(231,913)
Nonoperating revenues (expenses)				
Intergovernmental	-	120,447	120,447	24,000
Investment income	99,030	579	99,609	4,159
Gain / (Loss) from disposals	810	-	810	(12,479)
Interest expense	(63,720)	-	(63,720)	-
Total nonoperating revenues	36,120	121,026	157,146	15,680
Income (loss) before contributions and transfers	(137,929)	417,274	279,345	(216,233)
Transfers in	-	-	-	250,000
Transfers out	(250,000)	(319,930)	(569,930)	-
Change in net assets	(387,929)	97,344	(290,585)	33,767
Total net assets -- beginning	33,520,112	587,801	34,107,913	6,068,313
Total net assets -- ending	\$ 33,132,183	\$ 685,145	\$ 33,817,328	\$ 6,102,079

See accompanying notes to financial statements

Village of Downers Grove  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2009

	<u>Business-type Activities - Enterprise Funds</u>			Internal Service
	Waterworks	Parking	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from interfund services	\$ -	\$ -	\$ -	\$ 8,508,302
Receipts from customers	7,402,894	1,185,305	8,588,199	2,002,723
Other payments	(664,884)	(119,727)	(784,611)	(6,911,917)
Payments to employees	(1,057,231)	(159,808)	(1,217,039)	(762,382)
Payments for interfund services	(1,365,300)	(526,248)	(1,891,548)	(180,936)
Payments to suppliers	(4,519,531)	(129,757)	(4,649,288)	(1,938,535)
Net cash provided (used) by operating activities	<u>(204,052)</u>	<u>249,765</u>	<u>45,713</u>	<u>717,255</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Grant proceeds	-	73,572	73,572	24,000
Transfers in (out)	(250,000)	(319,930)	(569,930)	250,000
Net cash provided (used) by noncapital activities	<u>(250,000)</u>	<u>(246,358)</u>	<u>(422,786)</u>	<u>274,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital assets purchased	(3,444,059)	-	(3,444,059)	(418,708)
Interest paid on general obligation bonds	(63,720)	-	(63,720)	-
Principal paid on general obligation bonds	(430,000)	-	(430,000)	-
Net cash provided (used) by capital activities	<u>(3,937,779)</u>	<u>-</u>	<u>(3,937,779)</u>	<u>(418,708)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	132,973	579	133,552	4,159
Net cash provided by investing activities	<u>132,973</u>	<u>579</u>	<u>133,552</u>	<u>4,159</u>
Net Increase (decrease) in cash and cash equivalents	(4,258,858)	3,986	(4,181,300)	576,706
Cash and investments - beginning of year	<u>6,548,404</u>	<u>939,366</u>	<u>7,487,770</u>	<u>3,403,063</u>
Cash and investments - end of year	<u>\$ 2,289,546</u>	<u>\$ 943,352</u>	<u>\$ 3,306,470</u>	<u>\$ 3,979,769</u>
<b>Reconciliation of operating income (loss) to net cash by operating activities</b>				
Operating income (loss)	(174,049)	296,248	122,199	(231,913)
Adjustments to reconcile operating income to net cash provided (used) by operating				
Depreciation	780,114	16,515	796,629	743,907
Change in assets and liabilities				
Accounts payable	(951,496)	(20,718)	(972,214)	(121,533)
Compensated absences	6,521	(4,101)	2,420	2,677
Accounts receivable	(69,194)	(56,457)	(125,651)	(673,786)
Due from other funds	-	-	-	(236)
Inventory	(7,012)	-	(7,012)	(9,804)
Prepaid expenses	-	-	-	(41,928)
Other post-employment benefits	123,211	18,429	141,640	75,148
Deposits payable	390	(150)	240	-
Other payables	87,462	-	87,462	974,722
Net cash provided (used) by operating activities	<u>(\$ 204,052)</u>	<u>\$ 249,765</u>	<u>\$ 45,713</u>	<u>\$ 717,255</u>

See accompanying notes to financial statements

Village of Downers Grove, Illinois  
Statement of Fiduciary Net Assets  
December 31, 2009

	<u>Pension Trust</u>	<u>Agency</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,883,637	\$ 1,757,887
Investments		
U.S. Treasury obligations	31,672,162	
U.S. Agency obligations	2,504,971	-
Mutual funds - equity	22,221,045	-
Common and preferred stocks	2,736,401	-
Total investments	<u>59,134,579</u>	-
Due from general fund	136	-
Prepays	9,500	-
Interest receivable	<u>311,709</u>	-
 Total assets	 <u>62,339,561</u>	 <u>\$ 1,757,887</u>
<b>LIABILITIES</b>		
Accounts payable	23,981	\$ 110,863
Deposits payable	<u>-</u>	<u>1,647,024</u>
 Total liabilities	 <u>23,981</u>	 <u>\$ 1,757,887</u>
 <b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	 <u>\$ 62,315,580</u>	

See accompanying notes to financial statements

Village of Downers Grove  
Statement of Changes in Fiduciary Net Assets  
For the Year Ended December 31, 2009

	Pension Trust
<b>ADDITIONS</b>	
Contributions	
Contributions - employer	\$ 2,856,931
Contributions - employees	1,252,346
Total contributions	4,109,277
Investment earnings	
Interest earned on investments	1,950,852
Net appreciation in fair value	3,798,604
Total investment earnings	5,749,456
Less investment expense	(158,313)
Net investment earnings	5,591,143
Total additions	9,700,420
<b>DEDUCTIONS</b>	
Contractual services	59,791
Other charges and services	12,912
Benefits and refunds	3,495,159
Total deductions	3,567,862
Change in Net Assets	6,132,558
Net Assets-- beginning of the year	56,183,022
Net Assets -- end of the year	\$ 62,315,580

See accompanying notes to financial statements

Village of Downers Grove

Notes to Financial Statements  
December 31, 2009

---

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 constitute 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.



Village of Downers Grove  
Notes to Financial Statements (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 constitute 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 Council's 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.

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

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

B. Fund Accounting (Continued)

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 non-fiduciary 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 is 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. Non-major funds are reported in the supplementary information.

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.

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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

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

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

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.

*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

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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

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.

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 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.

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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. Since the Village pools its cash and investments, all investments are considered 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.

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

Village of Downers Grove  
Notes to Financial Statements (Continued)

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.

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.

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

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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.

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

Village of Downers Grove  
Notes to Financial Statements (Continued)

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, 2009:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Agency Obligations	\$ 2,400,000	-	2,400,000	-	-
Money Market Mutual Funds	7,258,518	7,258,518	-	-	-
Illinois Funds/IMET	8,252,322	8,252,322	-	-	-
<b>TOTAL</b>	<b>\$17,910,840</b>	<b>15,510,840</b>	<b>2,400,000</b>	<b>-</b>	<b>-</b>

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



Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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.

**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.

Village of Downers Grove  
Notes to Financial Statements (Continued)

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of December 31, 2009:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Corporate Bonds	\$1,187,520	-	1,187,520	-	-
U.S. Obligations	17,338,496	3,086	14,691,182	430,569	2,213,659
<b>TOTAL</b>	<b>\$18,526,016</b>	<b>3,086</b>	<b>15,878,702</b>	<b>430,569</b>	<b>2,213,659</b>

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 which are rated AAA, 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

Village of Downers Grove  
Notes to Financial Statements (Continued)

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 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, 2009:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Corporate Bonds	\$ 1,317,451	-	974,892	112,823	229,736
U.S. Obligations	14,333,666	288,830	5,573,441	3,500,478	4,970,917
<b>TOTAL</b>	<b>\$15,651,117</b>	<b>288,830</b>	<b>6,548,333</b>	<b>3,613,301</b>	<b>5,200,653</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 which are rated AAA, 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 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

Village of Downers Grove  
Notes to Financial Statements (Continued)

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 2009 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 2009 tax levy is intended to fund expenditures for the 2010 fiscal year, these taxes are deferred as of December 31, 2009.

B. Other Receivables

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

GOVERNMENTAL ACTIVITIES

OTHER TAXES RECEIVABLE

Telecommunications tax	\$ 914,476
State income tax	810,538
Electricity tax	165,019
Natural gas tax	58,491
Local use tax	152,353
Auto rental tax	7,997
Hotel tax	49,027
State motor fuel tax	101,626
Local motor fuel tax	35,109
	\$ 2,294,636

TOTAL OTHER TAXES RECEIVABLE

OTHER RECEIVABLES

Ambulance fees	\$ 282,539
Police tickets	17,375
Franchise fees	159,699
Grants	187,832
Miscellaneous	123,425
	\$ 770,870

TOTAL OTHER RECEIVABLES

\$ 770,870

Village of Downers Grove  
Notes to Financial Statements (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009 was as follows:

A. Governmental Activities

	Balances January 1	Increases	Decreases	Balances December 31
Capital assets not being depreciated				
Land	\$ 13,050,849	\$ 1,291,025	\$ -	\$ 14,341,874
Construction in progress	5,319,252	3,677,212	3,393,622	5,602,842
Total capital assets not being depreciated	<u>18,370,101</u>	<u>4,968,237</u>	<u>3,393,622</u>	<u>19,944,716</u>
Capital assets being depreciated				
Infrastructure	86,051,902	4,813,529	-	90,865,431
Buildings	26,124,863	-	-	26,124,863
Improvements other than buildings	3,998,663	-	546,574	3,452,089
Capital equipment	15,641,552	1,285,576	590,214	16,336,914
Total capital assets being depreciated	<u>131,816,980</u>	<u>6,099,105</u>	<u>1,136,788</u>	<u>136,779,297</u>
Less accumulated depreciation for				
Infrastructure	15,179,353	1,711,146	-	16,890,499
Buildings	4,676,891	481,351	-	5,158,242
Improvements other than buildings	557,289	117,795	-	675,084
Capital equipment	9,296,653	1,296,943	553,350	10,040,246
Total accumulated depreciation	<u>29,710,187</u>	<u>3,607,235</u>	<u>553,350</u>	<u>32,764,072</u>
Total capital assets being depreciated, Net	<u>102,106,793</u>	<u>2,491,870</u>	<u>583,438</u>	<u>104,015,225</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 120,476,894</u>	<u>\$ 7,460,107</u>	<u>\$ 3,977,060</u>	<u>\$ 123,959,941</u>

B. Business-Type Activities

	Balances January 1	Increases	Decreases	Balances December 31
Capital assets not being depreciated				
Land	\$ 2,816,595	\$ -	\$ -	\$ 2,816,595
Construction in progress	3,536,052	758	3,478,276	58,533
Total capital assets not being depreciated	<u>6,352,647</u>	<u>758</u>	<u>3,478,276</u>	<u>2,875,129</u>
Capital assets being depreciated				
Infrastructure	21,825,029	6,845,265	-	28,670,294
Buildings	6,101,133	-	-	6,101,133
Improvements other than buildings	15,849,937	-	-	15,849,937
Intangible assets	-	76,312	-	76,312
Capital equipment	4,196,450	-	43,985	4,152,465
Total capital assets being depreciated	<u>47,972,549</u>	<u>6,921,577</u>	<u>43,985</u>	<u>54,850,141</u>

Village of Downers Grove  
Notes to Financial Statements (Continued)

	Balances January 1	Increases	Decreases	Balances December 31
Less accumulated depreciation for				
Infrastructure	9,058,709	404,664	-	9,463,372
Buildings	1,642,297	121,488	-	1,763,785
Improvements other than buildings	8,409,188	268,729	-	8,677,915
Capital equipment	4,183,214	1,749	42,095	4,142,868
Total accumulated depreciation	<u>23,293,408</u>	<u>796,629</u>	<u>42,095</u>	<u>24,047,940</u>
 Total capital assets being depreciated, Net	 <u>24,679,141</u>	 <u>6,124,947</u>	 <u>1,890</u>	 <u>30,802,200</u>
 BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 31,031,788</u>	<u>\$ 6,125,705</u>	<u>\$ 3,480,166</u>	<u>\$ 33,677,329</u>

C. Depreciation Expense

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

GOVERNMENTAL ACTIVITIES

General government	\$ 25,042
Public works	2,578,580
Community development	351,803
Public safety	649,926
Community services	<u>1,884</u>

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 3,607,235

BUSINESS-TYPE ACTIVITIES

Waterworks	\$ 780,114
Parking	<u>16,515</u>

TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES \$ 796,629

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At December 31, 2009, interfund receivables and payables consist of the following:

Receivable Fund	Payable Fund	Amount
General	Transportation	\$ 1,976,067
Firefighters' Pension	General	136
Health Insurance	General	<u>236</u>
 TOTAL		 <u>\$ 1,976,439</u>

The interfund balances reflect the interfund borrowing to offset negative cash balances, and amounts due to be repaid in 2010.

Village of Downers Grove  
Notes to Financial Statements (Continued)

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

At December 31, 2009, interfund transfers consist of the following:

Fund	Transfer In	Transfer Out
Major Governmental		
General (3, 4)	\$ 830,070	-
Downtown Redevelopment TIF (1)	-	2,011,139
Capital Improvements (1)	-	476,708
Stormwater (1)	-	1,025,053
Non-major Governmental		
Downtown TIF Debt Service (1)	2,423,069	-
Real Estate (1)	-	200,000
Municipal Buildings (3)	-	350,000
Facilities Debt Service (1)	1,501,761	-
Tax Rebate (4)	-	372,070
Internal Service		
Risk Management (2)	250,000	-
Enterprise		
Parking (1)	-	319,930
Water (2)	-	250,000
<b>TOTAL</b>	<b>\$ 5,004,900</b>	<b>\$ 5,004,900</b>

The interfund transfers reflect the following transactions: (1) transfer funds for debt service, (2) increase funding to the risk management fund to reduce the net assets deficit, (3) transfer interest earnings from the 2007 bond issue, and (4) retain sales taxes per an auto dealership not meeting its contractual obligations for the tax rebate.

6. LONG-TERM DEBT

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2009, was as follows:

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES					
Compensated absences payable*	\$ 4,558,672	\$ 4,566,225	\$ 4,558,672	\$ 4,566,225	\$ 1,369,867
Net pension obligation payable	393,191	2,275	-	395,466	-
Unamortized premium	636,985	238,858	44,163	831,680	-
Net OPEB payable (restated)	4,137,132	2,248,068	-	6,385,200	-
Unamortized loss on refundings	(623,302)	(134,258)	(63,997)	(693,563)	-
General obligation bonds payable	71,055,000	9,030,000	10,255,000	69,830,000	4,810,000
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 80,157,678</b>	<b>\$ 15,951,168</b>	<b>\$ 14,793,838</b>	<b>\$ 81,315,008</b>	<b>\$ 6,179,867</b>

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

Village of Downers Grove  
Notes to Financial Statements (Continued)

6. LONG-TERM DEBT (Continued)

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
BUSINESS-TYPE ACTIVITIES					
Compensated absences payable	\$ 73,366	\$ 75,786	\$ 73,366	\$ 75,786	\$ 22,736
Notes payable	4,788,000	-	-	4,788,000	368,308
Net OPEB payable (restated)	146,944	79,847	-	226,791	-
General obligation bonds payable	1,835,000	-	430,000	1,405,000	450,000
TOTAL BUSINESS-TYPE ACTIVITIES					
	\$ 6,843,310	\$ 155,633	\$ 503,366	\$ 6,495,577	\$ 841,044

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 January 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. This bond issue was partially defeased in 2009.	\$ 1,465,000	\$ -	\$ 1,240,000	\$ 225,000	\$ 225,000
\$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 and 2008.	445,000	-	195,000	250,000	250,000
\$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 and 2008.	540,000	-	145,000	395,000	170,000
\$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.	5,920,000	-	20,000	5,900,000	60,000



Village of Downers Grove  
Notes to Financial Statements (Continued)

	Balances January 1	Additions	Refunding/ Retirements	Balances December 31	Current Portion
\$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.	1,835,000	-	430,000	1,405,000	450,000
\$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.	5,705,000	-	100,000	5,605,000	100,000
\$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. This bond issue was partially defeased in 2008 and 2009.	9,135,000	-	8,385,000	750,000	750,000
\$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.	9,695,000	-	70,000	9,625,000	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	-	100,000	9,150,000	335,000
\$25,000,000 General Obligation Bonds, Series 2008A, dated August 13, 2008, due in installments of \$345,000 to \$2,965,000 beginning January 1, 2010 plus interest ranging from 3.50% to 5.25% due January 1, 2038.	25,000,000	-	-	25,000,000	2,835,000
\$3,900,000 General Obligation Refunding Bonds, Series 2008B, dated August 13, 2008, due in installments of \$15,000 to \$1,105,000 beginning January 1, 2010 plus interest ranging from 3.0% to 5.0% due January 1, 2021.	3,900,000	-	-	3,900,000	15,000
\$9,030,000 General Obligation Refunding Bonds, Series 2009, dated April 9, 2009, due in installments of \$880,000 to \$1,130,000 beginning January 1, 2011 plus interest ranging from 2.50% to 5.00% due January 1, 2019.	-	9,030,000	-	9,030,000	-
<b>TOTAL</b>	<b>\$ 72,890,000</b>	<b>\$ 9,030,000</b>	<b>\$ 10,685,000</b>	<b>\$ 71,235,000</b>	<b>\$ 5,260,000</b>

Village of Downers Grove  
Notes to Financial Statements (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, 2008. The potentially responsible parties (PRPs) of the contaminated area are legally obligated to provide funding for the repayment of the loan. Only interest payments have been made annually on the loan as of December 31, 2009.

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
2010	\$ 4,810,000	\$ 2,961,285	\$ 368,308	\$ 95,760	\$ 450,000	\$ 53,708
2011	5,135,000	2,668,209	368,308	88,394	470,000	33,003
2012	5,000,000	2,459,810	368,308	81,028	485,000	11,155
2013	2,990,000	2,317,679	368,308	73,662	-	-
2014	3,280,000	2,209,941	368,308	66,295	-	-
2015 - 2019	20,110,000	8,975,041	1,841,538	220,984	-	-
2020 - 2024	14,590,000	4,449,410	1,104,922	44,197	-	-
2025 - 2029	5,730,000	2,682,707	-	-	-	-
2030 - 2034	4,100,000	1,553,750	-	-	-	-
2035 - 2038	4,085,000	420,621	-	-	-	-
<b>TOTAL</b>	<b>\$ 69,830,000</b>	<b>\$ 30,698,453</b>	<b>\$ 4,788,000</b>	<b>\$ 670,320</b>	<b>\$ 1,405,000</b>	<b>\$ 97,866</b>

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.”

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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.

