

# VILLAGE OF LA GRANGE, ILLINOIS



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2011

VILLAGE OF LA GRANGE, ILLINOIS

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the Year Ended  
April 30, 2011

Prepared by the Finance Department

Lou Cipparrone  
Finance Director

Joseph Munizza  
Assistant Finance Director

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VILLAGE OF LA GRANGE, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2011

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BOARD OF TRUSTEES

Elizabeth Asperger, President

Michael Horvath

Mark Kuchler

Mark Langan

James Palermo

Tom Livingston

Bill Holder

VILLAGE CLERK

Thomas Morsch

VILLAGE MANAGER

Robert Pilipszyn

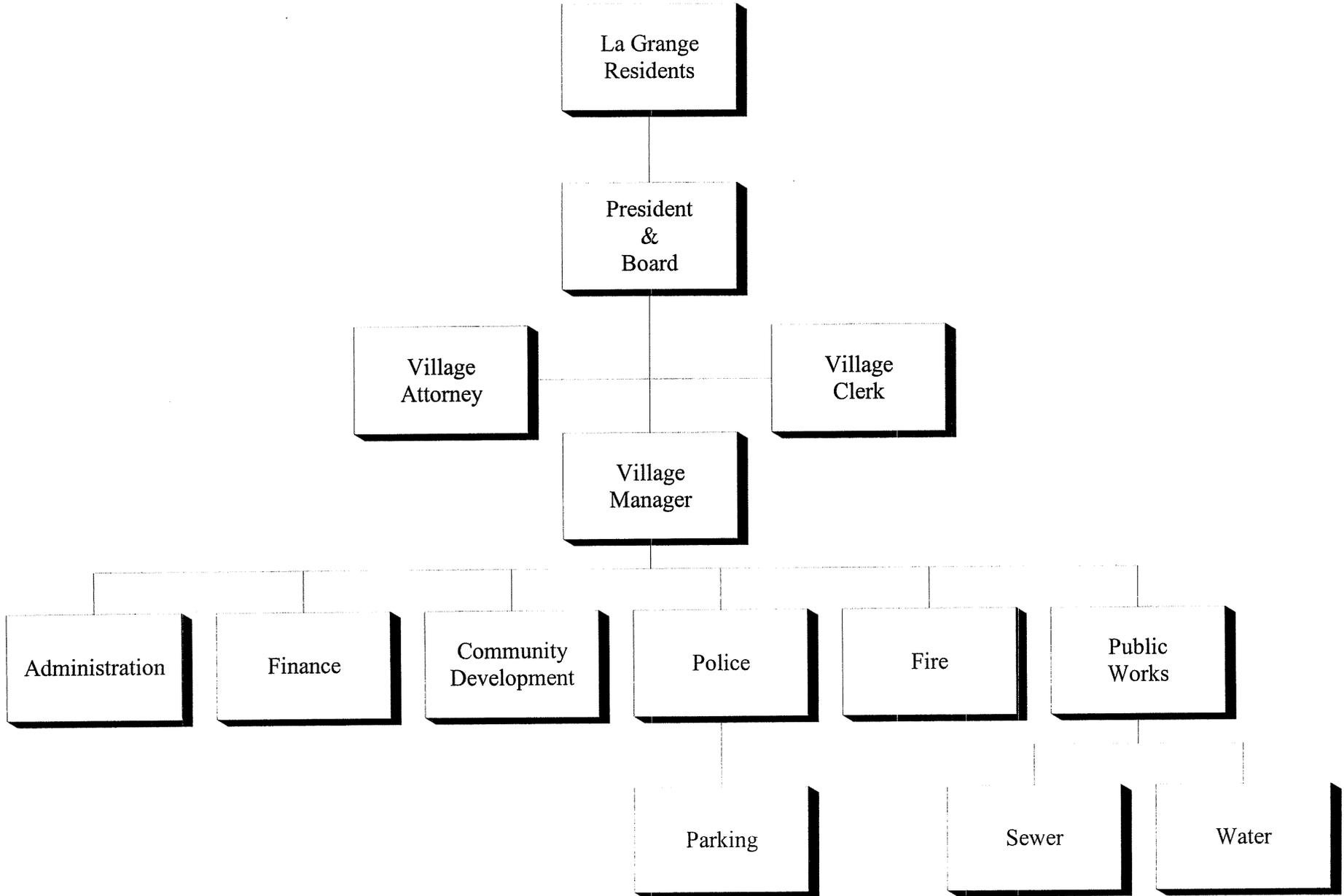
FINANCE DIRECTOR

Lou Cipparrone

ASSISTANT FINANCE DIRECTOR

Joseph Munizza

Village Of LaGrange  
Organization Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of LaGrange  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
April 30, 2010

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.



President

Executive Director

# Village of La Grange



August 25, 2011

The Honorable Elizabeth Asperger, President  
Members of the Board of Trustees  
Village of La Grange, Illinois

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for fiscal year ended April 30, 2011.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Sikich, LLP has issued an unqualified ("clean") opinion on the Village of La Grange financial statements for the year ended April 30, 2011. The independent auditor's report is located at the front of the financial section of this report.

The Village expended less than \$500,000 of federal funds during the year ended April 30, 2011, and therefore is not required to undergo a single audit in conformity with the provisions of the Revised Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments and Nonprofit Organizations."

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the Government**

The Village of La Grange, incorporated in 1879, is located approximately 14 miles west of Chicago, in the County of Cook; the Village occupies a land area of approximately 2.5 square miles and has a population of approximately 15,600 residents. The Village of La Grange is authorized to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation.

The Village of La Grange operates under a Board-Manager form of government. La Grange is a non-home rule municipal corporation governed by the Village President and six trustees, who are elected on an at-large basis to serve four-year overlapping terms. The Village Manager serves as the Chief Administrative Officer. The Village Board is responsible for establishing Village policy which, in turn, is implemented on a day-to-day basis by the Village Manager and staff.

The Village of La Grange provides a full range of governmental services. Specifically, the Village provides police and fire protection, water and sewer utilities, construction and maintenance of roadways and infrastructure, code enforcement, planning, zoning, inspection services, economic development, finance and general administrative services.

The Village evaluated other governmental services to determine whether they should be included in the Village's reporting entity. Excluded from the reporting entity are the various school districts, park districts and township which fall within the Village's boundaries, but which do not meet the criteria for inclusion as set forth by generally accepted accounting principles. The La Grange Public Library, however, is shown as part of the reporting entity as a discretely presented component unit. The Public Library's financial data is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the Village. The Public Library's Board is elected by the voters of the Village. The Public Library may not issue bonded debt without the Village's approval, and its property taxes are levied by the Village on behalf of the library.

The annual budget is the guiding document for the Village's financial planning and control. The budget process starts in October when Department Heads are required to submit to the Village Manager, a proposed budget for the subsequent fiscal year as well as a projected budget for the next four years. After reviewing budgets with the Department Heads, the Village Manager presents the proposed budget to the Board of Trustees during a workshop in March. A copy of the draft budget is also available to the public at this time. The Village Board is required to hold a public hearing and to adopt the final budget no later than April 30<sup>th</sup> of each year. The level of budgetary control (i.e. the level at which expenditures cannot legally exceed the budgeted amount) is at the fund level. Revisions of the annual budget that alter the total expenditures of any fund may be approved by a two-thirds vote of the Village Board. The Village Manager may revise the annual budget by changing line items in the same general category without Board approval. Budget-to-actual comparisons are provided in this report for each governmental fund for which an annual budget has been adopted.

## **Local Economy**

National and state economic instability continues to challenge Village finances. In response to current and projected financial conditions, on both a local and state level, and in an effort to maintain the Village's financial health over the long term, the Village has taken steps to reduce operating expenses below budget-authorized levels during the fiscal year which began on May 1, 2010. In addition, a comprehensive cost-containment strategy, largely involving reduced personnel expenses, was enacted during the fiscal year and will continue to be implemented over the course of the Village's five-year financial plan to stabilize Village finances.

The Village is experiencing fiscal stress primarily within its General Fund. It has been created by a decrease and flattening across our major revenue streams (e.g. income tax, sales tax, building permits, etc.) due to macro-economic conditions and major operating expenditures (such as salaries, health insurance, and police and fire pension contributions) in excess of those

reduced revenues. While we are beginning to see some revenue recovery, many revenue streams are still below actual annual revenue levels prior to the recession. Furthermore, the Village has had to offset the lost revenue with the use of its reserves, which have yet to be replenished.

Despite these many fiscal pressures, the Village's financial health is well conditioned and is well positioned for an economic recovery. We believe that we have found the right balance between the need to recognize continued downward pressure on our financial means, yet still provide high quality services to residents including responsive: (1) operations; (2) planning efforts; and (3) capital improvements. As long as the Village exercises financial discipline by adhering closely to its five-year financial plan, carefully monitors operating expenses (such as overtime, legal expenditures, and miscellaneous engineering), and is not quick to further spend reserve funds on new initiatives, the Village should be able to sustain itself during these difficult economic times.