G. Refundings - General Obligation Bonds

On April 9, 2009, the Village issued \$9,030,000 General Obligation Refunding Bonds, Series 2009 to current refund \$1,020,000 of 1998 General Obligation Bonds and \$8,010,000 of 2003 General Obligation Bonds. As a result of the refunding, the Village achieved a cash flow savings of \$409,730 and a present value savings of \$410,858. The balance of the Village's defeased bonds outstanding at December 31, 2009 is \$6,045,000.

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, \$10,000 for each property damage claim, and \$100,000 for each health claim. The Village purchases commercial insurance for claims in excess of the coverage provided by the Funds up to \$35,000,000. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Village of Downers Grove  
Notes to Financial Statements (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, 2008	Fiscal Year Ended December 31, 2009
CLAIMS PAYABLE, BEGINNING	\$ 2,395,380	\$ 2,631,617
Incurred claims (including IBNR)	6,644,319	7,211,660
Less claims paid	(6,408,082)	(6,236,935)
CLAIMS PAYABLE, ENDING	\$ 2,631,617	\$ 3,606,342

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
2010	\$ 267,473
2011	267,473
2012	267,473
2013	267,473
2014	267,473
2015-2019	1,337,365
2020-2024	1,337,365

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.

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

B. Tax Rebates

The Village has many tax rebate agreements with local businesses to develop and expand their business in the Village. The tax rebates are payable to the vendors quarterly based on information received by the Village from the State of Illinois Department of Revenue. All of the Village's liability as of December 31, 2009, has been reported in the Tax Abatement Fund.

The Village has a sales tax rebate agreement dated June 5, 2001 with a local retailer 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. 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, 2009 sales tax rebates of \$66,522 were collected but not yet remitted to the vendor.

The Village has a sales tax rebate agreement dated March 1, 2005 with a local auto dealership to rebate sales taxes on annual sales generated in excess of a base amount of \$27,000,000. 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 October 31, 2007. As of December 31, 2009, sales tax rebates of \$83,356 were collected but not yet remitted to the vendor.

The Village has a sales tax rebate agreement dated February 15, 2005 with a local auto dealership to rebate sales taxes on annual sales generated in excess of a base amount of \$25,000,000. In consideration of the agreement, the vendor will continue to operate an auto dealership in the Village for a period of not less than twelve years commencing April 6, 2007. As of December 31, 2009, sales tax rebates of \$71,312 were collected but not yet remitted to the vendor.

The Village has a sales tax rebate agreement dated September 1, 2009 with a local auto dealership to rebate sales taxes on annual sales beginning in 2010. In consideration of the agreement, the vendor will continue to operate an auto dealership in the Village for a period of not less than ten years. As of December 31, 2009, sales tax rebates of \$0 were collected but not yet remitted to the vendor.

The Village has a sales and utility tax rebate agreement dated December 2, 2008 with a corporation to relocate to the Village. In consideration of the agreement, the corporate headquarters will continue to reside in the Village for a period of not less than fifteen years. As of December 31, 2009, taxes of \$0 were collected.

The Village has a sales tax rebate agreement dated June 16, 2009 with a local retailer to rebate sales taxes on annual sales beginning in 2010. In consideration of the agreement, the retailer will continue to operate its business in the Village for a period of not less than ten years. As of December 31, 2009, sales tax rebates of \$0 were collected but not yet remitted to the retailer.

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 \$665,000.

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 (OPEB), in accordance with the personnel policy manual, to all employees who meet the eligibility requirements under the applicable retirement system. Currently, 138 retirees and spouses meet those eligibility requirements with 312 active members. 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 reached 65 years of age, the Village subsidized 50% of the health insurance premium. For new retirees after September 1, 2009, the retiree pays 100% of the cost of the health and life insurance premiums. All health care benefits are provided through the Village's self-insured health plan. The benefit levels are the same as those afforded to active employees. The Village first had an actuarial valuation as of December 31, 2007. The Village's net OPEB obligation was \$6,611,991 of December 31, 2009.

In the actuarial valuations, the entry-age actuarial cost method was used. The actuarial assumptions included 5% investment rate of return and an annual healthcare cost trend rate of 6%, a reduction from 8% a year ago. Both rates include a 3% inflation assumption.

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

The remaining amortization period at December 31, 2009 was 30 years. The funded status of the plan was as follows:

The net OPEB obligation was calculated as follows:

Annual Required Contribution	\$2,850,251
Interest on Net OPEB Obligation	\$ 219,312
Adjustment to Annual Required Contribution	<u>\$ (146,208)</u>
Annual OPEB Cost	\$2,923,355
Contributions Made	<u>\$ 595,440</u>
Increase (Decrease) in Net OPEB Obligation	\$2,327,915
Net OPEB Obligation, Beginning of Year	\$4,284,076
Net OPEB Obligation, End of Year	\$6,611,991

Actuarial valuations include estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress for the postemployment defined benefit plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time. The funded status of the plan as of December 31, 2009 was as follows:

Actuarial Accrued Liability (AAL)	\$13,301,040
Actuarial Value of Assets	\$ 0
Unfunded Actuarial Accrued Liability (UAAL)	\$13,301,040
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.0%
Covered Payroll	\$22,810,182
UAAL as a Percentage of Covered Payroll	58.3%

## 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 Fire 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.

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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 2009 the rate was 12.08%.

For December 31, 2009, the Village's annual pension cost of \$1,565,930 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2007 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% 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 2008 actuarial valuation were based on the 2005-2007 experience study.

Fiscal Year Ended December 31	Employer Contributions	Annual Pension Cost	Percentage Contributed
2009	\$ 1,565,930	\$ 1,565,930	100%
2008	1,581,409	1,581,409	100%
2007	1,537,454	1,537,454	100%

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.



Village of Downers Grove  
Notes to Financial Statements (Continued)

Fiscal Year Ended December 31	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension (Asset)
2009	\$ 1,239,260	102.6%	\$ (1,049,686)
2008	1,120,838	102.1%	(1,017,196)
2007	1,065,675	103.5%	(993,497)

At December 31, 2008, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated	48
Terminated plan members entitled to benefits but not yet receiving them	0
Current employees	
Vested	56
Non-vested	25
<b>TOTAL</b>	<u>129</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.

Village of Downers Grove  
Notes to Financial Statements (Continued)

Fire Pension Plan

Fire sworn personnel are covered by the Fire 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 Fire Pension Plan as a pension trust fund.

Fiscal Year Ended December 31	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	\$ 1,587,486	99.9%	\$ 395,466
2008	1,027,155	100.3%	393,191
2007	1,576,035	99.3%	396,570

At December 31, 2008, the Fire Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated	37
Terminated plan members entitled to benefits but not yet receiving them	2
Current employees	
Vested	57
Non-vested	21
<b>TOTAL</b>	<u><u>117</u></u>

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

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 Fire 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 Fire Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village's contributions must

Village of Downers Grove  
Notes to Financial Statements (Continued)

accumulate to the point where the past service cost for the Fire Pension Plan is fully funded by the year 2033.

Funding Policy and Annual Pension Cost

	Illinois Municipal Retirement	Police Pension	Fire Pension
Contribution rates			
Village	12.08%	18.15%	16.45%
Members	4.50%	9.91%	9.46%
Annual pension cost	\$ 1,565,930	\$ 1,239,260	\$ 1,587,456
Contributions made	1,565,930	1,271,750	1,585,181
Actuarial valuation date	December 31, 2007	December 31, 2008	December 31, 2008
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	23 years, closed	25 years, closed	25 years, closed
Asset valuation method	5-year smoothed market	Market	Market
Actuarial assumptions			
Investment rate of return*	7.5%	7.75%	8%
Projected salary	.40% to 10%	5%	5%
* Includes inflation at	4%	3%	3%

The Village's annual pension cost and net pension obligation to the pension trust funds for the December 31, 2009 were as follows:

	Police Pension	Fire Pension
Annual required contribution	\$ 1,262,129	\$ 1,578,223
Interest on net pension obligation	(78,833)	31,455
Adjustment to annual required contribution	55,964	(22,222)
Annual pension cost	1,239,260	1,587,456
Contributions made	1,271,750	1,585,181
Increase (decrease) in net pension obligation	(32,490)	2,275
Net pension obligation (asset), beginning of year	(1,017,196)	393,191
<b>NET PENSION OBLIGATION (ASSET), END OF YEAR</b>	<b>\$ (1,049,686)</b>	<b>\$ 395,466</b>

Village of Downers Grove  
Notes to Financial Statements (Continued)

B. Funded Status and Funding Progress

The funded status and funding progress of the plans were as follows:

	Illinois Municipal Retirement *	Police Pension	Fire Pension
Actuarial valuation date	12/31/09	12/31/08	12/31/08
Actuarial accrued liability (AAL)	\$ 34,833,921	\$ 52,429,478	\$ 46,699,698
Actuarial value of plan assets	23,168,914	30,778,993	25,404,029
Unfunded actuarial accrued liability (UAAL)	11,665,007	21,650,485	21,295,669
Funded ratio (actuarial value of plan assets/AAL)	67%	59%	54%
Covered payroll (active plan members)	12,962,994	6,305,357	6,266,722
UAAL as a percentage of covered payroll	90%	343%	340%

\* Includes both the Village and the Library

C. 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 in accordance with the terms of the plan.

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 Fire Pension Plan are financed primarily through investment earnings.

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	\$6,906,199
VanGuard Total International Stock Index Fund	\$2,624,109
Jensen Portfolio	\$1,809,288

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

Fidelity Diversified International Fund	\$2,336,465
VanGuard Institutional Index Fund	\$6,837,631

Village of Downers Grove  
Notes to Financial Statements (Continued)

D. Schedules for the Police and Fire Plans

Assets	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Cash and cash equivalents	\$1,127,662	1,755,975	2,883,637
U.S. Obligations	17,338,496	14,333,666	31,672,162
Corporate Bonds	1,187,520	1,317,451	2,504,971
Mutual Funds – Equity	11,339,596	10,881,449	22,221,045
Stocks	2,736,401	-	2,736,401
Prepays	5,250	4,250	9,500
Interest Receivable	156,776	154,933	311,709
Due from General Fund	<u>-</u>	<u>136</u>	<u>136</u>
Total Assets	\$33,891,701	28,447,860	62,339,561
Liabilities			
Accounts Payable	<u>9,451</u>	<u>14,531</u>	<u>23,981</u>
Total Liabilities	<u>\$ 9,451</u>	<u>14,531</u>	<u>23,981</u>
Net Assets Held in Trust	<u>\$33,882,250</u>	<u>\$28,433,330</u>	<u>\$62,315,580</u>
Additions			
Contributions – employer	\$1,271,750	1,585,181	2,856,931
Contributions – employees	657,981	594,365	1,252,346
Investment Income (Loss)	<u>3,181,300</u>	<u>2,409,843</u>	<u>5,591,143</u>
Total Additions	5,111,031	4,589,389	9,700,420
Deductions			
Contractual Services	23,888	35,903	59,791
Other Charges and Services	6,456	6,456	12,912
Benefits and Refunds	<u>1,977,429</u>	<u>1,517,730</u>	<u>3,495,159</u>
Total Deductions	<u>2,007,773</u>	<u>1,560,089</u>	<u>3,567,862</u>
Net Increase (Decrease)	<u>\$3,103,257</u>	<u>\$3,029,301</u>	<u>\$6,132,558</u>

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	\$ 1,954,136
Risk Management	1,821,937

13. SUBSEQUENT EVENT

On March 4, 2010, the Village issued \$5,805,000 in general obligation refunding bonds to refund Series 2000 and 2001. Installments ranging from \$230,000 to \$2,690,000 plus interest ranging from 2% to 5% are due beginning January 1, 2011. Final payment is due January 1, 2021.

14. RESTATEMENTS

The Village has restated its net assets for its governmental activities (\$1,696,269) and component unit (\$144,203) for the Other Postemployment Benefits to properly reflect the liability for these benefits as of the beginning of the year.

15. 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.

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 non-fiduciary 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 is 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

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

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.

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

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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

Library recognizes property taxes when they become both measurable and available in the year intended to finance.

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.

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



Village of Downers Grove  
Notes to Financial Statements (Continued)

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

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.

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

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

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).

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.

Village of Downers Grove  
Notes to Financial Statements (Continued)

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

Investments

The following table presents the investments and maturities of the Library's debt securities as of December 31, 2009:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Illinois Funds	\$ 2,972,119	2,972,119			
<b>TOTAL</b>	<b>\$ 2,972,119</b>	<b>2,972,119</b>	<b>-</b>	<b>-</b>	<b>-</b>

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.

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.

Village of Downers Grove  
Notes to Financial Statements (Continued)

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

C. Receivables

Property taxes for 2009 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 2009 tax levy is intended to fund expenditures for the 2010 fiscal year, these taxes are deferred as of December 31, 2009.

D. Capital Assets

Capital asset activity for the year ended December 31, 2009 was as follows:

	Balances December 31	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	<u>222,211</u>	<u>-</u>	<u>-</u>	<u>222,211</u>
Capital assets being depreciated				
Buildings	9,479,919	-	-	9,479,919
Capital equipment	7,554,716	413,665	435,770	7,532,611
Total capital assets being depreciated	<u>17,034,635</u>	<u>413,665</u>	<u>435,770</u>	<u>17,012,530</u>
Less accumulated depreciation for				
Buildings	1,061,700	214,989	-	1,276,689
Capital equipment	2,519,724	566,646	221,538	2,864,832
Total accumulated depreciation	<u>3,581,424</u>	<u>781,635</u>	<u>221,538</u>	<u>4,141,521</u>
Total capital assets being depreciated, net	<u>13,453,211</u>	<u>(367,970)</u>	<u>214,232</u>	<u>12,871,010</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 13,675,422</u>	<u>\$ (367,970)</u>	<u>\$ 214,232</u>	<u>\$ 13,093,221</u>

Depreciation expense was charged to functions/programs of the component unit as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
Community services	<u>\$ 781,635</u>

E. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2009, was as follows:

Village of Downers Grove  
Notes to Financial Statements (Continued)

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

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
Compensated absences payable*	\$ 27,128	\$ 34,006	\$ 27,128	\$ 34,006	\$ 10,202
Unamortized premium	21,436	-	1,496	19,941	-
Unamortized loss on refundings	(438,168)	-	(52,580)	(385,588)	-
Net OPEB payable (restated)	292,715	-	259,583	33,132	-
General obligation bonds payable	5,000,000	-	490,000	4,510,000	505,000
<b>TOTAL</b>	<b>\$ 4,903,111</b>	<b>\$ 34,006</b>	<b>\$ 725,627</b>	<b>\$ 4,211,491</b>	<b>\$ 515,202</b>

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

**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 January 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.	\$ 5,000,000	\$ -	\$ 490,000	\$ 4,510,000	\$ 505,000
<b>TOTAL</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ 490,000</b>	<b>\$ 4,510,000</b>	<b>\$ 505,000</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
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>\$ 4,510,000</b>	<b>\$ 658,263</b>

Village of Downers Grove  
Notes to Financial Statements (Continued)

15. 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 Village provides post employment health care and life insurance benefits (OPEB), in accordance with the personnel policy manual, to all employees who meet the eligibility requirements under the applicable retirement system. Currently, 23 active members are participating in the Village's health care plan. 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. For new retirees after September 1, 2009, the retiree pays 100% of the cost of the health and life insurance premiums. The annual required contribution for 2009 was \$(264,578). All health care benefits are provided through the Village's self-insured health plan. The benefit levels are the same as those afforded to active employees. The Village first had an actuarial valuation as of December 31, 2007. The Village's Net OPEB obligation as of December 31, 2009 was \$33,132.

In the actuarial valuations, the entry-age actuarial cost method was used. The actuarial assumptions included 5% investment rate of return and an annual healthcare cost trend rate of 6%. Both rates include a 3% inflation assumption. The remaining amortization period at December 31, 2009 was 30 years. The funded status of the plan as of December 31, 2009 was as follows:

The net OPEB obligation was calculated as follows:

Annual Required Contribution	\$ (264,578)
Interest on Net OPEB Obligation	14,985
Adjustment to Annual Required Contribution	<u>(9,990)</u>
Annual OPEB Cost	(259,583)
Contributions Made	<u>0</u>
Increase (Decrease) in Net OPEB Obligation	(259,583)
Net OPEB Obligation, Beginning of Year	292,715
Net OPEB Obligation, End of Year	\$ 33,132

Village of Downers Grove  
Notes to Financial Statements (Continued)

---

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

Actuarial valuations include estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The funded status of the plan as of December 31 was as follows:

Actuarial Accrued Liability (AAL)	\$ 33,132
Actuarial Value of Assets	0
Unfunded Actuarial Accrued Liability (UAAL)	33,132
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.0%
Covered Payroll	\$ 1,192,683
UAAL as a Percentage of Covered Payroll	2.78%

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  
Required Supplementary Information  
General Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 11,850,000	\$11,850,000	\$ 10,300,409	(\$1,549,591)
Property tax	9,074,908	9,074,908	9,174,755	99,847
Utility tax	6,391,013	6,391,013	5,694,903	(696,110)
Income tax	4,580,000	4,580,000	3,960,237	(619,763)
Other taxes	2,174,000	2,174,000	1,738,771	(435,229)
Licenses & permits	1,137,645	1,137,645	1,148,160	10,515
Intergovernmental	13,832	13,832	95,997	82,165
Charges for services & fees	3,935,659	3,935,659	4,345,198	409,539
Fines & forfeitures	1,478,500	1,478,500	1,246,286	(232,214)
Investment income	516,000	516,000	299,304	(216,696)
Contributions & donations	78,900	78,900	76,521	(2,379)
Total revenues	<u>41,230,457</u>	<u>41,230,457</u>	<u>38,080,541</u>	<u>(3,149,916)</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General government	5,101,206	5,101,206	4,106,150	(995,056)
Public works	6,163,229	6,163,229	5,692,304	(470,925)
Community development	2,436,443	2,436,443	2,170,863	(265,580)
Public safety	25,987,036	25,987,036	25,481,390	(505,646)
Community services	1,874,281	1,874,281	1,831,063	(43,218)
Total expenditures	<u>41,562,195</u>	<u>41,562,195</u>	<u>39,281,770</u>	<u>(2,280,425)</u>
(Deficiency) of revenues (under) expenditures	<u>(331,738)</u>	<u>(331,738)</u>	<u>(1,201,229)</u>	<u>(869,491)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	-	37,903	37,903
Transfers in	355,000	355,000	830,070	475,070
Total other financing sources and uses	<u>355,000</u>	<u>355,000</u>	<u>867,973</u>	<u>512,973</u>
Net change in fund balances	23,262	23,262	(333,256)	<u>(356,518)</u>
Fund balances -- beginning	15,776,466	15,776,466	15,776,466	
Fund balances -- ending	<u>\$ 15,799,728</u>	<u>\$ 15,799,728</u>	<u>\$ 15,443,210</u>	

(See independent auditor's report)



Village of Downers Grove  
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, 2009

	<u>Budgeted Amounts</u>		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property tax	\$ 2,350,000	\$ 2,350,000	\$ 2,229,096	\$ (120,904)
Investment income	76,000	76,000	(273)	(76,273)
Charges for services	-	-	16,104	16,104
Total revenues	<u>2,426,000</u>	<u>2,426,000</u>	<u>2,244,927</u>	<u>(181,073)</u>
<b>EXPENDITURES</b>				
Current				
Community Development	133,910	133,910	62,036	(71,874)
Public works	264,000	264,000	11,387	(252,613)
Total current	<u>397,910</u>	<u>397,910</u>	<u>73,423</u>	<u>(324,487)</u>
Capital outlay				
Public works	160,000	160,000	63,796	(96,204)
Total capital outlay	<u>160,000</u>	<u>160,000</u>	<u>63,796</u>	<u>(96,204)</u>
Total expenditures	<u>557,910</u>	<u>557,910</u>	<u>137,219</u>	<u>(420,691)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,868,090</u>	<u>1,868,090</u>	<u>2,107,708</u>	<u>239,618</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(2,048,921)	(2,048,921)	(2,011,139)	37,782
Total other financing sources (uses)	<u>(2,048,921)</u>	<u>(2,048,921)</u>	<u>(2,011,139)</u>	<u>37,782</u>
Net change in fund balances	(180,831)	(180,831)	96,569	<u>277,400</u>
Fund balances -- beginning	254,489	254,489	254,489	
Fund balances -- ending	<u>\$ 73,658</u>	<u>\$ 73,658</u>	<u>\$ 351,058</u>	

(See independent auditor's report)

Village of Downers Grove

Required Supplementary Information  
 Illinois Municipal Retirement Fund  
 December 31, 2009

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry-Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2004	\$ 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%
12/31/2008	21,604,380	32,632,179	11,027,799	66.21%	12,815,309	86.05%
12/31/2009	23,168,914	34,833,921	11,665,007	66.51%	12,962,994	89.99%

Schedule of Employer Contributions

Calendar Year	Employer Contributions	Annual Required Contributions (ARC)	Percentage Contributed
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%
2008	1,581,409	1,581,409	100.00%
2009	1,565,930	1,565,930	100.00%

(See independent auditor's report)

Village of Downers Grove

Required Supplementary Information  
Police Pension Fund  
December 31, 2009

Schedule of Funding Progress

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)
4/30/2004	\$ 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%
12/31/2007	35,082,022	49,340,130	14,258,108	71.1%	5,933,899	240.3%
12/31/2008	30,778,993	52,429,478	21,650,485	58.7%	6,305,357	343.4%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions (ARC)	Percentage of ARC Contributed
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%
12/31/2007	1,102,546	1,090,889	101.07%
12/31/2008	1,144,537	1,145,653	99.90%
12/31/2009	1,271,750	1,262,129	100.76%

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

Required Supplementary Information  
Fire Pension Fund  
December 31, 2009

Schedule of Funding Progress

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)
4/30/2004	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%
12/31/2007	28,125,505	43,279,281	15,153,776	65.0%	6,143,206	246.7%
12/31/2008	25,404,029	46,699,698	21,295,669	54.4%	6,266,722	339.8%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions (ARC)	Percentage Contributed
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%
12/31/2007	1,565,405	1,565,863	99.97%
12/31/2008	1,030,534	1,017,249	101.31%
12/31/2009	1,585,181	1,578,223	100.44%

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

Required Supplementary Information  
 Other Post-Employment Benefits  
 Schedule of Funding Progress/Employer Contributions  
 December 31, 2009

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry-Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2007	\$0	\$ 28,781,004	\$ 28,781,004	0.00%	\$ 22,721,934	126.67%
12/31/2008	0	20,527,085	20,527,085	0.00%	22,721,934	90.3%
12/31/2009	0	13,301,040	13,301,040	0.00%	22,810,182	58.3%

Schedule of Employer Contributions

Date	Annual Required Contribution (ARC)	Actual Contributions	Percentage of ARC Contributed
12/31/2008	2,083,662	371,570	17.8 %
12/31/2009	2,850,251	595,440	20.9 %

Note: The Village adopted GASB Statement No. 45 in fiscal 2008.

(See independent auditor's report)

Village of Downers Grove

Notes to Required Supplementary Information  
December 31, 2009

---

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. All governmental funds have legally adopted annual budgets. 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

General Fund  
 Schedule of Revenues - Budget and Actual  
 For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
Sales tax	\$ 11,850,000	\$ 11,850,000	\$ 10,300,409	\$ (1,549,591)
Property taxes				
General	5,662,347	5,662,347	5,723,605	61,258
Pension	2,840,352	2,840,352	2,861,688	21,336
Special service areas	261,859	261,859	246,446	(15,413)
Township road and bridge	310,000	310,000	343,016	33,016
Total property taxes	9,074,558	9,074,558	9,174,755	100,197
Utility taxes				
Natural gas use tax	450,000	450,000	482,958	32,958
Electricity tax	2,041,013	2,041,013	1,839,555	(201,458)
Telecommunications tax	3,900,000	3,900,000	3,372,389	(527,611)
Total utility taxes	6,391,013	6,391,013	5,694,903	(696,111)
Income tax	4,580,000	4,580,000	3,960,237	(619,763)
Other taxes				
Hotel tax	900,000	900,000	702,555	(197,445)
Personal property replacement tax	530,000	530,000	408,628	(121,372)
Local use tax	700,000	700,000	590,394	(109,606)
Other local taxes	44,350	44,350	37,194	(7,156)
Total other taxes	2,174,350	2,174,350	1,738,771	(435,579)
Licenses & permits				
Building and related	900,000	900,000	809,928	(90,072)
Alcoholic beverage	160,000	160,000	186,747	26,747
Professional and occupational	61,145	61,145	94,225	33,080
Other licenses and permits	25,650	25,650	57,260	31,610
Total licenses & permits	1,146,795	1,146,795	1,148,160	1,365
Intergovernmental	13,832	13,832	95,997	82,165

(See independent auditor's report)

Village of Downers Grove

General Fund  
 Schedule of Revenues - Budget and Actual (Continued)  
 For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
Charges for services & fees				
Ambulance user fee - resident	\$ 550,000	\$ 550,000	\$ 584,287	34,287
Ambulance user fee - nonresident	180,000	180,000	202,474	22,474
Review and inspection fees	325,000	325,000	171,355	(153,645)
Cable franchise fees	570,000	570,000	617,760	47,760
Cellular antenna rental	780,000	780,000	880,956	100,956
Heritage fest fees	330,000	330,000	217,348	(112,652)
Other fees & charges	1,263,809	1,263,809	1,671,018	407,209
Total charges for services & fees	3,998,809	3,998,809	4,345,198	346,389
Fines & forfeitures				
Administrative booking and towing fees	460,000	460,000	423,115	(36,885)
Fines	943,500	943,500	823,171	(120,329)
Total fines & forfeitures	1,403,500	1,403,500	1,246,286	(157,214)
Investment income	516,000	516,000	299,304	(216,696)
Contributions and donations	81,600	81,600	76,521	(5,079)
<b>TOTAL REVENUES</b>	<b>\$ 41,230,457</b>	<b>\$ 41,230,457</b>	<b>\$ 38,080,541</b>	<b>(3,149,916)</b>

(See independent auditor's report)



Village of Downers Grove  
 General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
General government				
Personnel services	\$ 3,066,027	\$ 3,066,027	\$ 2,750,290	\$ (315,737)
Supplies	143,326	143,326	104,939	(38,387)
Contractual services	991,828	991,828	784,893	(206,935)
Other charges and services	900,025	900,025	466,028	(433,997)
Total general government	<u>5,101,206</u>	<u>5,101,206</u>	<u>4,106,150</u>	<u>(995,056)</u>
Public works				
Personnel services	2,935,404	2,935,404	2,816,255	(119,149)
Supplies	675,682	675,682	649,419	(26,263)
Contractual services	1,256,969	1,256,969	1,071,365	(185,604)
Other charges and services	1,295,174	1,295,174	1,155,265	(139,909)
Total public works	<u>6,163,229</u>	<u>6,163,229</u>	<u>5,692,304</u>	<u>(470,925)</u>
Community development				
Personnel services	1,537,859	1,537,859	1,397,045	(140,814)
Supplies	20,725	20,725	11,461	(9,264)
Contractual services	179,072	179,072	136,957	(42,115)
Other charges and services	698,787	698,787	625,400	(73,387)
Total community development	<u>2,436,443</u>	<u>2,436,443</u>	<u>2,170,863</u>	<u>(265,580)</u>
Public safety				
Personnel services	21,623,446	21,623,446	21,721,859	98,413
Supplies	421,681	421,681	278,185	(143,496)
Contractual services	840,769	840,769	617,302	(223,467)
Other charges and services	3,101,140	3,101,140	2,864,044	(237,096)
Total public safety	<u>25,987,036</u>	<u>25,987,036</u>	<u>25,481,390</u>	<u>(505,646)</u>
Community services				
Personnel services	1,053,121	1,053,121	1,060,297	7,176
Supplies	37,678	37,678	25,750	(11,928)
Contractual services	705,406	705,406	691,147	(14,259)
Other charges and services	78,076	78,076	53,869	(24,207)
Total community services	<u>1,874,281</u>	<u>1,874,281</u>	<u>1,831,063</u>	<u>(43,218)</u>
TOTAL EXPENDITURES	<u>\$ 41,562,195</u>	<u>\$ 41,562,195</u>	<u>\$ 39,281,770</u>	<u>\$ (2,280,425)</u>

(See independent auditor's report)

Village of Downers Grove  
Capital Improvements Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 4,000,000	\$ 4,000,000	\$ 3,644,045	\$ (355,955)
Property tax	8,671	8,671	8,760	89
Utility tax	768,000	768,000	675,661	(92,339)
Intergovernmental	369,800	369,800	433,845	64,045
Investment income	75,000	75,000	20,306	(54,694)
Total revenues	<u>5,221,471</u>	<u>5,221,471</u>	<u>4,782,617</u>	<u>(438,854)</u>
<b>EXPENDITURES</b>				
Capital outlay				
General government	260,000	260,000	191,086	(68,914)
Public works	4,629,283	4,629,283	4,345,674	(283,609)
Total capital outlay	<u>4,889,283</u>	<u>4,889,283</u>	<u>4,536,760</u>	<u>(352,523)</u>
Total expenditures	<u>4,889,283</u>	<u>4,889,283</u>	<u>4,536,760</u>	<u>(352,523)</u>
Excess of revenues over expenditures	<u>332,188</u>	<u>332,188</u>	<u>245,857</u>	<u>(86,331)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(476,708)	(476,708)	(476,708)	-
Total other financing sources (uses)	<u>(476,708)</u>	<u>(476,708)</u>	<u>(476,708)</u>	<u>-</u>
Net change in fund balances	(144,520)	(144,520)	(230,851)	<u>\$ (86,331)</u>
Fund balances -- beginning	<u>2,825,862</u>	<u>2,825,862</u>	<u>2,825,862</u>	
Fund balances -- ending	<u>\$ 2,681,342</u>	<u>\$ 2,681,342</u>	<u>\$ 2,595,011</u>	

(See independent auditor's report)

Village of Downers Grove  
Stormwater Improvements Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property tax	\$ 2,630,139	\$ 2,630,139	\$ 2,630,139	\$ -
Sales tax	2,000,000	2,000,000	1,822,062	(177,938)
Investment income	500,000	500,000	737,625	237,625
Contributions & donations	100,000	100,000	130,618	30,618
Total revenues	<u>5,230,139</u>	<u>5,230,139</u>	<u>5,320,444</u>	<u>90,305</u>
<b>EXPENDITURES</b>				
Current				
General government	321,000	321,000	-	(321,000)
Public works	2,210,452	2,210,452	2,195,836	(14,616)
Total current	<u>2,531,452</u>	<u>2,531,452</u>	<u>2,195,836</u>	<u>(335,616)</u>
Capital outlay				
Public works	11,125,000	11,125,000	5,145,168	(5,979,832)
Total capital outlay	<u>11,125,000</u>	<u>11,125,000</u>	<u>5,145,168</u>	<u>(5,979,832)</u>
Total expenditures	<u>13,656,452</u>	<u>13,656,452</u>	<u>7,341,004</u>	<u>(6,315,448)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,426,313)</u>	<u>(8,426,313)</u>	<u>(2,020,560)</u>	<u>6,405,753</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(1,025,053)	(1,025,053)	(1,025,053)	-
Total other financing sources (uses)	<u>(1,025,053)</u>	<u>(1,025,053)</u>	<u>(1,025,053)</u>	<u>-</u>
Net change in fund balances	(9,451,366)	(9,451,366)	(3,045,613)	<u>6,405,753</u>
Fund balances -- beginning	<u>27,056,575</u>	<u>27,056,575</u>	<u>27,056,575</u>	
Fund balances -- ending	<u>\$ 17,605,209</u>	<u>\$ 17,605,209</u>	<u>\$ 24,010,962</u>	

(See independent auditor's report)

Village of Downers Grove  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2009

	Special Revenue	Debt Service	Capital Projects	Total
<b>ASSETS</b>				
Cash and investments	\$ 4,012,945	\$ 834,514	\$ 1,106,092	\$ 5,953,551
Property taxes receivable	790,699	-	-	790,699
Other taxes receivable	115,671	21,065	-	136,736
Accounts receivable	4,166	-	14,165	18,331
Other receivable	4,460	-	-	4,460
Interest receivable	429	-	-	429
Total assets	<u>4,928,370</u>	<u>855,579</u>	<u>1,120,257</u>	<u>6,904,206</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	1,251,252	-	14,225	1,265,477
Due to other funds	1,976,067	-	-	1,976,067
Deposits payable	-	-	8,120	8,120
Deferred revenues	777,098	-	3,000	780,098
Total liabilities	<u>4,004,417</u>	<u>-</u>	<u>25,345</u>	<u>4,029,762</u>
<b>FUND BALANCES</b>				
Unreserved	923,953	855,579	1,094,912	2,874,444
Total fund balances	<u>923,953</u>	<u>855,579</u>	<u>1,094,912</u>	<u>2,874,444</u>
Total liabilities and fund balances	<u>\$ 4,928,370</u>	<u>\$ 855,579</u>	<u>\$ 1,120,257</u>	<u>\$ 6,904,206</u>

(See independent auditor's report)

Village of Downers Grove  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Year Ended December 31, 2009

	Special Revenue	Debt Service	Capital Projects	Total
<b>REVENUES</b>				
Sales tax	\$ 563,750	\$ -	\$ -	\$ 563,750
Property tax	776,229	-	-	776,229
Other taxes	198,640	189,345	-	387,985
Intergovernmental	1,218,400	-	-	1,218,400
Charges for services & fees	112,269	-	91,721	203,990
Investment income	8,997	1,343	5,446	15,786
Total revenues	<u>2,878,286</u>	<u>190,687</u>	<u>97,167</u>	<u>3,166,140</u>
<b>EXPENDITURES</b>				
Current				
General government	191,680	-	237,732	429,412
Public works	2,668,753	-	-	2,668,753
Community development	111,410	-	-	111,410
Public safety	36,541	-	-	36,541
Debt service				
Principal retirement	-	1,245,000	-	1,245,000
Interest	-	2,728,297	-	2,728,297
Issuance costs	-	125,575	-	125,575
Total expenditures	<u>3,008,384</u>	<u>4,098,872</u>	<u>237,732</u>	<u>7,344,989</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(130,098)</u>	<u>(3,908,185)</u>	<u>(140,565)</u>	<u>(4,178,849)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	3,924,830	-	3,924,830
Transfers out	(372,070)	-	(550,000)	(922,070)
Refunding bonds issued	-	9,030,000	-	9,030,000
Payment to escrow agent	-	(9,144,258)	-	(9,144,258)
Bond premium	-	238,858	-	238,858
Total other financing sources (uses)	<u>(372,070)</u>	<u>4,049,430</u>	<u>(550,000)</u>	<u>3,127,360</u>
Net change in fund balance	(502,168)	141,245	(690,565)	(1,051,488)
Fund balances -- beginning	<u>1,426,120</u>	<u>714,334</u>	<u>1,785,478</u>	<u>3,925,932</u>
Fund balances -- ending	<u>\$ 923,952</u>	<u>\$ 855,579</u>	<u>\$ 1,094,913</u>	<u>\$ 2,874,444</u>

(See independent auditor's report)

Village of Downers Grove  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2009

	Motor Fuel Tax	Foreign Fire	Ogden TIF	Sales Tax Rebate	Transportation	Total
<b>ASSETS</b>						
Cash and investments	\$ 939,138	\$ 186,301	\$ 2,666,316	\$ 221,190	\$ -	\$ 4,012,945
Property taxes receivable	-	-	790,699	-	-	790,699
Other taxes receivable	101,626	-	-	-	14,045	115,671
Accounts receivable	-	-	-	-	4,166	4,166
Other receivable	-	-	-	-	4,460	4,460
Interest receivable	-	-	429	-	-	429
Total assets	<u>1,040,764</u>	<u>186,301</u>	<u>3,457,444</u>	<u>221,190</u>	<u>22,671</u>	<u>4,928,370</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable	1,026,685	2,127	511	221,190	740	1,251,252
Due to other funds	-	-	-	-	1,976,067	1,976,067
Deferred property taxes	-	-	777,098	-	-	777,098
Total liabilities	<u>1,026,685</u>	<u>2,127</u>	<u>777,609</u>	<u>221,190</u>	<u>1,976,807</u>	<u>4,004,417</u>
<b>FUND BALANCES</b>						
Unreserved	14,079	184,174	2,679,835	-	(1,954,136)	923,953
Total fund balances	<u>14,079</u>	<u>184,174</u>	<u>2,679,835</u>	<u>-</u>	<u>(1,954,136)</u>	<u>923,953</u>
Total liabilities and fund balances	<u>\$ 1,040,764</u>	<u>\$ 186,301</u>	<u>\$ 3,457,444</u>	<u>-</u>	<u>\$ 22,671</u>	<u>\$ 4,928,370</u>

(See independent auditor's report)

Village of Downers Grove  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2009