### **Long-Term Financial Planning**

At year end, fund balance in the General Fund (55.5 percent of General Fund operating expenditures) is within the policy guidelines established by the Village Board of Trustees for budgetary and planning purposes (i.e. between 50 and 75 percent of total General Fund operating expenditures.) As the State's economic forecast anticipates flat or perhaps negative economic growth, it is advisable to retain an adequate fund balance for contingencies and emergencies. An adequate fund balance reserve also allows the Village to budget more flexibly in the short-term, maintain liquidity for cash flow requirements, reduce reliance on short-term financing and maintain a strong credit rating.

In addition to the previously mentioned cost containment plan, the Village is examining other strategies to reduce and control future operating expenditures as a means to protect reserves. First, the Village has partnered with the Village's of La Grange Park and Western Springs and commissioned a joint study to determine if opportunities exist for more cost effective delivery of public safety services. At this time, it appears that a combined dispatch service delivery model holds the most promise.

Second, the Village is evaluating operating structures to either reduce expenditures or to more cost effectively provide core services. The recent sale of the Fire Department ladder truck and recommendation to replace it with a multi-purpose vehicle at a cost of approximately \$500,000 or 50 percent of the cost of a replacement ladder truck is one example. Finally, the Village is looking to further contain group health insurance costs by implementing plan design changes and increased co-payments. In addition, the Village is considering other cost containment strategies such as joining a municipal benefit pool/cooperative.

The Village of La Grange has also consistently worked very hard to lessen the burden of property taxes on Village residents and businesses through conservative fiscal management, economic development, and identifying alternative sources of revenue.

Much of the Village's emphasis since 1986 has been on economic development to expand the Village's tax base. A well diversified tax base will create new growth, generating additional property tax revenue not only for the Village, but also to the benefit of other local taxing bodies such as school districts, the park district and the library. Expansion of the Village's tax base has also borne itself out in sales tax performance. Sales tax generated within the TIF District increased more than ten-fold between 1996 and 2007, the last year before the full effects of the national recession began to be felt in La Grange. While softened due to current economic

conditions, sales tax performance continues to buoy Village revenues. We believe that the success of the public-private partnership to renovate the theater has contributed in part to sustaining this revenue stream over the past year.

The significance of downtown La Grange as an economic engine cannot be overlooked. Therefore, it is critically important that we continue to protect and preserve our investments in the Central Business District well into the future. Although a majority of redevelopment in La Grange has occurred within the Central Business District, a considerable amount of commercial reinvestment has also taken place throughout the rest of the Village. Of particular note is the revitalization of the West End Business District. Several established businesses in this district have reinvested because they see the long-term value and growth opportunities in La Grange. Most recent among them is the completed renovation and expansion of First National Bank of La Grange at 620 West Burlington.

We also note that while the approved mixed use development project at the northeast corner of La Grange Road and Ogden Avenue has stalled, the Village worked with the YMCA to demolish the shuttered building in 2010, and most recently, landscaping improvements were installed to enhance the appearance of this highly-visible location. This site continues to present a future redevelopment opportunity in La Grange.

In June 2010, the Village Board also conducted a workshop session with building owners and business owners from the West End Business District. Potential business development strategies for this commercial area were discussed at length. The La Grange Business Association (LGBA) recently hired a part-time business coordinator. The Village will now be working with the LGBA's new business coordinator on marketing and promotional activities for 2011.

The Village, recognizing the protracted economic conditions, has been and will continue to work with retailers and restaurateurs on retention strategies. To complete the equation, the Village will be working with building owners, brokers, and bankers to strategize on ways to strengthen the Village's economic vitality.

As the Village's economic development needs continue to evolve over time and appropriate strategies are identified, the Village Board has prudently reserved up to \$750,000 of TIF surplus distribution funds for such a purpose. However, if used as a source of operational funding, these monies could be exhausted quickly. A regular source of revenue, such as an amusement tax, would be an appropriate income stream to sustain ongoing economic development activities over the long term.

The Village also seeks to supplement property tax and sales tax revenues through the acquisition of grant funding. Over the past five years, the Village has secured approximately \$10.5 million in grants to fund over \$22.0 million of capital projects and operational activities and equipment that either would not have been possible or would have been implemented at the sole expense of La Grange taxpayers. We must continue to aggressively pursue grant opportunities whenever they become available. Department Heads continue to explore funding opportunities and eligibility requirements within their respective areas of responsibility for projects, personnel and capital expenditures, consistent with the substance and spirit of our proposed financial plan and the Village Board's strategic priorities.

The Village also looks to shift the burden of property taxes by enhancing alternate revenue sources in the way of user fees. An example of this occurred when the cost of maintaining the Central Business District was offset by the creation of a Special Service Area (SSA).

As the financial condition of our state government has yet to stabilize, we need to be vigilant and advocate against any legislation which seeks to undermine municipal revenues or shifts the financial responsibility of paying for state programs onto municipalities as an “unfunded mandate”. We will also need to monitor how the technical deficiencies in the new state income tax legislation will, over time, impact the distribution of state shared revenues to municipalities.

These are difficult times for everyone, and the Village is sensitive to the financial challenges our residents are experiencing. The Village is attempting to contain its operating costs while at the same time preserving the value of our significant investments in human, economic and capital assets - preserving the quality of life and community vitality that we presently enjoy.

As a result of its thoughtful planning and policy discussions, the current Village Board is strategically thinking about the Village’s financial health beyond the scope of the current five-year plan. It is this type of visioning which will preserve and enhance the quality of life for La Grange residents now and into the future.

### **Pension and Other Post-Employment Benefits**

Sworn police and fire personnel receive retirement and disability benefits from the La Grange Police Pension Fund and the La Grange Firefighters’ Pension Fund, respectively. Both pension plans are single-employer plans administered by local boards of trustees. The defined benefits and employer and employee contribution levels are governed by Illinois state statutes. Police and Fire plan participants are required to contribute 9.91 percent and 9.455 percent of their base salaries, respectively. The Village is required to contribute the remaining amount necessary to finance the plans as determined by an independent actuary. Due to recent pension reform legislation, state statutes require that each plan be 90 percent funded by the year 2040. As of April 30, 2010, which is the latest available actuarial valuation date, the percent funded status for the Police and Firefighter Pension Fund’s are 60.2 percent and 48.0 percent, respectively. The actuarial valuation for April 30, 2011 was not available prior to the auditors completing their fieldwork.

In FY 2010-11 the La Grange Police and Fire Pension Funds incurred investment returns of approximately 17 percent from variable annuities and managed stock funds. However, pension funds across the State are still attempting to recover from the impact of significant investment losses in FY 2008-09 resulting from unprecedented negative returns in the equities market. As long as the Village remains committed to fund the required annual contributions (tax levies) as determined by the independent actuarial valuations, the Police and Fire Pension Funds will reach the statutory requirements within the required timeframe.

Full-time and part-time employees, other than sworn police officers and firefighters, who work at least 1,000 hours per year, are covered by the Illinois Municipal Retirement Fund (IMRF), a state-wide pension plan. IMRF acts as a common investment and administrative agent for local governments in Illinois. Benefit provisions and funding requirements are estimated by state statutes. Employees participating in IMRF are required to contribute 4.5 percent of their annual salary and the Village is required to contribute the remaining amounts necessary to fund employee defined benefits.

## Major Initiatives

An annual transfer is made from the General Fund to the Capital Projects Fund to support major infrastructure improvements. This transfer may vary based upon available funding in the General Fund after providing funding for annual operating expenditures. Due to the current economic conditions which have negatively impacted State shared revenues, the transfer for capital improvements has been reduced by \$200,000 beginning in FY 2010-11. In order to complete proposed capital projects as previously budgeted, annual maintenance programs have been temporarily reduced and/or eliminated. It is anticipated that these short-term reductions in funding will not have a material impact on delivery of services to residents.

Annual transfers from Motor Fuel Tax (MFT) are scheduled to fund the Village's thirty percent local match of future federal Surface Transportation Program (STP) grant projects, future segments of the Maple Avenue Relief Sewer and eligible neighborhood street projects. The Village is also the recipient of over \$2.5 million in grants for the Bluff Avenue / M.A.R.S. project, Neighborhood "H" street resurfacing, Stone Avenue Station rehabilitation, HVAC improvements at all Village facilities and pedestrian signal upgrades. The proposed five-year Capital Improvement Program includes a total of more than \$10 million in infrastructure improvement projects and major maintenance programs.