	Motor Fuel Tax	Foreign Fire	Odgen TIF	Sales Tax Rebate	Transportation	Total
<b>REVENUES</b>						
Sales tax	\$ -	\$ -	\$ -	\$ 563,750	\$ -	\$ 563,750
Property tax	-	-	776,229	-	-	776,229
Other taxes	-	70,236	-	-	128,404	198,640
Intergovernmental	1,172,647	-	-	-	45,753	1,218,400
Charges for services & fees	-	-	-	-	112,269	112,269
Investment income	3,016	321	5,660	-	-	8,997
<b>Total revenues</b>	<b>1,175,663</b>	<b>70,558</b>	<b>781,889</b>	<b>563,750</b>	<b>286,426</b>	<b>2,878,286</b>
<b>EXPENDITURES</b>						
<b>Current</b>						
General government	-	-	-	191,680	-	191,680
Public works	2,190,000	-	14,056	-	464,697	2,668,753
Community development	-	-	111,410	-	-	111,410
Public safety	-	36,541	-	-	-	36,541
<b>Total expenditures</b>	<b>2,190,000</b>	<b>36,541</b>	<b>125,466</b>	<b>191,680</b>	<b>464,697</b>	<b>3,008,384</b>
Excess (deficiency) of revenues over (under) expenditures	(1,014,337)	34,017	656,423	372,070	(178,271)	(130,098)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(372,070)	-	(372,070)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(372,070)</b>
<b>Net Change in fund balances</b>	<b>(1,014,337)</b>	<b>34,017</b>	<b>656,423</b>	<b>-</b>	<b>(178,271)</b>	<b>(502,168)</b>
Fund balances -- beginning	1,028,416	150,157	2,023,412	-	(1,775,865)	1,426,120
Fund balances -- ending	<b>\$ 14,079</b>	<b>\$ 184,174</b>	<b>\$ 2,679,835</b>	<b>-</b>	<b>\$ (1,954,136)</b>	<b>\$ 923,952</b>

(See independent auditor's report)

Village of Downers Grove  
Motor Fuel Tax Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 1,190,000	\$ 1,190,000	\$ 1,172,648	\$ (17,352)
Investment income	35,000	35,000	3,016	(31,984)
Total revenues	<u>1,225,000</u>	<u>1,225,000</u>	<u>1,175,663</u>	<u>(49,337)</u>
<b>EXPENDITURES</b>				
Public works	2,190,000	2,190,000	2,190,000	-
Total current	<u>2,190,000</u>	<u>2,190,000</u>	<u>2,190,000</u>	<u>-</u>
Total expenditures	<u>2,190,000</u>	<u>2,190,000</u>	<u>2,190,000</u>	<u>-</u>
(Deficiency) of revenues (under) expenditures	<u>(965,000)</u>	<u>(965,000)</u>	<u>(1,014,337)</u>	<u>(49,337)</u>
Net change in fund balances	(965,000)	(965,000)	(1,014,337)	<u>(49,337)</u>
Fund balances -- beginning	<u>1,028,416</u>	<u>1,028,416</u>	<u>1,028,416</u>	
Fund balances -- ending	<u>\$ 63,416</u>	<u>\$ 63,416</u>	<u>\$ 14,079</u>	

(See independent auditor's report)



Village of Downers Grove  
Foreign Fire Insurance Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Foreign fire insurance tax	\$ 61,000	\$ 61,000	\$ 70,236	\$ 9,236
Investment income	4,000	4,000	321	(3,679)
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>70,558</u>	<u>5,558</u>
<b>EXPENDITURES</b>				
Current				
Public safety	69,750	69,750	36,541	(33,209)
Total current	<u>69,750</u>	<u>69,750</u>	<u>36,541</u>	<u>(33,209)</u>
Total expenditures	<u>69,750</u>	<u>69,750</u>	<u>36,541</u>	<u>(33,209)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,750)</u>	<u>(4,750)</u>	<u>34,017</u>	<u>38,767</u>
Net change in fund balances	(4,750)	(4,750)	34,017	<u>38,767</u>
Fund balances -- beginning	<u>150,158</u>	<u>150,158</u>	<u>150,158</u>	
Fund balances -- ending	<u>\$ 145,408</u>	<u>\$ 145,408</u>	<u>\$ 184,175</u>	

(See independent auditor's report)

Village of Downers Grove  
Odgen TIF Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
REVENUES				
Property tax	\$ 735,300	\$ 735,300	\$ 776,229	\$ 40,929
Intergovernmental	101,080	101,080	-	(101,080)
Investment income	40,350	40,350	5,660	(34,690)
Total revenues	876,730	876,730	781,889	(94,841)
EXPENDITURES				
Current				
Public works	1,795,000	1,795,000	14,056	(1,780,944)
Community development	132,900	132,900	111,410	(21,490)
Total current	1,927,900	1,927,900	125,466	(1,802,434)
Total expenditures	1,927,900	1,927,900	125,466	(1,802,434)
Net change in fund balances	(1,051,170)	(1,051,170)	656,423	1,707,593
Fund balances -- beginning	2,023,413	2,023,413	2,023,413	
Fund balances -- ending	\$ 972,243	\$ 972,243	\$ 2,679,836	

(See independent auditor's report)

Village of Downers Grove  
Sales Tax Rebate Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Sales tax	\$ 750,000	\$ 750,000	\$ 563,750	\$ (186,250)
Total revenues	<u>750,000</u>	<u>750,000</u>	<u>563,750</u>	<u>(186,250)</u>
<b>EXPENDITURES</b>				
Current				
General government	750,000	750,000	191,680	(558,320)
Total current	<u>750,000</u>	<u>750,000</u>	<u>191,680</u>	<u>(558,320)</u>
Total expenditures	<u>750,000</u>	<u>750,000</u>	<u>191,680</u>	<u>(558,320)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>372,070</u>	<u>372,070</u>
<b>OTHER FINANCING SOURCES(USES)</b>				
Transfer out	<u>-</u>	<u>-</u>	<u>(372,070)</u>	<u>(372,070)</u>
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>(372,070)</u>	<u>(372,070)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund balances -- beginning	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balances -- ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

(See independent auditor's report)

Village of Downers Grove  
Transportation Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Local fuel tax	\$ 152,656	\$ 152,656	\$ 128,404	\$ (24,252)
Intergovernmental	47,000	47,000	45,753	(1,247)
Charges for services & fees	110,000	110,000	112,269	2,269
Total revenues	<u>309,656</u>	<u>309,656</u>	<u>286,426</u>	<u>(23,230)</u>
<b>EXPENDITURES</b>				
Current				
Public works	478,717	478,717	464,697	(14,019)
Total current	<u>478,717</u>	<u>478,717</u>	<u>464,697</u>	<u>(14,019)</u>
Total expenditures	<u>478,717</u>	<u>478,717</u>	<u>464,697</u>	<u>(14,019)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(169,061)</u>	<u>(169,061)</u>	<u>(178,271)</u>	<u>(9,210)</u>
Net change in fund balances	(169,061)	(169,061)	(178,271)	<u>\$ (9,210)</u>
Fund balances -- beginning	<u>(1,775,865)</u>	<u>(1,775,865)</u>	<u>(1,775,865)</u>	
Fund balances -- ending	<u><u>(\$ 1,944,925)</u></u>	<u><u>(\$ 1,944,925)</u></u>	<u><u>(\$ 1,954,136)</u></u>	

(See independent auditor's report)

Village of Downers Grove  
Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2009

	Fairview Avenue	Downtown TIF	Stormwater/ Facilities	Total
<b>ASSETS</b>				
Cash and investments	\$ 68,028	\$ 766,486	\$ -	\$ 834,514
Local fuel tax receivable	21,065	-	-	21,065
<b>Total assets</b>	<u>89,093</u>	<u>766,486</u>	<u>-</u>	<u>855,579</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
 Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>FUND BALANCES</b>				
Unreserved	<u>89,093</u>	<u>766,486</u>	<u>-</u>	<u>855,579</u>
<b>Total fund balances</b>	<u>89,093</u>	<u>766,486</u>	<u>-</u>	<u>855,579</u>
 Total liabilities and fund balances	<u>\$ 89,093</u>	<u>\$ 766,486</u>	<u>-</u>	<u>\$ 855,579</u>

(See independent auditor's report)

Village of Downers Grove  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2009

	Fairview Avenue	Downtown TIF	Stormwater/ Facilities	Total
<b>REVENUES</b>				
Local fuel tax	\$ 189,345	\$ -	\$ -	\$ 189,345
Investment income	-	1,343	-	1,343
Total revenues	<u>189,345</u>	<u>1,343</u>	<u>-</u>	<u>190,687</u>
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	215,000	930,000	100,000	1,245,000
Interest	33,468	1,293,069	1,401,761	2,728,297
Issuance costs	13,690	111,885	-	125,575
Total expenditures	<u>262,158</u>	<u>2,334,954</u>	<u>1,501,761</u>	<u>4,098,872</u>
Deficiency of revenues (under) expenditures	<u>(72,813)</u>	<u>(2,333,611)</u>	<u>(1,501,761)</u>	<u>(3,908,185)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	2,423,069	1,501,761	3,924,830
Refunding bonds issued	1,020,000	8,010,000	-	9,030,000
Payment to escrow agent	(1,033,301)	(8,110,957)	-	(9,144,258)
Bond premium	26,991	211,867	-	238,858
Total other financing sources (uses)	<u>13,690</u>	<u>2,533,979</u>	<u>1,501,761</u>	<u>4,049,430</u>
Net change in fund balances	(59,123)	200,368	-	141,245
Fund balances -- beginning	<u>148,215</u>	<u>566,119</u>	<u>-</u>	<u>714,334</u>
Fund balances -- ending	<u>\$ 89,093</u>	<u>\$ 766,486</u>	<u>-</u>	<u>\$ 855,579</u>

(See independent auditor's report)

Village of Downers Grove  
Fairview Avenue Debt Service Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Local fuel tax	\$ 228,985	\$ 228,985	\$ 189,345	\$ (39,640)
Total revenues	<u>228,985</u>	<u>228,985</u>	<u>189,345</u>	<u>(39,640)</u>
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	215,000	215,000	215,000	-
Interest	53,968	53,968	33,468	(20,500)
Issuance costs	-	-	13,690	13,690
Total debt service	<u>268,968</u>	<u>268,968</u>	<u>262,158</u>	<u>(6,810)</u>
Total expenditures	<u>268,968</u>	<u>268,968</u>	<u>262,158</u>	<u>(6,810)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39,983)</u>	<u>(39,983)</u>	<u>(72,813)</u>	<u>(32,830)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	1,020,000	1,020,000
Bond premium	-	-	26,991	26,991
Payment to escrow agent	-	(1,100,000)	(1,033,301)	66,699
Total other financing sources (uses)	<u>-</u>	<u>(1,100,000)</u>	<u>13,690</u>	<u>1,113,690</u>
Net change in fund balances	(39,983)	(1,139,983)	(59,123)	<u>1,080,860</u>
Fund balances -- beginning	<u>148,215</u>	<u>148,215</u>	<u>148,215</u>	
Fund balances -- ending	<u>\$ 108,232</u>	<u>(\$ 991,768)</u>	<u>\$ 89,093</u>	

(See independent auditor's report)

Village of Downers Grove  
Downtown Redevelopment TIF Debt Service Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Interest earned on investments	6,000	6,000	1,343	(4,657)
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>1,343</u>	<u>(4,657)</u>
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	930,000	930,000	930,000	-
Interest	1,557,521	1,557,521	1,293,069	(264,452)
Issuance costs	-	-	111,885	111,885
Total debt service	<u>2,487,521</u>	<u>2,487,521</u>	<u>2,334,955</u>	<u>(152,566)</u>
Total expenditures	<u>2,487,521</u>	<u>2,487,521</u>	<u>2,334,955</u>	<u>(152,566)</u>
(Deficiency) of revenues (under) expenditures	<u>(2,481,521)</u>	<u>(2,481,521)</u>	<u>(2,333,612)</u>	<u>147,909</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,487,521	2,487,521	2,423,069	(64,452)
Refunding bonds issued	-	-	8,010,000	8,010,000
Bond premium	-	-	211,867	211,867
Payment to escrow agent	-	(8,000,000)	(8,110,957)	(110,957)
Total other financing sources (uses)	<u>2,487,521</u>	<u>(5,512,479)</u>	<u>2,533,980</u>	<u>8,046,458</u>
Net change in fund balances	6,000	(7,994,000)	200,368	<u>\$ 8,194,367</u>
Fund balances -- beginning	<u>566,119</u>	<u>566,119</u>	<u>566,119</u>	
Fund balances -- ending	<u>\$ 572,119</u>	<u>\$ (7,427,881)</u>	<u>\$ 766,486</u>	

(See independent auditor's report)



Village of Downers Grove  
Stormwater/Facilities Debt Service Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Debt service				
Principal retirement	100,000	100,000	100,000	-
Interest	1,401,761	1,401,761	1,401,761	-
Total debt service	<u>1,501,761</u>	<u>1,501,761</u>	<u>1,501,761</u>	<u>-</u>
Total expenditures	<u>1,501,761</u>	<u>1,501,761</u>	<u>1,501,761</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,501,761)</u>	<u>(1,501,761)</u>	<u>(1,501,761)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,501,761	1,501,761	1,501,761	-
Total other financing sources (uses)	<u>1,501,761</u>	<u>1,501,761</u>	<u>1,501,761</u>	<u>-</u>
Net change in fund balances	-	-	-	<u>\$ -</u>
Fund balances -- beginning	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balances -- ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

(See independent auditor's report)

Village of Downers Grove  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2009

	Municipal Buildings	Real Estate	Total
<b>ASSETS</b>			
Cash and investments	\$ 813,584	\$ 292,509	\$ 1,106,092
Accounts receivable	-	14,165	14,165
Total assets	813,584	306,674	1,120,257
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	6,100	8,125	14,225
Deposits payable	-	8,120	8,120
Deferred revenues	-	3,000	3,000
Total liabilities	6,100	19,245	25,345
 <b>FUND BALANCES</b>			
Unreserved	807,484	287,429	1,094,912
Total fund balances	807,484	287,429	1,094,912
Total liabilities and fund balances	\$ 813,584	\$ 306,674	\$ 1,120,257

(See independent auditor's report)

Village of Downers Grove  
 Nonmajor Capital Projects Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Year Ended December 31, 2009

	Municipal Buildings	Real Estate	Total
<b>REVENUES</b>			
Charges for services & fees	\$ -	\$ 91,721	\$ 91,721
Investment income	<u>5,162</u>	<u>285</u>	<u>5,446</u>
Total revenues	<u>5,162</u>	<u>92,006</u>	<u>97,167</u>
<b>EXPENDITURES</b>			
Current			
General government	<u>21,180</u>	<u>216,552</u>	<u>237,732</u>
Total expenditures	<u>21,180</u>	<u>216,552</u>	<u>237,732</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,018)</u>	<u>(124,546)</u>	<u>(140,565)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(350,000)</u>	<u>(200,000)</u>	<u>(550,000)</u>
Total other financing sources (uses)	<u>(350,000)</u>	<u>(200,000)</u>	<u>(550,000)</u>
Net change in fund balance	(366,018)	(324,546)	(690,565)
Fund balances -- beginning	<u>1,173,502</u>	<u>611,975</u>	<u>1,785,477</u>
Fund balances -- ending	<u>\$ 807,484</u>	<u>\$ 287,429</u>	<u>\$ 1,094,912</u>

(See independent auditor's report)

Village of Downers Grove  
Municipal Buildings Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Investment income	\$ -	\$ -	\$ 5,162	\$ 5,162
Total revenues	<u>-</u>	<u>-</u>	<u>5,162</u>	<u>5,162</u>
<b>EXPENDITURES</b>				
Capital outlay				
General government	740,000	740,000	21,180	(718,820)
Total capital outlay	<u>740,000</u>	<u>740,000</u>	<u>21,180</u>	<u>(718,820)</u>
Total expenditures	<u>740,000</u>	<u>740,000</u>	<u>21,180</u>	<u>(718,820)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(740,000)</u>	<u>(740,000)</u>	<u>(16,018)</u>	<u>(723,982)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(350,000)	(350,000)	(350,000)	-
Total other financing sources (uses)	<u>(350,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>
Net change in fund balances	(1,090,000)	(1,090,000)	(366,018)	<u>\$ (723,982)</u>
Fund balances -- beginning	<u>1,173,502</u>	<u>1,173,502</u>	<u>1,173,502</u>	
Fund balances -- ending	<u>\$ 83,502</u>	<u>\$ 83,502</u>	<u>\$ 807,484</u>	

(See independent auditor's report)

Village of Downers Grove  
Real Estate Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Charges for services & fees	\$ 63,705	\$ 63,705	\$ 91,721	\$ 28,016
Investment income	3,500	3,500	285	(3,215)
Total revenues	<u>67,205</u>	<u>67,205</u>	<u>92,006</u>	<u>24,801</u>
<b>EXPENDITURES</b>				
Current				
General government	220,898	220,898	216,552	(4,346)
Total current	<u>220,898</u>	<u>220,898</u>	<u>216,552</u>	<u>(4,346)</u>
Total expenditures	<u>220,898</u>	<u>220,898</u>	<u>216,552</u>	<u>(4,346)</u>
Excess of revenues over expenditures	<u>(153,693)</u>	<u>(153,693)</u>	<u>(124,546)</u>	<u>29,147</u>
<b>OTHER FINANCING SOURCES(USES)</b>				
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Total other financing sources(uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Net change in fund balances	(353,693)	(353,693)	(324,546)	<u>29,147</u>
Fund balances -- beginning	<u>611,975</u>	<u>611,975</u>	<u>611,975</u>	
Fund balances -- ending	<u>\$ 258,282</u>	<u>\$ 258,282</u>	<u>\$ 287,429</u>	

(See independent auditor's report)