The largest project is the reconstruction of Bluff Avenue which includes the installation of new combined sewer, water main, drainage structures, curb/gutter and reconstruction of the street. As part of the larger Maple Avenue Relief Sewer (MARS) initiative, the construction of an outlet sewer is scheduled to be completed in conjunction with the reconstruction of Bluff Avenue. The outlet sewer will connect the Bluff Avenue corridor to the deep tunnel connection at Cossitt and East Avenues. Both projects are anticipated to be completed in FY 2011-12

The Stone Avenue train station is a local landmark. However, the station is in distress, suffering from the lack of maintenance over the years. The Village is working with Metra, West Suburban Mass Transit District, BNSF and other state and federal agencies towards securing additional funding and approval for interior and exterior renovations to the Stone Avenue train station in order to restore this magnificent structure and assume daily maintenance responsibilities in the future.

During the past ten years, the Village has been able to substantially complete the Street Renovation Program which has repaved nearly every street within the Village. A street condition survey is scheduled to establish priorities and budgets for street construction, water and sewer main projects as part of the Street Reconstruction Program which is the next phase of infrastructure improvements. Street reconstruction consists of removal of the surface, binder and gravel base layers of the street, complete replacement of curb and gutters and elevation corrections, if necessary. The street condition survey will compile a priority list of streets requiring reconstruction based on a needs assessment.

In summary, the Village intends to continue with its robust plan for the maintenance and replacement of its infrastructure, subject to available funding.

## Awards and Acknowledgements

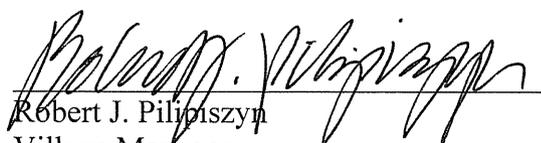
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of La Grange for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2010. This was the fifteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

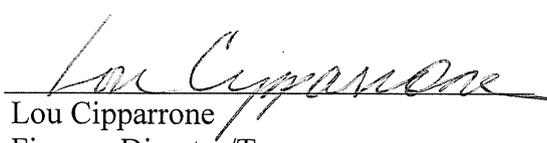
In addition, the Village of La Grange also received the GFOA's Distinguished Budget Presentation Award for its annual Operating and Capital Improvements Budget for FY 2010-11. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document was judged to be proficient as a policy document, a financial plan, as operations guide and a communication device. The Village has received this notable national award for sixteen consecutive years.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the efficient and dedicated service of the entire staff of the Finance Department, especially Assistant Finance Director Joe Munizza, who prepared the Financial Statements. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In addition, we would like to acknowledge President Asperger and the Board of Trustees for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,

  
Robert J. Piliarszyn  
Village Manager

  
Lou Cipparrone  
Finance Director/Treasurer



998 Corporate Boulevard • Aurora, IL 60502

## INDEPENDENT AUDITOR'S REPORT

The Honorable President  
Members of the Village Board  
Village of La Grange, 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 La Grange, Illinois, as of and for the year ended April 30, 2011, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of La Grange, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 La Grange, Illinois, as of April 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The supplemental data listed in the accompanying table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Village of La Grange, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic, combining and individual fund financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not audit the information contained in the introductory and statistical sections. Accordingly, we do not express an opinion thereon.

Aurora, Illinois  
August 3, 2011

A handwritten signature in black ink, appearing to read "S. Kich LLP". The signature is written in a cursive, flowing style.

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

## VILLAGE OF LA GRANGE, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2011

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter and the Village's financial statements.

#### **USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT**

In accordance with Generally Accepted Accounting Principles (GAAP), the Village's financial statements present two kinds of statements, each with a different view of the Village's finances. The financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

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

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government.

The *Statement of Net Assets* presents information on all of the Village's assets and liabilities, with the difference of the two reported as net assets. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' using the current financial resources measurement focus (short-term spendable resources) with capital assets and long term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *Statement of Activities* presents information showing how the Village's net assets changed during the fiscal year. The Statement of Activities is focused on both the gross and net cost of various activities (including governmental and business-type) which are supported by the

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

Both statements distinguish functions of the Village that are primarily supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental Activities reflect the Village's basic services, including police, fire, public works, community development, finance and administration. Property taxes, local sales tax, local utility tax and shared state income, replacement and local use taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water, Sewer, and Parking funds), where the fee for service typically covers all or most of the cost of operation, including depreciation.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of La Grange, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

The *governmental funds* focus is on sources and uses of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the fund financial statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith.

*Proprietary funds* provide the same type of information (private sector operations) as the government-wide business-type financial statements, only in more detail. The proprietary fund statements provide separate information for the Water, Sewer and Parking operations, all of which are considered to be major funds of the Village. Individual fund data for the Village's internal service fund, which accounts for the replacement of vehicles and equipment on a pay-as-you-go basis, can be found elsewhere in the report.

The fund financial statements also allow the Village to address its *fiduciary funds* (Police and Fire Pensions). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

### **Other Information**

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

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village’s progress in funding its obligation to provide pension benefits to employees.

While the total column on the proprietary fund financial statements is the same as the business-type activities column in the government-wide financial statement, the governmental funds total column requires reconciliation with the governmental activities column in the government-wide financial statements because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement.

The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-Wide Statements).

**GOVERNMENT-WIDE STATEMENTS**

As mentioned earlier, the Statement of Net Assets may serve over time as a useful indicator of the Village’s financial position. At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The following table reflects the condensed Statement of Net Assets:

**Table 1**  
**Statement of Net Assets**  
As of April 30, 2011

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other Assets	\$19,355,836	\$20,521,444	\$2,947,546	\$3,563,662	\$22,303,382	\$24,085,106
Capital Assets	25,138,688	23,521,377	19,561,148	19,588,533	44,699,836	43,109,910
<b>Total Assets</b>	<b>44,494,524</b>	<b>44,042,821</b>	<b>22,508,694</b>	<b>23,152,195</b>	<b>67,003,218</b>	<b>67,195,016</b>
Long term liabilities	2,701,717	2,720,372	195,451	154,973	2,897,168	2,875,345
Other Liabilities	6,535,992	6,617,576	399,446	430,933	6,935,438	7,048,509
<b>Total Liabilities</b>	<b>9,237,709</b>	<b>9,337,948</b>	<b>594,897</b>	<b>585,906</b>	<b>9,832,606</b>	<b>9,923,854</b>
Net Assets:						
Invested in capital assets,						
Net of debt	23,308,688	21,471,377	19,561,148	19,588,533	42,869,836	41,059,910
Restricted	2,436,668	2,031,415	-	-	2,436,668	2,031,415
Unrestricted	9,511,459	11,202,081	2,352,649	2,977,756	11,864,108	14,179,837
<b>Total Net Assets</b>	<b>\$35,256,815</b>	<b>\$34,704,873</b>	<b>\$21,913,797</b>	<b>\$22,566,289</b>	<b>\$57,170,612</b>	<b>\$57,271,162</b>

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Village's total net assets decreased from \$57,271,162 in 2010 to \$57,170,612 in 2011 which is a decrease in net assets of \$100,550. The increase in total net assets for Governmental Activities of approximately \$550,000 is primarily due to capitalized assets from grant funded construction projects, equipment purchases and reduced debt payments being predominantly offset by current and other assets decreasing due to expenses exceeding revenues in the General, Capital Projects, ETSB and ERF Funds. Net assets for Business Type Activities decreased by approximately \$650,000 due to the use of current assets to fund capital projects in the Water and Sewer Funds.

By far, the largest portion of the Village's total net assets (74.9%) reflects it's investment in capital assets (such as land, buildings, machinery, equipment and infrastructure) less any related outstanding debt used to acquire those assets. The Village uses these capital assets to provide services to residents; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Investment in capital assets, net of debt also provides useful information that can be used for trend analysis to determine if the Village is properly replacing aging infrastructure, including: streets and water and sewer mains.

The Village's unrestricted net assets for governmental activities reflect the portion of net assets that can be used to finance day-to-day operations. Restricted net assets represent funds which are subject to limitations on how they may be used. These funds primarily reflect State Motor Fuel Tax funds restricted for maintenance of roadways. Restricted Net Assets increased as no Motor Fuel Tax funds were utilized for construction projects due to the timing of the construction phases for the Bluff Avenue/MARS project.

The following table reflects the change in net assets resulting from revenues and expenses of the Village's governmental and business-type activities.