Village of Downers Grove  
Waterworks Fund  
Schedule of Operating Expenses - Budget and Actual  
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
<b>OPERATING EXPENSES</b>				
Water financial services				
Personnel services	\$ 101,386	\$ 101,386	\$ 108,981	\$ 7,595
Supplies	150	150	15	(135)
Contractual services	92,000	92,000	76,501	(15,499)
Other charges and services	194,536	194,536	194,057	(479)
Total	<u>388,072</u>	<u>388,072</u>	<u>379,554</u>	<u>(8,518)</u>
Water administration				
Personnel services	311,877	311,877	331,908	20,031
Supplies	9,555	9,555	2,267	(7,288)
Contractual services	172,826	172,826	17,521	(155,305)
Other charges and services	1,274,340	1,274,340	1,274,340	0
Total	<u>1,768,598</u>	<u>1,768,598</u>	<u>1,626,036</u>	<u>(142,562)</u>
Water pumping and treatment				
Personnel services	90,823	90,823	91,942	1,119
Supplies	10,140	10,140	6,277	(3,863)
Contractual services	97,994	97,994	71,092	(26,902)
Other charges and services	17,983	17,983	17,983	0
Capital outlay	150,000	150,000	-	(150,000)
Total	<u>366,940</u>	<u>366,940</u>	<u>187,294</u>	<u>(179,646)</u>
Water transmission and distribution				
Personnel services	626,500	626,500	654,131	27,631
Supplies	300,041	300,041	159,444	(140,597)
Contractual services	426,160	426,160	382,408	(43,752)
Other charges and services	72,988	72,988	73,804	816
Capital Outlay	3,077,700	3,427,700	3,484,758	57,058
Total	<u>4,503,389</u>	<u>4,853,389</u>	<u>4,754,545</u>	<u>(98,844)</u>
DuPage Water Commission				
Supplies	3,595,233	3,595,233	3,403,352	(191,881)
Depreciation	-	-	780,114	780,114
Less assets capitalized	-	-	(3,484,758)	(3,484,758)
Total operating expenses	<u>\$ 10,622,232</u>	<u>\$ 10,972,232</u>	<u>\$ 7,646,137</u>	<u>\$ (3,326,094)</u>

(See independent auditor's report)

Village of Downers Grove  
Parking Fund  
Schedule of Operating Expenses - Budget and Actual  
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
<b>OPERATING EXPENSES</b>				
Non-deck parking operations				
Supplies	\$ 9,000	\$ 9,000	\$ 1,370	(7,630)
Contractual services	16,000	16,000	839	-
Other charges and services	113,000	113,000	-	(113,000)
Total	<u>138,000</u>	<u>138,000</u>	<u>2,209</u>	<u>(120,630)</u>
Parking deck operations				
Supplies	23,000	23,000	3,101	(19,899)
Contractual services	103,610	103,610	90,422	(13,188)
Other charges and services	108,000	108,000	119,727	11,727
Total	<u>234,610</u>	<u>234,610</u>	<u>213,250</u>	<u>(21,360)</u>
Enforcement				
Personnel services	209,330	209,330	174,136	(35,194)
Supplies	2,375	2,375	1,712	(663)
Contractual services	12,600	12,600	11,445	(1,155)
Other charges and services	526,244	526,244	526,247	3
Total	<u>750,549</u>	<u>750,549</u>	<u>713,540</u>	<u>(37,009)</u>
Depreciation	-	-	16,515	16,515
Total operating expenses	<u>\$ 1,123,159</u>	<u>\$ 1,123,159</u>	<u>\$ 945,514</u>	<u>\$ (162,486)</u>

(See independent auditor's report)

Village of Downers Grove  
Combining Statement of Net Assets  
Internal Service Funds  
December 31, 2009

	Equipment Replacement	Fleet Services	Health Insurance	Risk Management	Total
<b>ASSETS</b>					
Current assets					
Cash and investments	\$ 1,202,483	\$ 628,769	\$ 1,505,899	\$ 642,618	\$ 3,979,769
Accounts receivable	-	6,850	64,785	716,210	787,845
Due from other funds	-	-	236	-	236
Prepaid expense	-	-	41,928	-	41,928
Inventory	-	110,602	-	-	110,602
Deposits	-	-	75,000	-	75,000
Total Current assets	<u>1,202,483</u>	<u>746,221</u>	<u>1,687,848</u>	<u>1,358,828</u>	<u>4,995,380</u>
Noncurrent assets					
Capital assets being depreciated	9,247,153	1,027,698	-	-	10,274,851
Accumulated depreciation	(4,531,706)	(599,804)	-	-	(5,131,510)
Total Noncurrent assets	<u>4,715,447</u>	<u>427,894</u>	<u>-</u>	<u>-</u>	<u>5,143,341</u>
Total assets	<u>5,917,930</u>	<u>1,174,115</u>	<u>1,687,848</u>	<u>1,358,828</u>	<u>10,138,721</u>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	1,137	89,240	5,023	8,054	103,454
Other payables	-	-	53,184	-	53,184
Compensated absences	-	14,655	9,932	14,865	39,452
Claims payable	-	-	510,748	928,678	1,439,426
Total Current liabilities	<u>1,137</u>	<u>103,895</u>	<u>578,887</u>	<u>951,597</u>	<u>1,635,516</u>
Noncurrent liabilities					
Claims payable	-	-	-	2,166,915	2,166,915
Other post-employment benefits	-	95,212	19,377	27,568	142,157
Compensated absences	-	34,194	23,175	34,685	92,054
Total Noncurrent liabilities	<u>-</u>	<u>129,406</u>	<u>42,552</u>	<u>2,229,168</u>	<u>2,401,126</u>
Total liabilities	<u>1,137</u>	<u>233,301</u>	<u>621,439</u>	<u>3,180,765</u>	<u>4,036,642</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	4,715,446	427,894	-	-	5,143,340
Unrestricted	1,201,347	512,920	1,066,409	(1,821,937)	958,739
Total net assets	<u>\$ 5,916,793</u>	<u>\$ 940,814</u>	<u>\$ 1,066,409</u>	<u>\$ (1,821,937)</u>	<u>\$ 6,102,079</u>

(See independent auditor's report)



Village of Downers Grove  
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2009

	Equipment Replacement	Fleet Services	Health Insurance	Risk Management	Total
Operating revenues					
Sales	\$ -	\$ 75,625	\$ -	\$ -	\$ 75,625
Interfund services	870,424	2,014,632	3,641,779	1,825,068	8,351,903
Insurance premiums	-	-	1,958,155	-	1,958,155
Other	-	-	87,978	36,868	124,846
Total operating revenues	<u>870,424</u>	<u>2,090,257</u>	<u>5,687,912</u>	<u>1,861,936</u>	<u>10,510,529</u>
Operating expenses					
Personnel services	-	563,678	121,205	150,277	835,160
Supplies	-	611,872	429	-	612,301
Contractual services	-	112,308	747,836	449,731	1,309,875
Other charges and services	45,694	238,831	5,165,396	1,791,279	7,241,200
Depreciation	704,456	39,451	-	-	743,907
Total operating expenses	<u>750,150</u>	<u>1,566,139</u>	<u>6,034,866</u>	<u>2,391,287</u>	<u>10,742,443</u>
Operating Income (loss)	<u>120,274</u>	<u>524,117</u>	<u>(346,954)</u>	<u>(529,350)</u>	<u>(231,913)</u>
Nonoperating revenues (expenses)					
Intergovernmental grants	24,000	-	-	-	24,000
Investment income	1,186	-	1,680	1,293	4,159
Gain / (Loss) from disposals	(12,479)	-	-	-	(12,479)
Total non operating revenue (expenses)	<u>12,707</u>	<u>-</u>	<u>1,680</u>	<u>1,293</u>	<u>15,680</u>
Income (loss) before transfers	132,981	524,117	(345,274)	(528,058)	(216,233)
Transfers in	-	-	-	250,000	250,000
Change in net assets	132,981	524,117	(345,274)	(278,058)	33,767
Total net assets -- beginning	5,783,813	416,695	1,411,683	(1,543,879)	6,068,312
Total net assets -- ending	<u>\$ 5,916,793</u>	<u>\$ 940,814</u>	<u>\$ 1,066,409</u>	<u>(\$ 1,821,937)</u>	<u>\$ 6,102,079</u>

(See independent auditor's report)

Village of Downers Grove  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2009

	Equipment Replacement	Fleet Services	Health Insurance	Risk Management	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from interfund services	\$ 870,424	\$ 2,014,632	\$ 3,780,920	\$ 1,842,326	\$ 8,508,302
Receipts from customers	-	74,964	1,908,149	19,610	2,002,723
Other payments	-	(244,231)	(5,118,180)	(1,549,506)	(6,911,917)
Payments to employees	-	(515,593)	(111,861)	(134,928)	(762,382)
Payments for interfund services	-	(106,908)	(73,572)	(456)	(180,936)
Payments to suppliers	(160,279)	(621,876)	(699,953)	(456,427)	(1,938,535)
Net cash provided (used) by operating activities	<u>710,145</u>	<u>600,988</u>	<u>(314,497)</u>	<u>(279,381)</u>	<u>717,255</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Grant proceeds	24,000	-	-	-	24,000
Transfers in	-	-	-	250,000	250,000
Net cash provided (used) by non-capital activities	<u>24,000</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>274,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital assets purchased	(418,708)	-	-	-	(418,708)
Net cash provided (used) by capital activities	<u>(418,708)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(418,708)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received	1,186	-	1,680	1,293	4,159
Net cash provided (used) by investing activities	<u>1,186</u>	<u>-</u>	<u>1,680</u>	<u>1,293</u>	<u>4,159</u>
Net Increase in cash and cash equivalents	<u>316,623</u>	<u>600,988</u>	<u>(312,817)</u>	<u>(28,088)</u>	<u>576,706</u>
Cash and investments - beginning of year	885,860	27,781	1,818,716	670,706	3,403,063
Cash and investments - end of the year	<u>\$ 1,202,483</u>	<u>\$ 628,769</u>	<u>\$ 1,505,899</u>	<u>\$ 642,618</u>	<u>\$ 3,979,769</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>					
Operating income (loss)	120,274	524,117	(346,954)	(529,350)	(231,913)
Adjustments to reconcile operating income to net cash provided (used) by operating activities					
Depreciation	704,456	39,451	-	-	743,907
Change in assets and liabilities					
Accounts payable	(114,585)	(4,320)	4,068	(6,696)	(121,533)
Compensated absences	-	3,519	(328)	(514)	2,677
Accounts receivable	-	(661)	43,085	(716,210)	(673,786)
Due from other funds	-	-	(236)	-	(236)
Other post-employment benefits	-	48,686	10,599	15,862	75,147
Prepays	-	-	(41,928)	-	(41,928)
Inventory	-	(9,804)	-	-	(9,804)
Claims payable	-	-	17,197	957,527	974,724
Net cash provided by operating activities	<u>\$ 710,145</u>	<u>\$ 600,988</u>	<u>(\$ 314,497)</u>	<u>(\$ 279,381)</u>	<u>\$ 717,255</u>

(See independent auditor's report)

Village of Downers Grove  
 Equipment Replacement Fund  
 Schedule of Operating Expenses - Budget and Actual  
 For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
<b>OPERATING EXPENSES</b>				
Other charges and services	\$ 57,000	\$ 57,000	\$ 45,694	\$ (11,306)
Capital outlay	965,250	965,250	433,092	(532,158)
Depreciation	-	-	704,456	704,456
Less assets capitalized	-	-	(433,092)	(433,092)
<b>Total operating expenses</b>	<b>\$ 1,022,250</b>	<b>\$ 1,022,250</b>	<b>\$ 750,150</b>	<b>\$ (272,100)</b>

(See independent auditor's report)

Village of Downers Grove  
Fleet Services Fund  
Schedule of Operating Expenses - Budget and Actual  
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
<b>OPERATING EXPENSES</b>				
Personnel services	\$ 617,821	\$ 617,821	\$ 563,679	\$ (54,142)
Supplies	994,424	994,424	611,872	(382,552)
Contractual services	153,745	153,745	112,307	(41,438)
Other charges and services	297,933	297,933	238,831	(59,102)
Subtotal	2,063,923	2,063,923	1,526,689	(537,234)
Depreciation	-	-	39,451	39,451
Total operating expenses	\$ 2,063,923	\$ 2,063,923	\$ 1,566,139	\$ (497,784)

(See independent auditor's report)

Village of Downers Grove  
Health Insurance Fund  
Schedule of Operating Expenses - Budget and Actual  
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
<b>OPERATING EXPENSES</b>				
Health administration				
Personnel services	\$ 116,578	\$ 116,578	\$ 121,205	\$ 4,627
Supplies	650	650	429	(221)
Contractual services	174,500	174,500	118,019	(56,481)
Other charges and services	450	450	456	6
Total	<u>292,178</u>	<u>292,178</u>	<u>240,109</u>	<u>(52,069)</u>
Vision insurance				
Other charges and services	63,000	63,000	54,710	(8,290)
Total	<u>63,000</u>	<u>63,000</u>	<u>54,710</u>	<u>(8,290)</u>
Medical insurance				
Contractual services	723,900	723,900	565,571	(158,329)
Other charges and services	4,998,522	4,998,522	4,778,199	(220,323)
Total	<u>5,722,422</u>	<u>5,722,422</u>	<u>5,343,770</u>	<u>(378,652)</u>
Dental insurance				
Contractual services	19,000	19,000	17,930	(1,070)
Other charges and services	446,000	446,000	378,348	(67,652)
Total	<u>465,000</u>	<u>465,000</u>	<u>396,278</u>	<u>(68,722)</u>
 Total operating expenses	 <u>\$ 6,542,600</u>	 <u>\$ 6,542,600</u>	 <u>\$ 6,034,866</u>	 <u>\$ (507,733)</u>

(See independent auditor's report)

Village of Downers Grove  
Risk Management Fund  
Schedule of Operating Expenses - Budget and Actual  
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
<b>OPERATING EXPENSES</b>				
Personnel services	\$ 142,687	\$ 142,687	\$ 150,277	\$ 7,590
Supplies	500	500	-	(500)
Contractual services	442,113	442,113	449,731	7,618
Other charges and services	1,411,282	1,911,282	1,791,279	(120,003)
Total operating expenses	\$ 1,996,582	\$ 2,496,582	\$ 2,391,287	\$ (105,295)

(See independent auditor's report)

Village of Downers Grove, Illinois  
Pension Trust Funds  
Combining Statement of Net Assets  
December 31, 2009

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,127,662	\$ 1,755,975	\$ 2,883,637
Investments			
U.S. obligations	17,338,496	14,333,666	31,672,162
Corporate bonds	1,187,520	1,317,451	2,504,971
Mutual funds - equity	11,339,596	10,881,449	22,221,045
Common and Preferred Stocks	2,736,401	-	2,736,401
Due from general fund	-	136	136
Prepays	5,250	4,250	9,500
Interest receivable	156,776	154,933	311,709
	<b>33,891,701</b>	<b>28,447,860</b>	<b>62,339,561</b>
<b>LIABILITIES</b>			
Accounts payable	9,451	14,531	23,981
	<b>9,451</b>	<b>14,531</b>	<b>23,981</b>
<b>NET ASSETS</b>			
Held in trust for pension benefits	<b>\$ 33,882,250</b>	<b>\$ 28,433,330</b>	<b>\$ 62,315,580</b>

(See independent auditor's report)

Village of Downers Grove  
Combining Statement of Changes in Net Assets  
Pension Trust Funds  
For the Year Ended December 31, 2009

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Contributions - employer	\$ 1,271,750	\$ 1,585,181	\$ 2,856,931
Contributions - employees	657,981	594,365	1,252,346
Total contributions	<u>1,929,731</u>	<u>2,179,546</u>	<u>4,109,277</u>
Investment earnings			
Net appreciation in fair value of investments	2,242,877	1,555,727	3,798,604
Interest earned on investments	1,034,223	916,629	1,950,852
Less investment expense	(95,800)	(62,513)	(158,313)
Net investment earnings (loss)	<u>3,181,300</u>	<u>2,409,843</u>	<u>5,591,143</u>
Total additions	<u>5,111,031</u>	<u>4,589,389</u>	<u>9,700,420</u>
<b>DEDUCTIONS</b>			
Contractual services	23,888	35,903	59,791
Other charges and services	6,456	6,456	12,912
Benefits and refunds	1,977,429	1,517,730	3,495,159
Total deductions	<u>2,007,773</u>	<u>1,560,089</u>	<u>3,567,862</u>
Change in Net Assets	3,103,258	3,029,300	6,132,558
Net Assets - beginning of the year	<u>30,778,993</u>	<u>25,404,029</u>	<u>56,183,022</u>
Net Assets - end of the year	<u>\$ 33,882,250</u>	<u>\$ 28,433,330</u>	<u>\$ 62,315,580</u>

(See independent auditor's report)



Village of Downers Grove  
 Police Pension Fund  
 Schedule of Changes in Net Assets - Budget and Actual  
 For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
<b>ADDITIONS</b>				
Contributions - employer	\$ 1,262,129	\$ 1,262,129	\$ 1,271,750	\$ 9,621
Contributions - employees	647,000	647,000	657,981	10,981
Total contributions	<u>1,909,129</u>	<u>1,909,129</u>	<u>1,929,731</u>	<u>20,602</u>
Investment earnings				
Net appreciation in fair value of investments	250,000	250,000	2,242,877	1,992,877
Interest earned on investments	800,000	800,000	1,034,223	234,223
Less investment expense	(74,500)	(74,500)	(95,800)	(21,300)
Net investment earnings (loss)	<u>975,500</u>	<u>975,500</u>	<u>3,181,300</u>	<u>2,205,800</u>
Total additions	<u>2,884,629</u>	<u>2,884,629</u>	<u>5,111,031</u>	<u>2,226,402</u>
<b>DEDUCTIONS</b>				
Supplies	650	650	-	650
Contractual services	21,350	21,350	23,888	(2,538)
Other charges and services	6,458	6,458	6,456	2
Benefits and refunds	<u>2,060,000</u>	<u>2,060,000</u>	<u>1,977,429</u>	<u>82,571</u>
Total deductions	<u>2,088,458</u>	<u>2,088,458</u>	<u>2,007,773</u>	<u>80,685</u>
Net Change in Net Assets	<u>\$ 796,171</u>	<u>\$ 796,171</u>	3,103,258	<u>\$ 2,307,087</u>
Net assets held in trust for pension benefits				
Beginning			<u>30,778,993</u>	
Ending			<u>\$ 33,882,250</u>	

(See independent auditor's report)