Table 2  
Change in Net Assets  
For the Fiscal Year Ended April 30, 2011

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$1,548,151	\$1,471,910	\$4,294,739	\$3,991,997	\$5,842,890	5,463,907
Operating Grant and Contr.	463,735	428,546	-	-	463,735	428,546
Capital grant and Contr.	1,947,291	1,330,911	-	-	1,947,291	1,330,911
General Revenues:						
Property Taxes	5,873,311	8,423,435	-	-	5,873,311	8,423,435
Other Taxes	4,225,566	4,111,583	-	-	4,225,566	4,111,583
TIF Surplus Distribution		747,885	-	-	-	747,885
Other	285,676	500,140	15,303	30,770	300,979	530,110
<b>Total Revenues</b>	<b>14,343,730</b>	<b>17,014,410</b>	<b>4,310,042</b>	<b>4,022,767</b>	<b>18,653,772</b>	<b>21,037,177</b>

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 2 (continued)  
Change in Net Assets  
For the Fiscal Year Ended April 30, 2011

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>EXPENSES</b>						
General Government	2,219,004	2,403,960	-	-	2,219,004	2,403,960
Public Safety	8,211,120	7,464,482	-	-	8,211,120	7,464,482
Highways and Streets	3,188,321	3,502,763	-	-	3,188,321	3,502,763
Economic Development	-	5,575,820	-	-	-	5,575,820
Interest	73,343	92,357	-	-	73,343	92,357
Water & Sewer	-	-	4,073,017	3,867,162	4,073,017	3,867,162
Parking	-	-	989,517	987,368	989,517	987,368
<b>Total Expenses</b>	<b>13,691,788</b>	<b>19,039,382</b>	<b>5,062,535</b>	<b>4,854,530</b>	<b>18,754,322</b>	<b>23,893,912</b>
Increase / (Decrease) before transfers	651,942	(2,024,972)	(752,492)	(831,763)	(100,550)	(2,856,735)
Transfers	(100,000)	(100,000)	100,000	100,000	-	-
<b>Change in Net Assets</b>	<b>\$551,942</b>	<b>\$(2,124,972)</b>	<b>\$(652,492)</b>	<b>\$(731,763)</b>	<b>\$(100,550)</b>	<b>\$(2,856,735)</b>

**Governmental Activities**

Charges for Services include revenues from Village fines, licenses and permits. Charges for services increase due to an increase in the cost of Village vehicle stickers and an increase in number of residential building permits. Operating Grants and Contributions reflect annual Motor Fuel Tax receipts. Capital Grants and Contributions reflect federal Surface Transportation Program (STP) grants which funded 70 percent of the cost of the Bluff Avenue street reconstruction and Maple Avenue Relief Sewer (M.A.R.S.) projects. Capital Grants and Contributions increased due to the timing of grant funding received for Phase II & III of the Bluff Avenue/M.A.R.S. project.

Property taxes continue to be the Village's largest revenue source generating \$5,873,311 which represents 40.9% of total governmental activity revenue. Property tax revenue reflects the allowable increase under the Property Tax Limitation Act which is restricted to five percent, or the percent of increase in the national Consumer Price Index (CPI), whichever is less. The Village's 2009 property tax levy, which was collected in fiscal year 2011, included a CPI increase of 0.1 percent with the remaining increase representing new growth from the end of the TIF District and new construction during the fiscal year. Property tax revenue from Governmental Activities decreased significantly in 2011 due to the termination of the La Grange Downtown TIF District in 2010.

Other Taxes includes sales tax revenues combined with State shared revenues (income tax, local use tax and replacement tax) local utility tax and franchise fee revenues total \$4,225,566 which represents 29.5% of the total governmental activity revenue. Although other tax

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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revenues have not returned to pre-recession levels; sales, local use, replacement and municipal utility taxes all increased in 2011 over previous year revenues.

Surplus TIF funds were distributed to appropriate taxing agencies based upon the pro rata share of the Village's total tax rate in 2010 due to the termination of the TIF District. Other Revenues decreased in 2011 primarily due to reduced investment interest income resulting from falling short-term interest rates, and reduced funding from Drug Enforcement/Forfeiture funds.

The Village realizes the importance of offering competitive compensation and benefit packages for the recruitment and retention of employees. General Government expenses in 2011 include a 0.1 percent general wage adjustment of salaries which is directly tied to the allowable increase under the Property Tax Limitation Act. Salary expenses also include an average 2.75 merit based upon annual performance evaluations. The cost of providing employee health insurance has increased significantly over the last several years due to general market trends and claims experience. Health insurance premiums increased by 7.0 percent in 2011. The Village pays 100% of the cost of single coverage and approximately 90% of family coverage.

In contrast to the aforementioned wage and health insurance increases, total General Government expenses decreased in 2011 due to the implementation of the cost containment plan which included a reduction in regular scheduled hours for the Building Inspector and a vacated part-time building clerk position not being filled in the Community Development Department. In addition, the annual transfer to the Equipment Replacement Fund was eliminated for one year to offset the increased cost of employer contributions (tax levies) to the La Grange Police and Fire pension funds.

Public Safety expenses increased in 2011 primarily due to significant increases in employer contributions to the police and fire pension funds resulting from investment losses from the economic recession. In addition, the Emergency 911 system in the Police Department dispatch center was upgraded with new law enforcement technology and equipment.

Highway and Streets reflect decreased expenses in 2011 as fewer maintenance projects were undertaken during the fiscal year due to budgetary constraints. In addition, 2011 expenses decreased due to two planned vacancies in the Public Works Department as part of the cost containment plan.

Economic Development expenses were eliminated in 2011 due to the termination of the TIF District. Final TIF surplus distributions of approximately \$5.5 million are reflected in 2010.

Interest expenses decreased in 2011 due to reduced outstanding debt resulting from annual principal payments. No new debt was issued in 2011.

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

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Transfers from governmental activities to business-like activities in 2011 reflect the annual transfer from the General Fund to the Parking Fund to fund additional costs associated with the general maintenance and operations of the parking structure.

**Business-Type Activities**

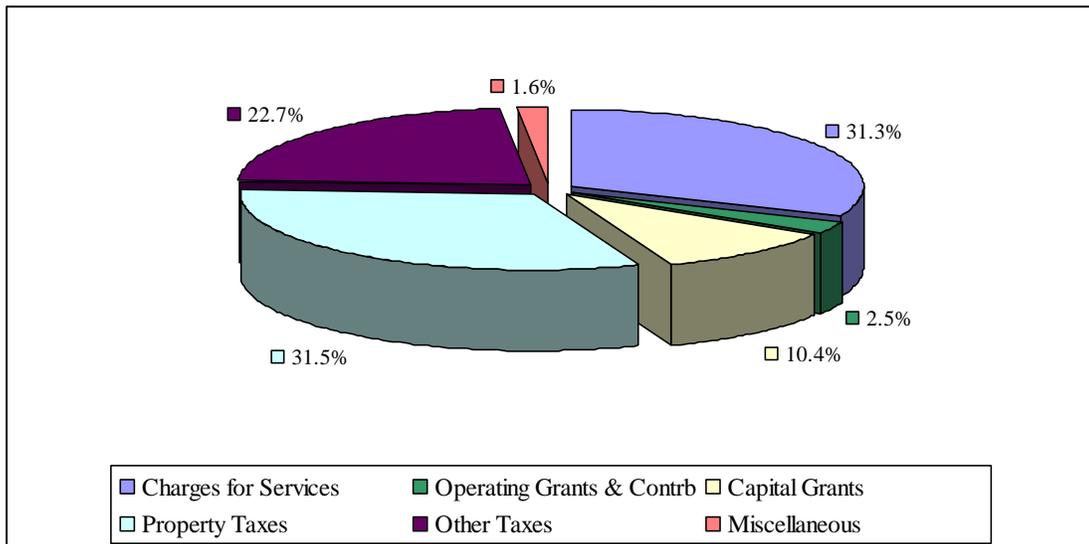
The Village of McCook, which supplies water to the Village of La Grange, increased water rates by 12.5 percent for three consecutive years (beginning in January 1, 2008) due to increases in Lake Michigan water rates from the City of Chicago. In order to maintain adequate reserves and continue with the maintenance and replacement of aging infrastructure, it is the Village’s policy to “pass on” water rate increases from McCook. Charges for Services increased in 2011 due to the ten percent increase in the Village’s water rate, effective May 1, 2010. Sewer service fees are based on the cubic feet of water used by a property owner multiplied by a separate sewer rate. Therefore, an increase in the water rate does not affect sewer revenues.

Other Revenue decreased primarily due to reduced investment interest income resulting from falling short-term interest rates.

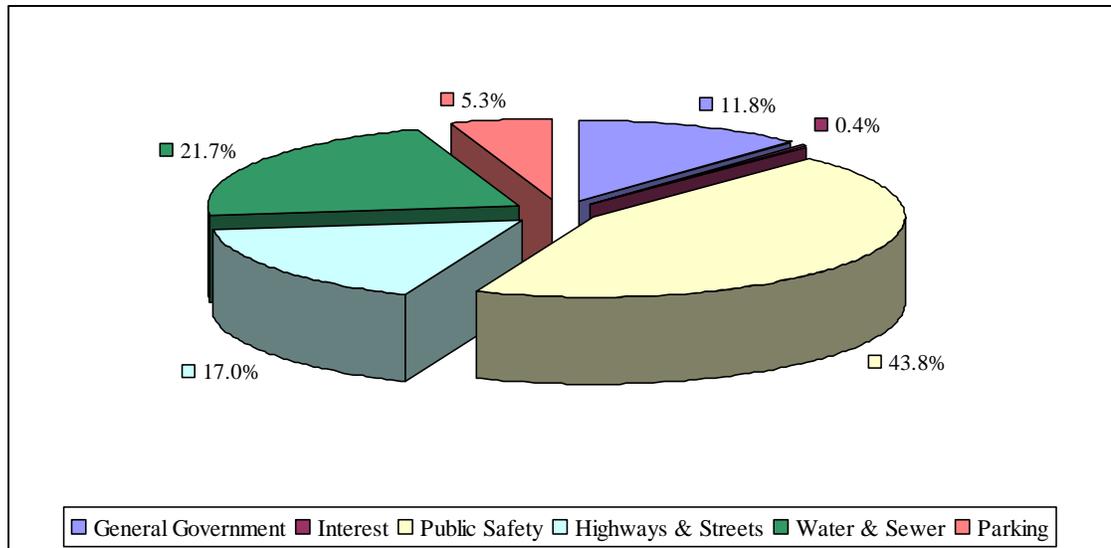
Water and Sewer expenses also increased in 2011 primarily due to the aforementioned rate increase for water purchased from the Village of McCook, effective January 1, 2010. In addition, a vacant position in the Water Fund was filled midway through the fiscal year. The position had been vacant for several years while the organization structure of the department was analyzed.

The following charts reflect revenues by source and expenses by function for governmental and business-type activities for the fiscal year ended April 30, 2011:

**Governmental and Business-Type Activities  
Revenues by Source  
Fiscal Year Ended April 30, 2011**



**Governmental and Business-Type Activities  
Expenses by Function  
Fiscal Year Ended April 30, 2011**



**FUND FINANCIAL ANALYSIS**

As noted earlier, the Village of La Grange uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the Village of La Grange's governmental fund types, which includes the General Fund, is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of net resources available for spending at the end of a fiscal year. The Village's proprietary fund types, which are those funds which operate similar to a business, provide the same type of information found in the government-wide financial statements, but in more detail.

**Governmental Funds**

The **General Fund** is the main operating fund of the Village of La Grange. The Village experienced fiscal stress within the General Fund created by a decrease and flattening of major revenue streams (e.g. income tax, sales tax, building permits, etc.) due to macro-economic conditions and major operating expenditures (such as salaries, health insurance, and police and fire pension contributions) in excess of those reduced revenues. Reserve funds have been utilized to offset prior operating deficits; sustaining Village operations over the past several years.

So as not to further deplete reserve funds below target levels, the Village implemented a multi-year cost containment plan beginning in 2011, which included not filling vacancies as they

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

occurred in various departments and no general wage adjustment nor merit increase for the Village Manager.

As part of the ongoing cost containment plan, during the subsequent fiscal year the Village also proposes to negotiate wage increases with union and non-union employees, increase employee contributions for health insurance, award no general wage adjustment nor merit increases for the Village Manager and Department Heads, evaluate several administrative positions for re-structuring and explore alternative organization models.

At the end of fiscal year 2011, the General Fund reflected a decrease in fund balance of \$349,086. Various budget adjustments were approved due to estimated actual expenditures exceeding budget estimates. It is important to note, had the Village not taken cost containment measures, the General Fund deficit would have increased significantly.

General Fund budget amendments included: 1) funds carried forward from the previous fiscal year due to the delayed delivery and installation of a new office copier; 2) special legal services required for matters such as: zoning and land use issues, residential/commercial zoning code amendments and liquor code amendments, consultation on various Village contracts, and prosecution of property maintenance cases; 3) increase in full-time salaries in the Police Department due to the payment of accrued leave to a police officer who retired early in the fiscal year, increased overtime expenditures due to investigation callouts and special details including burglaries, truck enforcement, and Central Business District patrols, and increased maintenance for the police squad cars which are in the second year of the extended three-year replacement cycle.; 4) increase in liability insurance claims in the Public Works and Police Departments, an additional \$25,000 deductible related to pending litigation involving a zoning matter and reimbursable expenditures relating to the replacement of 911 equipment from a lightning strike and repairs to a squad car resulting from an accident.

**Table 3 – General Fund Budgetary Highlights**

	Original Budget	Amended Budget	Actual
<b>Revenues and Transfers In</b>			
Taxes	\$10,238,384	\$10,238,384	\$10,077,856
Licenses & Permits	1,061,582	1,061,582	1,050,567
Other	430,196	475,964	603,599
Transfer In	50,000	50,000	57,381
<b>Total</b>	<b>\$11,780,162</b>	<b>\$11,825,930</b>	<b>\$11,789,403</b>
<b>Expenditures and Transfers Out</b>			
General Government	(2,026,305)	(2,186,305)	(2,113,519)
Public Safety	(7,446,451)	(7,563,014)	(7,546,971)
Highways and Streets	(1,722,034)	(1,747,034)	(1,677,999)
Transfers Out	(800,000)	(800,000)	(800,000)
<b>Total</b>	<b>\$(11,994,790)</b>	<b>\$(12,296,353)</b>	<b>\$(12,138,489)</b>
<b>Changes in Fund Balance</b>	<b>\$ (214,628)</b>	<b>\$ (470,423)</b>	<b>\$ (349,086)</b>

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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Tax revenues were under budget primarily due to the severity and length of the State's economic recession resulting in decreased receipts from property taxes due to home foreclosures. In addition, utility tax receipts were under budget due to decreases in natural gas prices and simplified tax receipts continued to decrease due to bundling of phone services and/or the elimination of phone lines. Conversely, municipal sales and non-home rule sales tax revenues were over budget due to increased media exposure of downtown La Grange from local television spots and advertising campaigns.

Other Revenues were over budget due to the receipt of Drug Enforcement/Forfeiture funds relating to Police Department's involvement in local and regional drug investigations, which are not included as a budgeted line item. In addition, the Village received unanticipated reimbursements for damaged property and prosecution services. Ambulance fees were over budget due to increased activity. Partially offsetting the increase in other revenue was a decrease in investment earnings resulting from declining short-term interest rates to less than one half of one percent.

General Government expenditures were under budget due to the retirement of a part-time clerk in the Community Development Department with the position remaining vacant. In addition, the work hours for the Building Inspector position were reduced due to decreased activity in the Building Division.

Public Safety expenditures ended the year under budget due to two vacancies created by the resignation of a firefighter and the retirement of the Fire Chief. The Department promoted a new Chief from within, hired a new firefighter to fill one vacancy with the remaining vacancy for the "floater" position not being filled.

Highway and Street Expenditures were under budget primarily due to two General Utility Workers (GUW) vacancies resulting from a resignation and retirement. In addition, the "Canopy of Lights" over La Grange Road was eliminated as part of the Village's cost containment plan.

Transfers Out includes a transfer to the Capital Projects Fund in the amount of \$700,000 to support infrastructure replacement, debt service and maintenance programs. Due to the economic recession which negatively impacted revenues in the General Fund, this transfer was reduced by \$200,000 in 2011. In order to complete capital projects as planned, annual maintenance programs were reduced and/or eliminated. Transfers out also includes an annual transfer to the Parking fund of \$100,000 to partially fund operations and maintenance of Village lots and the parking structure.

The **Capital Projects Fund** includes reserves in the amount of \$500,000 to replace aging infrastructure throughout the Village and the unforeseen contingency costs associated with the aggressive neighborhood street renovations projects and complex street reconstruction projects to be undertaken in the near future. Fund Balance decreased by approximately \$400,000 in 2011 as planned capital projects from previous years, which had been previously been postponed due to other Village priorities, being completed during the fiscal year.

**Equipment Replacement Fund (ERF)** reserves decreased in 2011 due to the elimination of annual transfer from all operating departments within the General Fund for one year, to offset the increased cost of employer contributions (tax levies) to the La Grange Police and Fire pension funds. However, the elimination of this transfer did not result in the delayed purchase of any Village equipment or vehicles, but simply reduced the ERF funded balance from approximately 100% to 90%. It is anticipated that the ERF funded status will return to 100% in the future as actual purchases may be bid under budget, interest income increases, and the useful lives of current vehicles and equipment are extended due to regularly scheduled maintenance programs.

The **Debt Service Fund** has a total fund balance of \$170,000, all of which is reserved for the payment of debt service. The net increase in fund balance during the year was minimal. Interest expenditures decreased as no new debt was issued during the fiscal year.

### **Proprietary Funds**

Net assets of the **Water, Sewer and Parking Funds** at year end totaled \$21,913,797. Net Assets decreased during the year by \$652,493 due to operating expenses, which includes depreciation expense of \$663,385, exceeding operating revenues. The Parking Fund includes an annual transfer from the General Fund to provide funding for additional costs associated with the general maintenance and operations of the parking structure.