Village of Downers Grove  
 Firefighters' Pension Fund  
 Schedule of Changes in Net Assets - Budget and Actual  
 For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance
<b>ADDITIONS</b>				
Contributions - employer	\$ 1,578,223	\$ 1,578,223	\$ 1,585,181	\$ 6,958
Contributions - employees	600,000	600,000	594,365	(5,635)
<b>Total contributions</b>	<b>2,178,223</b>	<b>2,178,223</b>	<b>2,179,546</b>	<b>1,323</b>
<b>Investment earnings</b>				
Net appreciation in fair value of investments	300,000	300,000	1,555,727	1,255,727
Interest earned on investments	750,000	750,000	916,629	166,629
Less investment expense	(69,000)	(69,000)	(62,513)	6,487
<b>Net investment earnings (loss)</b>	<b>981,000</b>	<b>981,000</b>	<b>2,409,843</b>	<b>1,428,843</b>
<b>Total additions</b>	<b>3,159,223</b>	<b>3,159,223</b>	<b>4,589,389</b>	<b>1,430,166</b>
<b>DEDUCTIONS</b>				
Supplies	20	20	-	20
Contractual services	19,900	19,900	35,903	(16,003)
Other charges and services	6,458	6,458	6,456	2
Benefits and refunds	1,601,000	1,601,000	1,517,730	83,270
<b>Total deductions</b>	<b>1,627,378</b>	<b>1,627,378</b>	<b>1,560,089</b>	<b>67,289</b>
<b>Net Change in Net Assets</b>	<b>\$ 1,531,845</b>	<b>\$ 1,531,845</b>	<b>3,029,300</b>	<b>1,497,455</b>
<b>Net assets held in trust for pension benefits</b>				
<b>BEGINNING</b>			<u>25,404,029</u>	
<b>ENDING</b>			<u>\$ 28,433,330</u>	

(See independent auditor's report)

Village of Downers Grove  
Construction Deposit Fund  
Schedule of Changes in Assets and Liabilities  
For the Year Ended December 31, 2009

	Balances January 1	Additions	Deductions	Balances December 31
<b>ASSETS</b>				
Cash and investments	\$ 2,718,117	-	\$ 960,230	\$ 1,757,887
Accounts receivable	5,000	-	5,000	-
<b>Total assets</b>	<b>2,723,117</b>	<b>-</b>	<b>965,230</b>	<b>1,757,887</b>
<b>LIABILITIES</b>				
Accounts payable	86,735	110,863	86,735	110,863
Deposits payable	2,636,382	1,550,055	2,539,413	1,647,024
<b>Total liabilities</b>	<b>\$ 2,723,117</b>	<b>\$ 1,660,918</b>	<b>\$ 2,626,148</b>	<b>\$ 1,757,887</b>

(See independent auditor's report)

Village of Downers Grove  
Statement of Net Assets and Governmental Funds Combining Balance Sheet  
Library Component Unit  
December 31, 2009

	General	Debt Service	Construction	Total	Adjustments	Statement of Net Assets
<b>ASSETS</b>						
Cash and investments	\$ 2,784,989	\$ 855,566	\$ 243,566	\$ 3,884,121	-	\$ 3,884,121
Property tax receivable	4,004,413	656,980	-	4,661,393	-	4,661,393
Accrued interest receivable	439	-	-	439	-	439
Unamortized debt issuance costs	-	-	-	-	67,442	67,442
Capital assets not being depreciated	-	-	-	-	222,211	222,211
Capital assets net accumulated depreciation	-	-	-	-	12,871,010	12,871,010
<b>Total assets</b>	<b>6,789,841</b>	<b>1,512,546</b>	<b>243,566</b>	<b>8,545,953</b>	<b>13,160,663</b>	<b>21,706,616</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Current liabilities</b>						
Accrued interest payable	-	-	-	-	76,381	76,381
Accounts payable	47,127	-	-	47,127	-	47,127
Deferred property taxes	3,965,265	656,980	-	4,622,245	-	4,622,245
Debt due within 1 year	-	-	-	-	515,202	515,202
<b>Total Current liabilities</b>	<b>4,012,392</b>	<b>656,980</b>	<b>-</b>	<b>4,669,372</b>	<b>591,583</b>	<b>5,260,955</b>
<b>Noncurrent liabilities</b>						
Debt due in more than 1 year	-	-	-	-	3,696,289	3,696,289
<b>Total Noncurrent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,696,289</b>	<b>3,696,289</b>
<b>Total liabilities</b>	<b>4,012,392</b>	<b>656,980</b>	<b>-</b>	<b>4,669,372</b>	<b>4,287,872</b>	<b>8,957,244</b>
<b>FUND BALANCE/NET ASSETS</b>						
Unreserved Fund Balance	2,777,449	-	-	2,777,449	(2,777,449)	-
Reserved/Restricted for Debt Service	-	855,566	-	855,566	-	855,566
Reserved/Restricted for Capital Outlay	-	-	243,566	243,566	-	243,566
Invested in Capital Assets, Net of Related Debt	-	-	-	-	8,948,868	8,948,868
Unrestricted	-	-	-	-	2,701,373	2,701,373
<b>Total fund balances/net assets</b>	<b>\$ 2,777,449</b>	<b>\$ 855,566</b>	<b>\$ 243,566</b>	<b>\$ 3,876,581</b>	<b>\$ 8,872,792</b>	<b>\$ 12,749,372</b>

See accompanying notes to financial statements

Downers Grove Public Library  
Component Unit

Statement of Activities and Governmental Fund  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances/Net Assets  
For the Year Ended December 31, 2009

	General	Debt Service	Construction	Total	Adjustments	Statement of Activities
<b>REVENUES</b>						
Taxes	\$ 3,897,198	\$ 664,912	\$ -	\$ 4,562,110	\$ -	\$ 4,562,110
Intergovernmental	70,115	-	-	70,115	-	70,115
Charges for services	45,736	-	-	45,736	-	45,736
Fines	121,889	-	-	121,889	-	121,889
Investment income	25,244	1,216	586	27,046	-	27,046
Total revenues	4,160,182	666,128	586	4,826,896	-	4,826,896
<b>EXPENDITURES</b>						
Current						
Community services	3,291,152	-	-	3,291,152	901,883	4,193,035
Capital outlay	570,612	-	1,776	572,388	(572,388)	-
Debt service						
Principal retirement	-	490,000	-	490,000	(490,000)	-
Interest and fiscal charges	-	159,805	-	159,805	49,512	209,317
Total expenditures	3,861,764	649,805	1,776	4,513,345	(110,993)	4,402,352
Net change in fund balance/net assets	298,418	16,323	(1,190)	313,551	110,993	424,544
Fund balance/net assets, beginning	2,479,031	839,243	244,756	3,563,031	9,146,821	12,324,828
Fund balance/net assets, ending	\$ 2,777,449	\$ 855,566	\$ 243,566	\$ 3,876,580	\$ 9,257,814	\$ 12,749,372

See accompanying notes to financial statements

Downers Grove Public Library Component Unit  
Library General Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property tax	3,812,755	3,812,755	3,897,198	84,443
Intergovernmental	111,260	111,260	70,115	(41,145)
Charges for services & fees	53,350	53,350	45,736	(7,614)
Fines	120,000	120,000	121,889	1,889
Investment income	57,000	57,000	25,244	(31,756)
Total revenues	<u>4,154,365</u>	<u>4,154,365</u>	<u>4,160,182</u>	<u>5,817</u>
<b>EXPENDITURES</b>				
Current				
Community services	3,524,969	3,524,969	3,291,152	(233,817)
Total current	<u>3,524,969</u>	<u>3,524,969</u>	<u>3,291,152</u>	<u>(233,817)</u>
Capital outlay	606,434	606,434	570,612	(35,822)
Total expenditures	<u>4,131,403</u>	<u>4,131,403</u>	<u>3,861,764</u>	<u>(269,639)</u>
Excess of revenues over expenditures	<u>22,962</u>	<u>22,962</u>	<u>298,418</u>	<u>275,456</u>
Net change in fund balances	22,962	22,962	298,418	<u>275,456</u>
Fund balances -- beginning	<u>2,479,031</u>	<u>2,479,031</u>	<u>2,479,031</u>	
Fund balances -- ending	<u>\$ 2,501,993</u>	<u>\$ 2,501,993</u>	<u>\$ 2,777,449</u>	

(See independent auditor's report)

Downers Grove Public Library Component Unit  
Library Debt Service Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property tax	649,805	649,805	664,912	15,107
Investment income	5,000	5,000	1,216	(3,784)
Total revenues	<u>661,850</u>	<u>661,850</u>	<u>666,128</u>	<u>11,323</u>
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	490,000	490,000	490,000	-
Interest	159,805	159,805	159,805	-
Total debt service	<u>649,805</u>	<u>649,805</u>	<u>649,805</u>	<u>-</u>
Total expenditures	<u>649,805</u>	<u>649,805</u>	<u>649,805</u>	<u>-</u>
Excess of revenues over expenditures	<u>12,045</u>	<u>12,045</u>	<u>16,323</u>	<u>11,323</u>
Net change in fund balances	12,045	12,045	16,323	<u>11,323</u>
Fund balances -- beginning	<u>813,745</u>	<u>813,745</u>	<u>839,243</u>	
Fund balances -- ending	<u>\$ 825,790</u>	<u>\$ 825,790</u>	<u>\$ 855,566</u>	

(See independent auditor's report)

Downers Grove Public Library Component Unit  
 Library Construction Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Investment income	5,000	5,000	586	(4,414)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>586</u>	<u>(4,414)</u>
<b>EXPENDITURES</b>				
Capital outlay				
Community services	69,100	69,100	1,776	(67,324)
Total capital outlay	<u>69,100</u>	<u>69,100</u>	<u>1,776</u>	<u>(67,324)</u>
Total expenditures	<u>69,100</u>	<u>69,100</u>	<u>1,776</u>	<u>(67,324)</u>
Net change in fund balances	(64,100)	(64,100)	(1,190)	<u>62,910</u>
Fund balances -- beginning	<u>244,756</u>	<u>244,756</u>	<u>244,756</u>	
Fund balances -- ending	<u>\$ 180,656</u>	<u>\$ 180,656</u>	<u>\$ 243,566</u>	

(See independent auditor's report)



Village of Downers Grove  
Schedule of Insurance in Force  
December 31, 2009

---

Insurance Company	Term	Description of Coverage
Chubb	05/01/09- 04/30/10	All Risk Property \$35,000,000 Excess of \$25,000
Illinois National Insurance Co.	05/01/09- 04/30/10	Excess GL/Auto/Crime/Fidelity/Terrorism Excess up to \$15,000,000, Retained Limit of \$1,000,000
Westchester Insurance	05/01/09- 04/30/10	Excess GL/Auto \$20,000,000 Excess after the 1st Layer \$10,000,000
Safety National	05/01/09- 04/30/10	Workers' Compensation Full Statutory Benefits \$2,000,000 Excess of \$450,000

(See independent auditor's report)

Village of Downers Grove

Long-Term Debt Requirements  
 General Obligation Bonds, Series 1998  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 225,000	\$ 4,388	\$ 229,388	2010	\$ 4,388	2010	-
	<u>\$ 225,000</u>	<u>\$ 4,388</u>	<u>\$ 229,388</u>		<u>\$ 4,388</u>		<u>\$ -</u>

Bonds due January 1, 2011 through January 1, 2014 totaling \$1,020,000 were refunded in fiscal year 2009 from the proceeds of the G.O. Refunding Bonds, Series 2009.

(See independent auditor's report)

Village of Downers Grove

Long-Term Debt Requirements  
 General Obligation Bonds, Series 1999  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 250,000	\$ 6,125	\$ 256,125	2010	\$ 6,125	2010	-
	<u>\$ 250,000</u>	<u>\$ 6,125</u>	<u>\$ 256,125</u>		<u>\$ 6,125</u>		<u>\$ -</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.

Bonds due January 1, 2011 through January 1, 2013 totaling \$1,070,000 were refunded in fiscal year 2008 from the proceeds of the G.O. Refunding Bonds, Series 2008B.

(See independent auditor's report)

Village of Downers Grove

Long-Term Debt Requirements  
 General Obligation Bonds, Series 2000  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 170,000	\$ 18,600	\$ 188,600	2010	\$ 11,850	2010	\$ 6,750
2011	225,000	6,750	231,750	2011	6,750	2011	-
	<u>\$ 395,000</u>	<u>\$ 25,350</u>	<u>\$ 420,350</u>		<u>\$ 18,600</u>		<u>\$ 6,750</u>

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

Bonds due January 1, 2012 through January 1, 2013 totaling \$640,000 were refunded in fiscal year 2008 from the proceeds of the G.O. Refunding Bonds, Series 2008B.

(See independent auditor's report)

Village of Downers Grove

Long-Term Debt Requirements  
 General Obligation Bonds, Series 2001  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 60,000	\$ 294,837	\$ 354,837	2010	\$ 148,131	2010	\$ 146,706
2011	65,000	291,869	356,869	2011	146,706	2011	145,163
2012	135,000	287,119	422,119	2012	145,163	2012	141,956
2013	185,000	279,287	464,287	2013	141,956	2013	137,331
2014	255,000	268,287	523,287	2014	137,331	2014	130,956
2015	150,000	258,163	408,163	2015	130,956	2015	127,207
2016	135,000	251,038	386,038	2016	127,207	2016	123,831
2017	195,000	242,789	437,789	2017	123,831	2017	118,958
2018	180,000	233,415	413,415	2018	118,958	2018	114,457
2019	320,000	220,913	540,913	2019	114,457	2019	106,456
2020	1,530,000	173,706	1,703,706	2020	106,456	2020	67,250
2021	2,690,000	67,250	2,757,250	2021	67,250	2021	-
	<u>\$ 5,900,000</u>	<u>\$ 2,868,673</u>	<u>\$ 8,768,673</u>		<u>\$ 1,508,402</u>		<u>\$ 1,360,271</u>

(See independent auditor's report)

Village of Downers Grove

Long-Term Debt Requirements  
 General Obligation Bonds, Series 2001A  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 450,000	\$ 53,708	\$ 503,708	2010	\$ 31,860	2010	\$ 21,848
2011	470,000	33,003	503,003	2011	21,848	2011	11,155
2012	485,000	11,155	496,155	2012	11,155	2012	-
	<u>\$ 1,405,000</u>	<u>\$ 97,866</u>	<u>\$ 1,502,866</u>		<u>\$ 64,863</u>		<u>\$ 33,003</u>

(See independent auditor's report)

Village of Downers Grove  
 Long-Term Debt Requirements  
 General Obligation Bonds, Series 2002  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 100,000	\$ 248,408	\$ 348,408	2010	\$ 125,204	2010	\$ 123,204
2011	100,000	244,407	344,407	2011	123,204	2011	121,203
2012	120,000	239,707	359,707	2012	121,203	2012	118,504
2013	185,000	233,308	418,308	2013	118,504	2013	114,804
2014	265,000	224,308	489,308	2014	114,804	2014	109,504
2015	355,000	211,641	566,641	2015	109,504	2015	102,137
2016	220,000	199,600	419,600	2016	102,137	2016	97,463
2017	560,000	182,746	742,746	2017	97,463	2017	85,283
2018	685,000	155,325	840,325	2018	85,283	2018	70,042
2019	830,000	121,201	951,201	2019	70,042	2019	51,159
2020	980,000	79,778	1,059,778	2020	51,159	2020	28,619
2021	1,205,000	28,619	1,233,619	2021	28,619	2021	-
	<u>\$ 5,605,000</u>	<u>\$ 2,169,048</u>	<u>\$ 7,774,048</u>		<u>\$ 1,147,126</u>		<u>\$ 1,021,922</u>

(See independent auditor's report)

Village of Downers Grove

Long-Term Debt Requirements  
 General Obligation Refunding Bonds, Series 2003  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 505,000	\$ 144,871	\$ 649,871	2010	\$ 76,381	2010	\$ 68,490
2011	520,000	128,660	648,660	2011	68,490	2011	60,170
2012	535,000	111,780	646,780	2012	60,170	2012	51,610
2013	555,000	94,340	649,340	2013	51,610	2013	42,730
2014	570,000	75,913	645,913	2014	42,730	2014	33,183
2015	585,000	56,128	641,128	2015	33,183	2015	22,945
2016	610,000	34,758	644,758	2016	22,945	2016	11,813
2017	630,000	11,813	641,813	2017	11,813	2017	-
	<u>\$ 4,510,000</u>	<u>\$ 658,263</u>	<u>\$ 5,168,263</u>		<u>\$ 367,322</u>		<u>\$ 290,941</u>

(See independent auditor's report)



Village of Downers Grove  
 Long-Term Debt Requirements  
 General Obligation Bonds, Series 2003A  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 750,000	\$ 13,125	\$ 763,125	2010	\$ 13,125	2010	-
	<u>\$ 750,000</u>	<u>\$ 13,125</u>	<u>\$ 763,125</u>		<u>\$ 13,125</u>		<u>\$ -</u>

Bonds due January 1, 2020 through January 1, 2021 totaling \$2,190,000 were refunded in fiscal year 2008 from the proceeds of the G.O. Refunding Bonds, Series 2008B.

Bonds due January 1, 2011 through January 1, 2019 totaling \$8,010,000 were refunded in fiscal year 2009 from the proceeds of the G.O. Refunding Bonds, Series 2009.