## **CAPITAL ASSETS**

The Village of La Grange's investment in capital assets for its governmental and business-type activities as of April 30, 2011 is \$44,699,836. This investment in capital assets includes land, buildings, improvements, equipment and street infrastructure as reflected in Table 4.

The Village depreciates assets over their useful life. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" or resurfacing of a road will be considered maintenance whereas a "rebuild" or reconstruction of a road will be capitalized.

Construction in Progress, a non-depreciable asset, represents the cost of initial stages of a multi-year construction project which has been started but not yet completed. When the project is finished, the cost of the project is reclassified and recorded as a depreciable capital asset.

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

**Table 4**  
**Capital Assets**  
**Net of Accumulated Depreciation**

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Non-Depreciable Assets</b>						
Land & Right of way	\$8,115,246	\$8,115,246	\$1,370,735	\$1,370,735	\$9,485,981	\$9,485,981
Construction in Progress	3,653,422	2,079,766	193,999	241,404	3,847,421	2,321,170
<b>Other Capital Assets</b>						
Buildings	2,280,729	2,411,577	8,007,826	8,209,331	10,288,555	10,620,908
Improvements	981,672	1,040,309	-	-	981,672	1,040,309
Street Infrastructure	7,553,206	7,763,467	-	-	7,553,206	7,763,467
Storm Sewers	451,911	473,823	-	-	451,911	473,823
Equipment	2,102,502	1,637,189	37,149	54,636	2,139,649	1,691,825
Water System	-	-	7,868,287	7,679,177	7,868,284	7,679,177
Sewer System	-	-	2,071,918	2,000,474	2,071,919	2,000,474
Parking Improvements	-	-	11,234	32,776	11,235	32,776
<b>Total</b>	<b>\$25,138,688</b>	<b>\$23,521,377</b>	<b>\$19,561,148</b>	<b>\$19,588,533</b>	<b>\$44,699,836</b>	<b>\$43,109,910</b>

Total Capital Assets for Governmental Activities reflect an increase in Construction in Progress, and the purchase of new equipment for the Police and Public Works departments. Construction in Progress in 2011 and 2010 for both Governmental Activities and Business-type Activities reflects engineering and construction for the Bluff Avenue street reconstruction project and the Maple Avenue Relief Sewer (M.A.R.S.) project. Construction in Progress in 2011 also includes initial stages of the replacing the HVAC systems at Village Hall and Public Works.

Total Capital Assets for Business-Type Activities decreased due to depreciation expense exceeding capitalized assets.

Additional information on the Village's capital assets can be found in the Notes to the Financial Statements, note # 4.

**LONG-TERM DEBT**

At the end of the current fiscal year, the Village of La Grange has total bonded debt and notes outstanding of \$9,030,000 all of which is backed by the full faith and credit of the Village.

State statutes limit the amount of general obligation bond debt a governmental entity may issue to 8.625 percent of its total equalized assessed valuation. The current estimated debt

VILLAGE OF LA GRANGE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

limit for the Village is \$61,220,543, which is significantly in excess of the Village’s outstanding general obligation debt.

**Table 5**  
**Outstanding Bonds**

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds (ARS Refunding Bonds Series 2005)	1,830,000	2,050,000	-	-	1,830,000	2,050,000
<b>Village only Totals</b>	<b>1,830,000</b>	<b>2,050,000</b>	<b>-</b>	<b>-</b>	<b>1,830,000</b>	<b>2,050,000</b>
General Obligation bonds Series 2004 Library Bonds	7,200,000	7,580,000	-	-	7,200,000	7,580,000
<b>Village &amp; Library Totals</b>	<b>\$ 9,030,000</b>	<b>\$9,630,000</b>	<b>-</b>	<b>-</b>	<b>\$ 9,030,000</b>	<b>\$9,630,000</b>

The Village’s bond rating of Aa3 was affirmed by Moody’s Investors Services as part of the \$9,320,000 Series 2004 Library bond issue. As stated by Moody’s, this rating reflects the steady growth in the Village’s mature tax base, sound financial operations that allow for significant pay-as-you-go financing, adequate reserves, modest levels of direct debt owing to substantial current funding of projects, and the ability to operate well within a limited resource environment.

The Village issued \$3.9 million of general obligation (alternate revenue source) bonds in 1998 for the replacement of streetlights throughout the Village. The accelerated replacement of street lights was completed over a three-year period and replaced the pay-as-you-go program, which was scheduled to be completed over a 20-year period. The 1998 Streetlight bonds were refunded in December, 2005 due to favorable interest rates. The bond refunding resulted in interest savings in excess of \$100,000 over the remaining life of the issue. The final maturity date of the outstanding debt was not extended as a result of the refunding.

Although the La Grange Public Library is a legally separate entity from the Village it is included in the Village’s financial statements as a discretely presented component unit. The Library may not issue bonded debt without the Village’s approval, and its property taxes are levied by the Village on behalf of the library. The General Obligation Library Bonds, Series 2004 which were approved via voter referendum were issued to fund construction of a new municipal library building.

Additional information on the Village’s long-term debt can be found in the Notes to the Financial Statements, note # 6.

### **ECONOMIC FACTORS**

The Village's composition is primarily residential with small commercial and industrial components. The property tax revenue derived from the current housing stock is extremely stable. The Village has also experienced an increase in residential housing due to construction of new single family residences and additions. This has provided economic growth to the property tax base. The commercial sector is stable as well as it is based on the purchase of food and other necessary household items. Due to the utilization of a Tax Increment Financing (TIF) District, the commercial sector base has increased in the last several years with the revitalization of the downtown central business district.

### **CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Lou Cipparrone, Finance Director, Village of La Grange, 53 S. La Grange Rd, La Grange, Illinois 60525.

VILLAGE OF LA GRANGE, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2011

	Governmental Activities	Business-Type Activities	Total	Component Unit Library
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,993,068	\$ 1,129,787	\$ 5,122,855	\$ 3,181,538
Investments	10,180,917	1,846,367	12,027,284	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	3,195,435	-	3,195,435	1,354,728
Accounts	253,164	597,752	850,916	5,064
Accrued interest	38,486	9,640	48,126	-
Due from other governments	923,415	-	923,415	-
Due from other funds	29,331	-	29,331	-
Due to/from other funds	636,000	(636,000)	-	-
Prepaid expenses	41,120	-	41,120	22,599
Deferred costs	-	-	-	124,359
Net pension asset	64,900	-	64,900	-
Net other postemployment benefit asset	-	-	-	1,788
Capital assets, not being depreciated	11,768,668	1,564,734	13,333,402	94,418
Capital assets being depreciated (net of accumulated depreciation)	13,370,020	17,996,414	31,366,434	8,162,538
<b>Total assets</b>	<b>44,494,524</b>	<b>22,508,694</b>	<b>67,003,218</b>	<b>12,947,032</b>
<b>LIABILITIES</b>				
Accounts payable	366,109	141,691	507,800	1,124
Accrued payroll	16,070	4,291	20,361	21,488
Accrued interest payable	28,260	-	28,260	121,184
Deposits	-	5,749	5,749	-
Unearned revenues				
Property tax	6,125,134	-	6,125,134	2,655,989
Other	-	247,715	247,715	-
Due to component unit	419	-	419	-
Noncurrent liabilities				
Due within one year	304,353	34,853	339,206	443,563
Due in more than one year	2,397,364	160,598	2,557,962	6,887,250
<b>Total liabilities</b>	<b>9,237,709</b>	<b>594,897</b>	<b>9,832,606</b>	<b>10,130,598</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	23,308,688	19,561,148	42,869,836	1,003,399
Restricted for maintenance of roadways	1,829,575	-	1,829,575	-
Restricted for public safety	174,151	-	174,151	-
Restricted for debt service	170,422	-	170,422	-
Restricted for drug forfeiture	262,520	-	262,520	-
Unrestricted	9,511,459	2,352,649	11,864,108	1,813,035
<b>TOTAL NET ASSETS</b>	<b>\$ 35,256,815</b>	<b>\$ 21,913,797</b>	<b>\$ 57,170,612</b>	<b>\$ 2,816,434</b>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2011

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants	Capital Grants
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 2,219,004	\$ 569,433	\$ -	\$ -
Public safety	8,211,120	664,840	1,100	-
Highways and streets	3,188,321	313,878	462,635	1,947,291
Interest	73,343	-	-	-
Total governmental activities	13,691,788	1,548,151	463,735	1,947,291
Business-Type Activities				
Water	3,612,540	3,216,520	-	-
Sewer	460,477	396,770	-	-
Parking	989,517	681,449	-	-
Total business-type activities	5,062,534	4,294,739	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 18,754,322</b>	<b>\$ 5,842,890</b>	<b>\$ 463,735</b>	<b>\$ 1,947,291</b>
<b>COMPONENT UNIT - LIBRARY</b>				
Culture and recreation	\$ 2,054,752	\$ 37,783	\$ -	\$ -
Interest	306,992	-	-	-
<b>TOTAL COMPONENT UNIT - LIBRARY</b>	<b>\$ 2,361,744</b>	<b>\$ 37,783</b>	<b>\$ -</b>	<b>\$ -</b>

	Net (Expense) Revenue and Change in Net Assets			
	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Library
	\$ (1,649,571)	\$ -	\$ (1,649,571)	\$ -
	(7,545,180)	-	(7,545,180)	-
	(464,517)	-	(464,517)	-
	(73,343)	-	(73,343)	-
	(9,732,611)	-	(9,732,611)	-
	-	(396,020)	(396,020)	-
	-	(63,707)	(63,707)	-
	-	(308,068)	(308,068)	-
	-	(767,795)	(767,795)	-
	(9,732,611)	(767,795)	(10,500,406)	-
	-	-	-	(2,016,969)
	-	-	-	(306,992)
	-	-	-	(2,323,961)
General Revenues				
Taxes				
Property	5,873,311	-	5,873,311	2,684,328
Replacement	267,063	-	267,063	26,716
Income	1,216,904	-	1,216,904	-
Sales, local use	1,687,782	-	1,687,782	-
Utility	525,432	-	525,432	-
Telecommunications	528,385	-	528,385	-
Investment income	68,239	15,303	83,542	5,402
Miscellaneous	217,437	-	217,437	32,067
Transfers	(100,000)	100,000	-	-
Total	10,284,553	115,303	10,399,856	2,748,513
CHANGE IN NET ASSETS	551,942	(652,492)	(100,550)	424,552
NET ASSETS, MAY 1	34,704,873	22,566,289	57,271,162	2,391,882
NET ASSETS, APRIL 30	\$ 35,256,815	\$ 21,913,797	\$ 57,170,612	\$ 2,816,434

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

GOVERNMENTAL FUNDS  
BALANCE SHEET

April 30, 2011

	General	Motor Fuel Tax	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,801,380	\$ 771,881	\$ 664	\$ 170,422	\$ 171,934	\$ 3,916,281
Investments	6,178,381	1,022,900	-	-	-	7,201,281
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	3,195,435	-	-	-	-	3,195,435
Accounts	78,805	-	174,359	-	-	253,164
Accrued interest	23,864	2,580	-	-	-	26,444
Other	41,120	-	-	-	-	41,120
Due from other governments	887,101	32,214	-	-	4,100	923,415
Due from other funds	64,331	-	636,000	-	-	700,331
Due from fiduciary funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 13,270,417</b>	<b>\$ 1,829,575</b>	<b>\$ 811,023</b>	<b>\$ 170,422</b>	<b>\$ 176,034</b>	<b>\$ 16,257,471</b>

	General	Motor Fuel Tax	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 121,276	\$ -	\$ 242,950	\$ -	\$ 1,883	\$ 366,109
Accrued payroll	16,070	-	-	-	-	16,070
Unearned revenues						
Property tax	6,125,134	-	-	-	-	6,125,134
Due to component unit	419	-	-	-	-	419
Due to other funds	-		35,000	-	-	35,000
<b>Total liabilities</b>	<b>6,262,899</b>	<b>-</b>	<b>277,950</b>	<b>-</b>	<b>1,883</b>	<b>6,542,732</b>
<b>FUND BALANCES</b>						
Restricted for maintenance of roadways	-	1,829,575	-	-	-	1,829,575
Restricted for public safety	-	-	-	-	174,151	174,151
Restricted for debt service	-	-	-	170,422	-	170,422
Restricted for drug forfeiture	262,520	-	-	-	-	262,520
Assigned for economic development	747,885	-	-	-	-	747,885
Assigned for capital projects	-	-	533,073	-	-	533,073
Unassigned	5,997,113	-	-	-	-	5,997,113
<b>Total fund balances</b>	<b>7,007,518</b>	<b>1,829,575</b>	<b>533,073</b>	<b>170,422</b>	<b>174,151</b>	<b>9,714,739</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 13,270,417</b>	<b>\$ 1,829,575</b>	<b>\$ 811,023</b>	<b>\$ 170,422</b>	<b>\$ 176,034</b>	<b>\$ 16,257,471</b>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

April 30, 2011

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 9,714,739
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	25,138,688
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(1,830,000)
Accrued compensated absences	(708,442)
Interest payable is not reported in the governmental funds	(28,260)
Net pension asset is shown as an asset on the statement of net assets	64,900
Net pension obligation (Fire pension) is shown as a liability on the statement of net assets	(13,036)
Net pension obligation (IMRF) is shown as a liability on the statement of net assets	(71,733)
Net other postemployment benefits obligation is shown as a liability on the statement of net assets	(78,506)
The unrestricted net assets of the internal service fund are included in the governmental activities in the statement of net assets	<u>3,068,465</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 35,256,815</u>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

For the Year Ended April 30, 2011

	General	Motor Fuel Tax	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 10,077,856	\$ -	\$ -	\$ -	\$ 21,016	\$ 10,098,872
Intergovernmental	181,347	462,635	865,596	-	-	1,509,578
Charges for services	-	-	419	-	236,733	237,152
Fines, licenses and permits	1,050,567	-	-	-	-	1,050,567
Investment income	61,340	5,514	780	233	375	68,242
Miscellaneous	360,912	-	7,335	-	-	368,247
<b>Total revenues</b>	<b>11,732,022</b>	<b>468,149</b>	<b>874,130</b>	<b>233</b>	<b>258,124</b>	<b>13,332,658</b>
<b>EXPENDITURES</b>						
Current						
General government	2,113,519	-	-	-	-	2,113,519
Public safety	7,546,971	-	-	-	312,653	7,859,624
Highways and streets	1,677,999	-	-	-	-	1,677,999
Economic development	-	-	-	-	-	-
Capital outlay	-	-	1,708,255	-	-	1,708,255
Debt service						
Principal retirement	-	-	-	220,000	-	220,000
Interest and fiscal charges	-	-	-	76,575	-	76,575
<b>Total expenditures</b>	<b>11,338,489</b>	<b>-</b>	<b>1,708,255</b>	<b>296,575</b>	<b>312,653</b>	<b>13,655,972</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>393,533</b>	<b>468,149</b>	<b>(834,125)</b>	<b>(296,342)</b>	<b>(54,529)</b>	<b>(323,314)</b>

	General	Motor Fuel Tax	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ 57,381	\$ -	\$ 700,000	\$ 296,575	\$ -	\$ 1,053,956
Transfers (out)	(800,000)	-	(296,575)	-	(57,381)	(1,153,956)
Total other financing sources (uses)	(742,619)	-	403,425	296,575	(57,381)	(100,000)
NET CHANGE IN FUND BALANCES	(349,086)	468,149	(430,700)	233	(111,910)	(423,314)
FUND BALANCES, MAY 1	7,356,604	1,361,426	963,773	170,189	286,061	10,138,053
FUND BALANCES, APRIL 30	<u>\$ 7,007,518</u>	<u>\$ 1,829,575</u>	<u>\$ 533,073</u>	<u>\$ 170,422</u>	<u>\$ 174,151</u>	<u>\$ 9,714,739</u>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, 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 April 30, 2011

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NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (423,314)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, they are capitalized in the statement of activities	1,607,331
Less internal services funds	(1,029,878)
Contributions of capital assets are reported as revenue on the statement of activities	1,011,069
Capital assets are depreciated on the statement of activities	(1,001,089)
Less internal services funds	517,376
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	220,000
The change in compensated absences is shown as an expense on the statement of activities	(90,138)
Accrual of interest is reported as interest expense on the statement of activities	3,232
The change in the net pension asset/obligation is shown as an expense on the statement of activities	(28,123)
The change in the net pension obligation (IMRF) is shown as an expense on the statement of activities	(71,733)
The change in the net other postemployment benefits payable (OPEB) is shown as an expense on the statement of activities	(26,437)
Internal service funds are reported separately in the fund financial statements	<u>(136,354)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 551,942</u></u>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