(See independent auditor's report)

Village of Downers Grove  
 Long-Term Debt Requirements  
 Taxable General Obligation Refunding Bonds, Series 2005  
 December 31, 2009

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	January 1 and July 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

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 70,000	\$ 350,225	\$ 420,225	2010	\$ 175,725	2010	\$ 174,500
2011	70,000	347,775	417,775	2011	174,500	2011	173,275
2012	80,000	345,150	425,150	2012	173,275	2012	171,875
2013	80,000	342,350	422,350	2013	171,875	2013	170,475
2014	840,000	326,250	1,166,250	2014	170,475	2014	155,775
2015	1,175,000	290,694	1,465,694	2015	155,775	2015	134,919
2016	1,365,000	245,268	1,610,268	2016	134,919	2016	110,349
2017	1,505,000	193,608	1,698,608	2017	110,349	2017	83,259
2018	1,735,000	134,420	1,869,420	2018	83,259	2018	51,161
2019	1,820,000	68,197	1,888,197	2019	51,161	2019	17,036
2020	885,000	17,036	902,036	2020	17,036	2020	-
	<u>\$ 9,625,000</u>	<u>\$ 2,660,973</u>	<u>\$ 12,285,973</u>		<u>\$ 1,418,349</u>		<u>\$ 1,242,624</u>

(See independent auditor's report)

Village of Downers Grove  
 Long-Term Debt Requirements  
 General Obligation Bonds, Series 2007  
 December 31, 2009

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	January 1 and July 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To finance the building of Fire Station # 2.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 335,000	\$ 368,008	\$ 703,008	2010	\$ 187,354	2010	\$ 180,654
2011	350,000	354,308	704,308	2011	180,654	2011	173,654
2012	360,000	340,108	700,108	2012	173,654	2012	166,454
2013	375,000	325,408	700,408	2013	166,454	2013	158,954
2014	390,000	310,108	700,108	2014	158,954	2014	151,154
2015	400,000	291,308	691,308	2015	151,154	2015	140,154
2016	420,000	268,758	688,758	2016	140,154	2016	128,604
2017	435,000	249,051	684,051	2017	128,604	2017	120,447
2018	450,000	232,345	682,345	2018	120,447	2018	111,898
2019	470,000	214,748	684,748	2019	111,898	2019	102,850
2020	490,000	196,268	686,268	2020	102,850	2020	93,418
2021	500,000	177,085	677,085	2021	93,418	2021	83,667
2022	525,000	156,835	681,835	2022	83,667	2022	73,168
2023	550,000	135,335	685,335	2023	73,168	2023	62,167
2024	570,000	112,935	682,935	2024	62,167	2024	50,768
2025	595,000	89,635	684,635	2025	50,768	2025	38,867
2026	620,000	65,335	685,335	2026	38,867	2026	26,468
2027	645,000	40,035	685,035	2027	26,468	2027	13,567
2028	670,000	13,568	683,568	2028	13,568	2028	-
	<u>\$ 9,150,000</u>	<u>\$ 3,941,181</u>	<u>\$ 13,091,181</u>		<u>\$ 2,064,268</u>		<u>\$ 1,876,913</u>

(See independent auditor's report)

Village of Downers Grove  
 Long-Term Debt Requirements  
 General Obligation Bonds, Series 2008A  
 December 31, 2009

Date of Issue	August 13, 2008
Date of Maturity	January 1, 2038
Authorized Issue	\$25,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.50% to 5.25%
Interest Dates	January 1 and July 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To fund watershed improvements

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 2,835,000	\$ 1,096,650	\$ 3,931,650	2010	\$ 580,219	2010	\$ 516,431
2011	2,965,000	966,150	3,931,150	2011	516,431	2011	449,719
2012	2,610,000	853,763	3,463,763	2012	449,719	2012	404,044
2013	345,000	802,050	1,147,050	2013	404,044	2013	398,006
2014	355,000	789,800	1,144,800	2014	398,006	2014	391,794
2015	370,000	776,187	1,146,187	2015	391,794	2015	384,393
2016	385,000	761,087	1,146,087	2016	384,393	2016	376,694
2017	400,000	745,387	1,145,387	2017	376,694	2017	368,693
2018	415,000	729,087	1,144,087	2018	368,693	2018	360,394
2019	430,000	710,038	1,140,038	2019	360,394	2019	349,644
2020	455,000	687,913	1,142,913	2020	349,644	2020	338,269
2021	475,000	664,663	1,139,663	2021	338,269	2021	326,394
2022	500,000	640,288	1,140,288	2022	326,394	2022	313,894
2023	525,000	614,663	1,139,663	2023	313,894	2023	300,769
2024	550,000	587,788	1,137,788	2024	300,769	2024	287,019
2025	580,000	559,538	1,139,538	2025	287,019	2025	272,519
2026	605,000	529,157	1,134,157	2026	272,519	2026	256,638
2027	640,000	496,476	1,136,476	2027	256,638	2027	239,838
2028	670,000	462,088	1,132,088	2028	239,838	2028	222,250
2029	705,000	426,875	1,131,875	2029	222,250	2029	204,625
2030	740,000	390,750	1,130,750	2030	204,625	2030	186,125
2031	780,000	352,750	1,132,750	2031	186,125	2031	166,625
2032	820,000	312,750	1,132,750	2032	166,625	2032	146,125
2033	860,000	270,750	1,130,750	2033	146,125	2033	124,625
2034	900,000	226,750	1,126,750	2034	124,625	2034	102,125
2035	950,000	180,500	1,130,500	2035	102,125	2035	78,375
2036	995,000	131,875	1,126,875	2036	78,375	2036	53,500
2037	1,045,000	80,873	1,125,873	2037	53,500	2037	27,373
2038	1,095,000	27,373	1,122,373	2038	27,373	2038	-
	<u>\$ 25,000,000</u>	<u>\$ 15,874,019</u>	<u>\$ 40,874,019</u>		<u>\$ 8,227,119</u>		<u>\$ 7,646,900</u>

(See independent auditor's report)

Village of Downers Grove  
 Long-Term Debt Requirements  
 General Obligation Refunding Bonds, Series 2008B  
 December 31, 2009

Date of Issue	August 13, 2008
Date of Maturity	January 1, 2021
Authorized Issue	\$3,900,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Dates	January 1 and July 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To refund G.O. Bonds, Series 1999; G.O. Bonds, Series 2000; and G.O. Bonds, Series 2003A

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010	\$ 15,000	\$ 166,925	\$ 181,925	2010	\$ 83,575	2010	\$ 83,350
2011	335,000	161,675	496,675	2011	83,350	2011	78,325
2012	625,000	145,713	770,713	2012	78,325	2012	67,388
2013	720,000	122,176	842,176	2013	67,388	2013	54,788
2014	45,000	108,788	153,788	2014	54,788	2014	54,000
2015	-	108,000	108,000	2015	54,000	2015	54,000
2016	-	108,000	108,000	2016	54,000	2016	54,000
2017	-	108,000	108,000	2017	54,000	2017	54,000
2018	-	108,000	108,000	2018	54,000	2018	54,000
2019	-	108,000	108,000	2019	54,000	2019	54,000
2020	1,055,000	81,624	1,136,624	2020	54,000	2020	27,624
2021	1,105,000	27,624	1,132,624	2021	27,624	2021	-
	<u>\$ 3,900,000</u>	<u>\$ 1,354,525</u>	<u>\$ 5,254,525</u>		<u>\$ 719,050</u>		<u>\$ 635,475</u>

(See independent auditor's report)

Village of Downers Grove  
 Long-Term Debt Requirements  
 General Obligation Refunding Bonds, Series 2009  
 December 31, 2009

Date of Issue	April 9, 2009
Date of Maturity	January 1, 2019
Authorized Issue	\$9,030,000
Denomination of Bonds	\$5,000
Interest Rates	2.50% to 5.00%
Interest Dates	January 1 and July 1
Principal Maturity Dates	January 1
Payable At	The Northern Trust Company
Purpose of Issuance	To refund G.O. Bonds, Series 1998; and G.O. Bonds, Series 2003A

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Debt Service			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2010		\$ 393,994	\$ 393,994	2010	\$ 233,544	2010	\$ 160,450
2011	\$ 1,025,000	295,275	1,320,275	2011	160,450	2011	134,825
2012	1,070,000	248,250	1,318,250	2012	134,825	2012	113,425
2013	1,100,000	213,100	1,313,100	2013	113,425	2013	99,675
2014	1,130,000	182,400	1,312,400	2014	99,675	2014	82,725
2015	880,000	152,250	1,032,250	2015	82,725	2015	69,525
2016	910,000	124,263	1,034,263	2016	69,525	2016	54,738
2017	940,000	93,026	1,033,026	2017	54,738	2017	38,288
2018	970,000	58,388	1,028,388	2018	38,288	2018	20,100
2019	1,005,000	20,100	1,025,100	2019	20,100	2019	-
	<u>\$ 9,030,000</u>	<u>\$ 1,781,046</u>	<u>\$ 10,811,046</u>		<u>\$ 1,007,295</u>		<u>\$ 773,751</u>

(See independent auditor's report)

## STATISTICAL SECTION

This part of the Village of Statistical'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>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	117-121
Revenue Capacity These schedules contain information to help the reader assess significant local revenue sources, the property tax and sales tax.	122-127
Debt Capacity 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.	128-132
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	133-134
Operating Information 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.	135-137

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

	Fiscal Year						
	2004	2005	2006	2006(A)	2007	2008	2009
<b>Governmental Activities</b>							
Invested in capital assets, net of related debt	\$ 62,467	\$ 63,898	\$ 61,598	\$ 65,925	\$ 66,275	\$ 70,743	\$ 66,960
Restricted	4,815	5,982	3,697	3,847	4,007	35,839	32,031
Unrestricted	8,171	11,963	15,822	17,532	19,581	(13,944)	(9,618)
<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>\$ 92,637</b>	<b>\$ 89,372</b>
<b>Business-type Activities</b>							
Invested in capital assets, net of related debt	\$ 24,031	\$ 25,531	\$ 25,370	\$ 25,213	\$ 25,279	\$ 29,197	\$ 32,272
Unrestricted	4,614	4,465	5,724	4,424	7,746	4,911	1,545
<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>\$ 34,108</b>	<b>\$ 33,817</b>
<b>Primary Government</b>							
Invested in capital assets, net of related debt	\$ 86,498	\$ 89,429	\$ 86,968	\$ 91,137	\$ 91,554	\$ 99,939	\$ 99,232
Restricted	4,815	5,982	3,697	3,847	4,007	35,839	32,031
Unrestricted	12,785	16,428	21,546	21,956	27,327	(9,033)	(8,074)
<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>	<b>\$ 126,745</b>	<b>\$ 123,189</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  
CHANGE IN NET ASSETS (in thousands)  
Last Seven Fiscal Years

	2004	2005	2006	2006(A)	2007	2008	2009
<b>Expenses</b>							
Governmental Activities							
General government	\$ 3,939	\$ 626	\$ 4,418	\$ 4,263	\$ 5,637	\$ 6,360	\$ 4,841
Public works	8,478	9,717	9,669	8,362	11,041	13,561	15,701
Community development	1,452	1,565	1,686	2,469	4,200	3,229	2,805
Public safety	22,757	22,139	23,057	17,740	26,588	28,591	27,635
Community services	6,044	2,747	4,149	2,125	2,991	2,036	1,882
Interest and fiscal charges	2,657	1,881	1,836	1,283	2,010	2,349	2,956
<b>Total Governmental Activities Expenses</b>	<b>45,327</b>	<b>38,675</b>	<b>44,815</b>	<b>36,242</b>	<b>52,467</b>	<b>56,126</b>	<b>55,820</b>
Business-type Activities							
Waterworks	\$ 9,112	\$ 8,459	\$ 8,626	\$ 5,813	\$ 7,863	\$ 6,777	\$ 7,710
Parking	1,212	793	884	292	977	940	946
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>7,717</b>	<b>8,656</b>
<b>Total Primary Government Expenses</b>	<b>\$ 56,322</b>	<b>\$ 48,467</b>	<b>\$ 54,325</b>	<b>\$ 42,347</b>	<b>\$ 61,307</b>	<b>\$ 63,843</b>	<b>\$ 64,476</b>
<b>Program Revenues</b>							
Governmental Activities							
Charges for Services	\$ 2,765	\$ 762	\$ 1,006	\$ 2,152	\$ 1,577	\$ 1,793	\$ 2,052
General government	203	202	372	181	249	174	192
Public works	25	19	1,831	1,272	2,107	1,334	955
Community development	2,627	1,804	2,533	1,941	2,181	2,728	2,506
Public safety	3,016	2,506	878	863	825	1,045	1,059
Community services	2,038	1,708	1,552	1,198	1,898	1,844	374
Operating Grants and Contributions	170	617	428	249	1,216	2,810	1,827
<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>11,728</b>	<b>8,965</b>
Business-type Activities							
Charges for Services	\$ 8,696	\$ 10,134	\$ 8,696	\$ 5,440	\$ 7,799	\$ 7,372	\$ 7,473
Waterworks	756	856	1,013	699	1,289	1,209	1,242
Parking	391	213	-	-	-	-	-
Transportation	-	-	179	268	1	47	120
Operating Grants and Contributions	-	-	-	-	-	130	-
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>8,758</b>	<b>8,835</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>	<b>\$ 20,486</b>	<b>\$ 17,800</b>

VILLAGE OF DOWNERS GROVE  
CHANGE IN NET ASSETS (in thousands) (Continued)  
Last Seven Fiscal Years

	2004	2005	2006	2006(A)	2007	2008	2009
Net Revenue (Expense)							
Governmental activities	\$ (34,483)	\$ (31,057)	\$ (36,215)	\$ (28,386)	\$ (42,414)	\$ (44,399)	\$ (46,855)
Business-type activities	(1,152)	1,411	378	302	249	1,041	180
Total Primary Government Net Revenue (Expense)	\$ (35,635)	\$ (29,646)	\$ (35,837)	\$ (28,084)	\$ (42,165)	\$ (43,358)	\$ (46,675)
General Revenues and Other Changes in Net Assets							
Governmental Activities							
Taxes							
Property	\$ 12,679	\$ 8,993	\$ 10,237	\$ 10,648	\$ 10,868	\$ 14,079	\$ 14,819
Sales	14,797	17,195	16,716	12,627	17,549	16,917	16,330
Utility	6,175	6,363	6,268	3,798	6,269	7,541	6,371
Income	2,901	3,434	3,769	2,672	4,313	4,612	3,960
Other	174	1,992	2,867	1,254	2,496	2,588	2,127
Investment earnings	243	291	814	888	1,730	1,222	1,073
Miscellaneous	332	79	18	92	43	7	38
Special items	-	-	(4,684)	1,261	-	-	-
Transfers	100	100	181	1,930	178	208	570
Total Governmental Activities	37,401	38,447	36,186	35,170	43,446	47,174	45,288
Business-type Activities							
Investment earnings	39	39	203	170	304	250	99
Miscellaneous	(5)	-	-	-	3,013	-	-
Transfers	(100)	(100)	(181)	(1,930)	(178)	(208)	(570)
Total Business-type Activities	(66)	(61)	22	(1,760)	3,139	42	(471)
Total Primary Government	\$ 37,335	\$ 38,386	\$ 36,208	\$ 33,410	\$ 46,585	\$ 47,216	\$ 44,817
Change in net assets							
Governmental activities	\$ 2,918	\$ 7,390	\$ (29)	\$ 6,784	\$ 1,031	\$ 2,773	\$ (1,568)
Business-type activities	(1,218)	1,350	400	(1,457)	3,388	1,083	(291)
Total Primary Government Change in Net Assets	\$ 1,700	\$ 8,740	\$ 371	\$ 5,327	\$ 4,419	\$ 3,856	\$ (1,859)

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

	2001	2002	2003	2004	2005	2006	2006(A)	2007	2008	2009
General Fund										
Reserved	\$ 132	\$ 125	\$ 127	\$ 121	\$ 104	\$ 194	\$ 99	\$ 89	\$ 89	\$ 66
Unreserved	10,082	7,268	5,486	6,378	12,217	17,858	18,530	16,962	15,688	15,377
Total General Fund	\$ 10,214	\$ 7,393	\$ 5,613	\$ 6,499	\$ 12,321	\$ 18,052	\$ 18,629	\$ 17,051	\$ 15,776	\$ 15,443
All Other Governmental Funds										
Reserved	\$ 139	\$ 90	\$ 81	\$ 4,113	\$ 5,479	\$ 5,493	\$ 5,741	\$ 5,908	\$ -	\$ -
Unreserved, reported in										
Debt Service Funds	-	-	-	-	-	-	-	-	714	856
Special Revenue Funds	3,484	2,877	4,726	-	(724)	(2,476)	(871)	(1,284)	1,681	1,275
Capital Project Funds	2,948	3,942	2,861	-	1,352	1,227	445	5,524	31,668	27,946
Total All Other Governmental Funds	\$ 6,571	\$ 6,909	\$ 7,668	\$ 4,113	\$ 6,107	\$ 4,244	\$ 5,315	\$ 10,148	\$ 34,063	\$ 30,077

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

	2001	2002	2003	2004	2005	2006	2006(A)	2007	2008	2009
<b>Revenues</b>										
Sales tax	12,425	12,205	11,532	14,797	17,195	16,716	12,627	17,549	16,917	16,330
Property tax	8,343	8,773	8,611	10,357	8,993	10,237	10,648	10,868	14,079	14,819
Utility tax	4,421	4,857	5,427	6,175	6,363	6,268	3,798	6,269	7,541	6,371
Income tax	3,462	3,359	3,169	2,901	3,434	3,769	2,672	4,313	4,612	3,960
Other taxes	1,149	789	1,083	1,660	1,483	1,917	1,434	2,839	2,586	2,127
Licenses and permits	1,069	1,296	1,882	2,254	1,708	2,036	1,326	2,091	1,345	1,148
Intergovernmental	3,025	1,384	2,974	2,647	2,117	2,821	1,224	2,098	3,184	1,993
Charges for services & fees	3,519	3,712	4,346	5,100	3,026	3,737	3,071	4,123	4,065	4,565
Fines & forfeitures	606	701	751	1,391	559	871	637	676	1,264	1,246
Investment income	1,163	545	268	243	291	814	792	1,569	1,222	1,073
Miscellaneous	25	188	334	445	279	104	114	99	1,469	207
<b>Total revenues</b>	<b>39,207</b>	<b>37,809</b>	<b>40,377</b>	<b>47,970</b>	<b>45,448</b>	<b>49,290</b>	<b>38,343</b>	<b>52,494</b>	<b>58,286</b>	<b>53,840</b>
<b>Expenditures</b>										
General government	10,600	6,903	6,599	5,805	2,222	4,474	3,649	5,027	6,008	4,536
Public works	6,206	8,523	7,966	8,304	8,182	7,693	7,135	8,920	9,934	10,881
Community development	-	-	-	-	1,524	1,689	2,009	3,842	2,745	2,344
Public safety	15,741	18,809	19,233	23,381	22,043	23,139	17,252	25,060	26,053	25,518
Community services	2,738	4,201	4,665	4,598	2,728	3,475	1,758	3,042	1,966	1,831
Capital outlay	12,141	7,590	5,565	9,159	7,048	1,659	2,031	10,216	11,095	9,433
Debt service										
Principal	440	465	5,145	631	4,828	668	4,518	765	1,000	1,245
Interest and fiscal charges	1,045	1,485	1,654	1,698	2,164	1,809	950	70	2,198	2,854
<b>Total expenditures</b>	<b>48,911</b>	<b>47,976</b>	<b>50,827</b>	<b>53,576</b>	<b>50,739</b>	<b>44,606</b>	<b>39,302</b>	<b>56,942</b>	<b>60,999</b>	<b>58,642</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>(9,704)</b>	<b>(10,167)</b>	<b>(10,450)</b>	<b>(5,606)</b>	<b>(5,291)</b>	<b>4,684</b>	<b>(959)</b>	<b>(4,448)</b>	<b>(2,713)</b>	<b>(4,802)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	554	948	1,510	(84)	6,811	1,184	5,278	410	2,067	4,755
Transfers out	(643)	(815)	(1,295)	184	(6,711)	(1,003)	(3,348)	(30)	(2,109)	(4,435)
Issuance of debt	10,700	6,000	10,500	5,922	14,450	-	-	-	28,900	9,030
Payment to the refunded bond escrow agent	-	-	-	-	(9,840)	-	-	-	(3,992)	(9,144)
Bond issue premium	-	-	-	-	35	-	-	-	481	239
Proceeds from disposal of capital assets	-	-	-	-	-	49	1,275	-	7	38
<b>Total other financing sources (uses)</b>	<b>10,611</b>	<b>6,133</b>	<b>10,715</b>	<b>6,022</b>	<b>4,745</b>	<b>230</b>	<b>3,205</b>	<b>380</b>	<b>25,354</b>	<b>483</b>
<b>Net Change in Fund Balances</b>	<b>\$ 907</b>	<b>\$ (4,034)</b>	<b>\$ 265</b>	<b>\$ 416</b>	<b>\$ (546)</b>	<b>\$ 4,914</b>	<b>\$ 2,246</b>	<b>\$ (4,068)</b>	<b>\$ 22,641</b>	<b>\$ (4,319)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>3.04%</b>	<b>3.10%</b>	<b>13.38%</b>	<b>4.35%</b>	<b>13.78%</b>	<b>5.55%</b>	<b>13.91%</b>	<b>5.15%</b>	<b>6.54%</b>	<b>7.87%</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  
 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
2000	\$ 946,421,391	\$ 401,202,390	\$ 62,509,950	\$ 1,410,133,731	0.20	\$ 4,230,401,193	33.33%
2001	1,018,660,526	421,897,362	65,942,155	1,506,500,043	0.29	4,519,500,129	33.33%
2002	1,102,277,929	469,463,965	63,794,320	1,635,536,214	0.37	4,906,608,642	33.33%
2003	1,215,329,035	467,952,910	64,409,960	1,747,691,905	0.44	5,243,075,715	33.33%
2004	1,323,442,153	495,011,598	66,794,600	1,885,248,351	0.44	5,655,745,053	33.33%
2005	1,483,717,879	505,593,618	68,323,460	2,057,634,957	0.41	6,172,904,871	33.33%
2006	1,624,870,481	526,745,115	71,259,570	2,222,875,166	0.38	6,668,625,498	33.33%
2007	1,801,439,088	539,361,723	72,243,603	2,413,044,414	0.46	7,239,133,242	33.33%
2008	1,928,792,310	542,102,539	76,659,327	2,547,554,176	0.44	7,642,662,528	33.33%
2009	1,938,204,827	535,619,097	76,008,514	2,549,832,438	0.50	7,649,497,314	33.33%

Data Source  
 Office of the County Clerk

Note : Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

VILLAGE OF DOWNERS GROVE  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
Last Ten Levy Years

Tax Levy Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Village Direct Rates</b>										
Corporate	0.0620	0.0916	0.0911	0.1341	0.1350	0.1237	0.1156	0.1146	0.1068	0.1264
Firefighter's Pension	0.0664	0.0715	0.0716	0.0749	0.0769	0.0764	0.0712	0.0427	0.0626	0.0785
Police Pension	0.0196	0.0406	0.0391	0.0509	0.0465	0.0532	0.0496	0.0479	0.0501	0.0676
Debt Service	0.0000	0.0000	0.0812	0.0494	0.0526	0.0429	0.0335	0.0330	0.0000	0.0000
Fire Protection	0.0548	0.0850	0.0845	0.1274	0.1283	0.1175	0.1100	0.1158	0.1138	0.1137
Stormwater	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.1090	0.1090	0.1090
Total Direct Rate	0.2028	0.2887	0.3675	0.4367	0.4393	0.4137	0.3799	0.4630	0.4423	0.4952
<b>Overlapping Rates</b>										
Library District	0.2338	0.2275	0.2179	0.2109	0.2033	0.1942	0.1870	0.1795	0.1773	0.1832
Downers Grove Park District	0.4400	0.4311	0.3828	0.3489	0.3322	0.3188	0.3062	0.2932	0.2781	0.2699
Downers Grove Sanitary District	0.0387	0.0383	0.0366	0.0355	0.0339	0.0326	0.0316	0.0303	0.0301	0.0305
Special Service Area #1	0.1100	0.1006	0.0940	0.0813	0.0728	0.0619	0.0573	0.0000	0.0000	0.0000
Special Service Area #2	1.2847	1.3275	1.4089	1.5000	1.5000	1.5000	1.5000	1.4161	1.5000	1.5000
Special Service Area #3	0.6599	0.6212	0.5737	0.5071	0.4605	0.3655	0.3379	0.3315	0.3140	0.3151
Downers Grove Township	0.0352	0.0340	0.0324	0.0306	0.0290	0.0278	0.0268	0.0256	0.0254	0.0256
Downers Grove Township Road	0.0521	0.0510	0.0486	0.0459	0.0434	0.0416	0.0401	0.0382	0.0379	0.0382
DuPage County	0.2536	0.2353	0.2154	0.1999	0.1850	0.1797	0.1713	0.1651	0.1557	0.1554
DuPage County Forest Preserve	0.1742	0.1654	0.1534	0.1419	0.1358	0.1271	0.1303	0.1187	0.1206	0.1217
DuPage Airport Authority	0.0291	0.0271	0.0248	0.0230	0.0213	0.0198	0.0183	0.0170	0.0160	0.0148
College of DuPage	0.1966	0.1930	0.2179	0.2097	0.1972	0.1874	0.1929	0.1888	0.1858	0.2127
Grade School District No. 58	2.1783	2.0881	1.9765	1.8523	1.7721	1.7049	1.6523	1.5816	1.5713	1.6304
High School District No. 99	1.8280	1.7972	1.7204	1.6696	1.5914	1.5365	1.4884	1.4269	1.4214	1.4679

VILLAGE OF DOWNERS GROVE  
PRINCIPAL PROPERTY TAXPAYERS  
Current Year and Nine Years Ago

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	% of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	% of Total Village Taxable Assessed Value
Hamilton Partners	\$ 47,313,820	1	1.86	\$ 53,111,460	1	4.18
Real Estate Advisors	24,127,940	2	0.95			
PTA - K 225	23,701,461	3	0.93			
Corridors I & II	14,814,250	4	0.58			
Highland Owner LLC	14,568,350	5	0.57			
GLL BVK Properties	13,216,790	6	0.52			
Bristol Club LP	13,055,960	7	0.51			
Wells REIT II/Lincoln	12,923,180	8	0.51			
MJH Downers Grove LLC	12,600,000	9	0.49			
Arun Enterprises	12,541,660	10	0.49			
Duke Realty Corp				26,393,750	2	2.08
CB Richards				13,516,270	3	0.96
BF Real Estate USILP				12,000,000	4	0.94
MS Building & Land, LLC				12,292,700	5	0.87
Arun Enterprises				8,586,280	6	0.68
Alter Asset Management				8,516,700	7	0.60
CNC				6,874,820	8	0.54
Service Master Co.				6,219,120	9	0.49
Robin Realty & Management				5,562,480	10	0.44
Total	<u>\$ 188,863,411</u>			<u>\$ 153,073,580</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  
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			
2000	\$ 3,083	\$ 3,081	99.94%	-	-	-
2001	4,570	4,584	100%	-	-	-
2002	6,243	6,389	100%	-	-	-
2003	7,867	7,855	99.85%	\$ 40	\$ 7,895	100%
2004	8,595	8,504	98.94%	54	8,558	99.57%
2005	8,745	8,731	99.84%	59	8,790	100%
2006	8,679	8,679	100%	63	8,706	100%
2007	11,148	11,116	99.71%	38	11,154	100%
2008	11,133	11,211	100%	0	11,211	100%
2009	12,478	*	*	*	*	*

Note

\* First installment of property taxes due June 1, 2010  
Subsequent collection data for levy years 2000-2002 are unavailable.  
Excludes library

Data Source

Office of the County Clerk



VILLAGE OF DOWNERS GROVE  
TAXABLE SALES BY CATEGORY (in thousands)  
Last Ten Calendar Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General merchandise	\$ 58,545	\$ 54,810	\$ 53,116	\$ 47,459	\$ 49,578	\$ 48,252	\$ 55,103	\$ 47,422	\$ 45,551	\$ 45,421
Food	108,253	115,453	113,092	103,275	101,978	101,077	105,643	108,625	108,175	117,287
Drinking and eating places	90,324	89,692	94,350	97,309	113,074	117,225	124,178	124,257	120,557	117,822
Apparel	9,524	15,557	15,866	15,946	23,499	24,471	24,913	23,659	25,415	26,835
Furniture and H.H. and radio	214,110	212,151	197,934	198,323	207,179	185,883	184,146	175,640	149,089	131,925
Lumber, building hardware	89,384	94,836	107,940	90,758	82,043	81,346	89,762	86,289	72,964	56,650
Automobile and filling stations	362,065	360,075	315,731	308,039	328,468	360,001	350,137	330,411	302,593	241,735
Drugs and miscellaneous retail	156,050	155,951	159,503	172,081	218,586	249,403	252,614	262,424	225,512	229,575
Agriculture and all others	151,163	126,583	100,193	97,199	110,567	102,824	121,891	131,947	122,317	99,973
Manufacturers	12,208	11,740	11,938	14,052	16,398	18,534	19,147	20,027	20,785	19,192
<b>TOTAL</b>	<b>\$ 1,251,626</b>	<b>\$ 1,236,848</b>	<b>\$ 1,169,663</b>	<b>\$ 1,144,441</b>	<b>\$ 1,251,370</b>	<b>\$ 1,289,016</b>	<b>\$ 1,327,534</b>	<b>\$ 1,310,701</b>	<b>\$ 1,192,958</b>	<b>\$ 1,086,415</b>

Data Source  
Illinois Department of Revenue

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

---

Year	Village Direct Rate	Total Sales Tax Rate
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%
2008	1.75%	8.00%
2009	1.75%	8.00%

Data Source  
Village and County Records

VILLAGE OF DOWNERS GROVE  
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*	
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	
2008	71,055	-	1,835	4,788	77,678	4.96%	1,566.94	
2009	69,830	-	1,405	4,788	76,023	4.85%	1,530.22	

Notes

Details of the Village'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 133 for personal income and population data.

VILLAGE OF DOWNERS GROVE  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING (in thousands)  
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Taxable Assessed Value of Property*	Per Capita
2001	\$ 19,950	-	\$ 19,950	0.44%	\$ 409.45
2002	29,790	-	29,790	0.61%	603.81
2003	35,240	-	35,240	0.67%	716.86
2004	43,180	\$ 103	43,077	0.76%	874.57
2005	43,720	529	43,191	0.70%	879.76
2006	43,070	263	42,807	0.64%	871.94
2006(A)	38,570	949	37,621	1.69%	766.31
2007	47,055	877	46,178	1.92%	930.63
2008	71,055	714	70,341	2.76%	1,418.94
2009	69,830	856	68,974	2.71%	1,388.34

Notes

Details of the Village'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 122 for property value data.

VILLAGE OF DOWNERS GROVE  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITES DEBT (in thousands)  
December 31, 2009

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	\$ 69,830	100.00%	\$ 69,830
DuPage County	175,910	5.88%	10,344
Dupage County Forest Preserve	228,968	5.88%	13,463
Dupage Water Commission	24,310	6.53%	1,587
Downers Grove Park District	8,925	97.72%	8,722
<b>Schools</b>			
<b>Grade School</b>			
District No. 44	18,556	4.53%	841
District No. 58	2,825	77.88%	2,200
District No. 61	4,210	10.15%	427
District No. 66	5,840	4.06%	237
District No. 68	5,460	5.08%	277
District No. 89	28,233	5.00%	1,412
<b>High School</b>			
District No. 87	37,816	0.98%	371
District No. 99	65,662	49.54%	32,529
<b>Unit School District</b>			
District No. 201	6,080	0.57%	35
District No. 202	11,825	5.75%	680
Total Overlapping	<u>624,620</u>		<u>73,125</u>
Total Direct and Overlapping	<u>\$ 694,450</u>		<u>\$ 142,955</u>

(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  
SCHEDULE OF LEGAL DEBT MARGIN  
December 31, 2009

---

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  
 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	
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
2008	7,497,600	5,803,767	1,693,833	415,000	82,210	3.41
2009	7,571,928	6,899,729	672,199	430,000	63,720	1.36

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  
 DEMOGRAPHIC AND ECONOMIC INFORMATION  
 Last Ten Years

Calendar Year	(1) Population	Total Personal Income	(2) Per Capita Personal Income	(3) Unemployment Rate
2000	49,137	\$ 1,551,746,460	\$ 31,580	2.7%
2001	48,724	1,538,703,920	31,580	3.4%
2002	49,337	1,558,062,460	31,580	4.7%
2003	49,159	1,552,441,220	31,580	4.3%
2004	49,255	1,555,472,900	31,580	5.2%
2005	49,094	1,550,388,520	31,580	4.8%
2006	49,094	1,550,388,520	31,580	4.1%
2007	49,543	1,564,517,486	31,579	4.9%
2008	49,573	1,565,515,340	31,580	7.1%
2009	49,681	1,568,925,980	31,580	10.6%

Data Source

- (1) Director of Community Development, Village of Downers Grove
- (2) U.S. Census, Census of population
- (3) Bureau of Labor Statistics



VILLAGE OF DOWNERS GROVE  
PRINCIPAL EMPLOYERS  
Current Year and Three Years Ago

Employer	2009			2006		
	Rank	% of Total City Population	# of Employees	Rank	% of Total City Population	# of Employees
Sara Lee Food & Beverage	1	5.85%	2,900			
Advocate Good Samarital Hospital	2	5.05%	2,500	1	5.09%	2,500
GCA Services	3	4.04%	2,000			
Coventry Health Care/First Health	4	1.41%	700			
RR Donnelley & Sons Co.	5	1.21%	600	8	1.07%	525
Midwestern University	6	1.14%	566	6	1.32%	650
Ftd. Inc.	7	1.03%	509	9	1.02%	500
HMOs Blue Cross & Blue Shield of IL	8	0.85%	420			
Pepperidge Farm Inc.	9	0.81%	400			
Havi Global Solutions, LLC	10	0.71%	350			
Aramark Servicemaster				2	1.73%	850
Acxion/may & Speh Inc.				4	1.63%	800
Sentinel Technologies Inc.				7	1.22%	600
Loyalty Life Insurance				3	1.43%	850
Armour Swift Eckrich				5	1.59%	775
Global Gear				10	1.02%	500

Note

2000 data not available

Data Source

Downers Grove Economic Development Corporation

VILLAGE OF DOWNERS GROVE  
FULL-TIME EQUIVALENT EMPLOYEES  
Last Seven Fiscal Years

Function/Program	2003	2004	2005	2006	2007	2008	2009
<b>General Government</b>							
Legislative support	1.50	1.50	1.50	1.50	2.00	2.50	2.50
General management	6.00	5.50	4.50	4.80	5.50	6.00	6.60
Legal	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Building services	9.00	9.00	8.75	8.75	9.25	9.25	9.25
Human resources	4.50	4.50	2.00	2.00	4.50	4.50	4.50
Information services	8.50	8.50	8.50	8.50	8.75	8.00	8.00
Finance	12.00	12.00	12.00	11.50	13.18	13.18	13.18
<b>Public Works</b>							
Public works administrative	5.50	4.50	3.75	5.00	5.00	4.00	4.00
Permits/Inspections	2.00	3.00	3.00	7.48	8.00	8.00	8.00
Engineering	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Supplies	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Public service response	3.50	3.50	3.50	4.00	4.00	4.00	4.00
Forestry and grounds	9.50	8.50	8.50	8.50	8.75	8.75	8.75
Street construction	5.50	5.50	9.50	9.50	7.50	7.50	7.50
Stormwater management	7.50	10.50	11.00	5.50	7.50	7.50	7.50
Traffic	5.50	4.50	3.50	4.75	4.75	4.75	4.75
Transportation	4.00	4.40	4.40	4.40	4.40	4.40	4.20
<b>Community Development</b>							
Planning	8.00	8.66	6.00	7.38	5.00	5.00	3.00
Economic development	-	-	1.00	-	-	-	-
Code services	11.50	11.25	11.50	12.75	13.75	12.75	13.50
<b>Public Safety</b>							
<b>Police</b>							
Officers	76.60	76.60	76.60	81.00	81.00	81.00	81.00
Civilians	32.20	32.20	32.20	32.20	39.60	39.60	39.60
<b>Fire</b>							
Firefighters and officers	79.00	81.00	84.00	82.00	83.00	80.00	80.00
Civilians	8.50	9.00	9.50	9.50	9.50	9.50	8.75
<b>Community Services</b>							
Counseling and social services	4.10	4.10	3.60	3.35	4.13	4.13	3.90
Alcohol and tobacco control	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Public information	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Cable television	3.50	3.00	3.50	3.50	5.25	5.25	3.75
Tourism and events	4.40	3.48	4.00	4.00	3.00	3.00	3.00

Note

Data from 2000 to 2002 not available

Data Source

Village budget office

VILLAGE OF DOWNERS GROVE  
OPERATING INDICATORS  
Last Four Years

Function/Program	2006	2007	2008	2009
<b>Public Safety</b>				
<b>Police</b>				
Physical arrests	2,106	1,936	1,632	1,922
Parking violations	9,595	10,427	10,427	7,830
Traffic violations	12,414	11,133	11,335	12,235
<b>Fire</b>				
EMS calls	3,307	3,542	3,736	2,605
Fire calls	2,058	2,086	2,075	2,399
Fires extinguished	130	95	71	39
<b>Community Development</b>				
Permits issued		1,160	1,545	1,339
Inspections conducted		3,648	3,850	2,677
<b>Water</b>				
Water main breaks	133	87	70	62
Water pumped (gallons)	2,316,377,000	2,078,808,000	1,972,314,000	1,940,962,000
Average daily consumption	6,346,000	5,695,364	5,403,600	5,317,704
Peak daily consumption	11,754,000	10,761,000	8,403,000	7,358,000

Note

Data from 2000 to 2005 not available but the Village will collect the data going forward.

Data Source

Village budget office

VILLAGE OF DOWNERS GROVE  
CAPITAL ASSETS STATISTICS  
Last Three Years

Function/Program	2007	2008	2009
General Government			
Vehicles	8	7	7
Community Development			
Vehicles	9	7	7
Public Safety			
Police			
Stations	1	1	1
Vehicles/Equipment	55	53	49
Fire			
Fire stations	4	4	4
Vehicles/Equipment	35	35	35
Public Works			
Traffic signals	60	60	67
Vehicles/Equipment	84	86	84
Buses	8	7	7
Water			
Water mains (miles)	207	207	207
Fire hydrants	2,881	2,881	3,053
Vehicles/Equipment	10	10	10

Data Source

Various village departments

Prior year information is unavailable

The Village will obtain this information going forward