PROPRIETARY FUNDS  
STATEMENT OF NET ASSETS

April 30, 2011

	Water	Parking	Sewer	Total	Internal Service Equipment Replacement
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$ 95,056	\$ 929,492	\$ 105,239	\$ 1,129,787	\$ 76,787
Investments	807,067	839,300	200,000	1,846,367	2,979,636
Receivables					
Accounts	526,276	-	71,476	597,752	-
Accrued interest	6,034	3,431	175	9,640	12,042
<b>Total current assets</b>	<b>1,434,433</b>	<b>1,772,223</b>	<b>376,890</b>	<b>3,583,546</b>	<b>3,068,465</b>
<b>NONCURRENT ASSETS</b>					
Capital assets					
Not being depreciated	20,896	1,349,838	194,000	1,564,734	-
Being depreciated, at cost	15,776,799	11,134,161	3,900,485	30,811,445	4,928,453
Less accumulated depreciation	(7,862,805)	(3,128,908)	(1,823,318)	(12,815,031)	(2,994,108)
<b>Net capital assets</b>	<b>7,934,890</b>	<b>9,355,091</b>	<b>2,271,167</b>	<b>19,561,148</b>	<b>1,934,345</b>
<b>Total assets</b>	<b>9,369,323</b>	<b>11,127,314</b>	<b>2,648,057</b>	<b>23,144,694</b>	<b>5,002,810</b>
<b>CURRENT LIABILITIES</b>					
Accounts payable	140,501	1,088	102	141,691	-
Accrued payroll	2,290	1,472	529	4,291	-
Due to capital projects fund	442,000	-	194,000	636,000	-
Deposits	5,749	-	-	5,749	-
Unearned revenue		247,715	-	247,715	-
Compensated absences payable	34,853	-	-	34,853	-
<b>Total current liabilities</b>	<b>625,393</b>	<b>250,275</b>	<b>194,631</b>	<b>1,070,299</b>	<b>-</b>
<b>NONCURRENT LIABILITIES</b>					
Other postemployment benefits payable	4,419	1,422	1,690	7,531	-
Net pension obligation	21,520	14,347	7,173	43,040	-
Compensated absences payable	76,360	19,683	13,984	110,027	-
<b>Total noncurrent liabilities</b>	<b>102,299</b>	<b>35,452</b>	<b>22,847</b>	<b>160,598</b>	<b>-</b>
<b>Total liabilities</b>	<b>727,692</b>	<b>285,727</b>	<b>217,478</b>	<b>1,230,897</b>	<b>-</b>
<b>NET ASSETS</b>					
Invested in capital assets	7,934,890	9,355,091	2,271,167	19,561,148	1,934,345
Unrestricted	706,741	1,486,496	159,412	2,352,649	3,068,465
<b>TOTAL NET ASSETS</b>	<b>\$ 8,641,631</b>	<b>\$ 10,841,587</b>	<b>\$ 2,430,579</b>	<b>\$ 21,913,797</b>	<b>\$ 5,002,810</b>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS

For the Year Ended April 30, 2011

	Water	Parking	Sewer	Total	Internal Service Equipment Replacement
<b>OPERATING REVENUES</b>					
Water sales	\$ 3,130,783	\$ -	\$ -	\$ 3,130,783	\$ -
Sewer fees	-	-	391,170	391,170	-
Water meter installation	33,011	-	-	33,011	-
Sewer connection fees	-	-	5,600	5,600	-
Delinquent penalties	39,365	-	-	39,365	-
Fire lines	11,925	-	-	11,925	-
Parking meter collections	-	90,121	-	90,121	-
Parking decal sales	-	456,578	-	456,578	-
Parking fines	-	134,750	-	134,750	-
Charges for services	-	-	-	-	309,642
Miscellaneous income	1,436	-	-	1,436	34,306
<b>Total operating revenues</b>	<b>3,216,520</b>	<b>681,449</b>	<b>396,770</b>	<b>4,294,739</b>	<b>343,948</b>
<b>OPERATING EXPENSES</b>					
Personnel services	1,225,988	671,206	284,585	2,181,779	-
Supplies and materials	26,381	12,854	6,382	45,617	-
Contractual services	1,869,273	68,152	31,978	1,969,403	-
Other	98,849	19,245	84,256	202,350	76,676
Depreciation	392,049	218,060	53,276	663,385	517,376
<b>Total operating expenses</b>	<b>3,612,540</b>	<b>989,517</b>	<b>460,477</b>	<b>5,062,534</b>	<b>594,052</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(396,020)</b>	<b>(308,068)</b>	<b>(63,707)</b>	<b>(767,795)</b>	<b>(250,104)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	8,729	5,118	1,456	15,303	35,850
Gain on sale of capital assets	-	-	-	-	77,900
<b>Total nonoperating revenues (expenses)</b>	<b>8,729</b>	<b>5,118</b>	<b>1,456</b>	<b>15,303</b>	<b>113,750</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(387,291)</b>	<b>(302,950)</b>	<b>(62,251)</b>	<b>(752,492)</b>	<b>(136,354)</b>
<b>TRANSFERS</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>100,000</b>	<b>-</b>
<b>CHANGE IN NET ASSETS</b>	<b>(387,291)</b>	<b>(202,950)</b>	<b>(62,251)</b>	<b>(652,492)</b>	<b>(136,354)</b>
<b>NET ASSETS, MAY 1</b>	<b>9,028,922</b>	<b>11,044,537</b>	<b>2,492,830</b>	<b>22,566,289</b>	<b>5,139,164</b>
<b>NET ASSETS, APRIL 30</b>	<b>\$ 8,641,631</b>	<b>\$ 10,841,587</b>	<b>\$ 2,430,579</b>	<b>\$ 21,913,797</b>	<b>\$ 5,002,810</b>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS

For the Year Ended April 30, 2011

	Water	Parking	Sewer	Total	Internal Service Equipment Replacement
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 3,184,953	\$ 668,654	\$ 396,770	\$ 4,250,377	\$ 34,306
Payments to suppliers	(1,967,387)	(83,253)	(84,670)	(2,135,310)	(76,676)
Payments to employees	(1,206,703)	(653,281)	(277,290)	(2,137,274)	-
(Receipts) payments to internal service funds	(45,055)	(18,368)	(36,097)	(99,520)	309,642
Net cash from operating activities	(34,192)	(86,248)	(1,287)	(121,727)	267,272
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from sale of capital assets	-	-	-	-	77,900
Acquisition of capital assets	-	-	-	-	(1,061,175)
Net cash from capital and related financing activities	-	-	-	-	(983,275)
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Transfers in	-	100,000	-	100,000	-
Net cash from noncapital and related financing activities	-	100,000	-	100,000	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of investments	(104,111)	(349,300)	(200,000)	(653,411)	(2,200,934)
Proceeds from sale of investments	98,779	349,000	200,000	647,779	2,734,289
Interest received	4,821	5,676	1,665	12,162	38,670
Net cash from investing activities	(511)	5,376	1,665	6,530	572,025
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(34,703)	19,128	378	(15,197)	(143,978)
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	129,759	910,364	104,861	1,144,984	220,765
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	\$ 95,056	\$ 929,492	\$ 105,239	\$ 1,129,787	\$ 76,787
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ (396,020)	\$ (308,068)	\$ (63,707)	\$ (767,795)	\$ (250,104)
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Depreciation	392,049	218,060	53,276	663,385	517,376
Changes in assets and liabilities					
Accounts receivable	(31,566)	-	5,257	(26,309)	-
Accounts payable	(17,407)	(1,371)	(3,306)	(22,084)	-
Accrued payroll	1,872	1,367	320	3,559	-
Deferred revenue	-	(12,795)	-	(12,795)	-
Other post employment benefits	1,488	479	569	2,536	-
Compensated absences	15,392	16,080	6,304	37,776	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	\$ (34,192)	\$ (86,248)	\$ (1,287)	\$ (121,727)	\$ 267,272

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS  
 FIDUCIARY FUNDS  
 STATEMENT OF FIDUCIARY NET ASSETS

April 30, 2011

	Pension Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,042,084	\$ 2
Investments, at fair value		
U.S. Government and agency securities	5,259,414	-
Insurance contracts	13,221,803	-
Stocks	5,050,163	-
Receivables		
Assessments	-	51,599
Accrued interest	20,668	-
	24,594,132	\$ 51,601
<b>LIABILITIES</b>		
Accounts payable		\$ -
Due to the general fund	-	29,331
Due to bondholders	-	22,269
Due to property owners	-	1
	-	\$ 51,601
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<b>\$ 24,594,132</b>	

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

For the Year Ended April 30, 2011

ADDITIONS

Contributions

Employer contributions	\$ 1,572,908
Employee contributions	350,552
Other	<u>259</u>

Total contributions	<u>1,923,719</u>
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Investment income

Net appreciation in fair value of investments	578,206
Interest	<u>1,862,036</u>

Total investment income	2,440,242
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Less investment expense	<u>(61,817)</u>
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Net investment income	<u>2,378,425</u>
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Total additions	<u>4,302,144</u>
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DEDUCTIONS

Benefits and refunds	2,538,651
Administrative expenses	4,000
Miscellaneous	<u>22,705</u>

Total deductions	<u>2,565,356</u>
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NET INCREASE	1,736,788
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NET ASSETS HELD IN TRUST FOR  
PENSION BENEFITS

May 1	<u>22,857,344</u>
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April 30	<u><u>\$ 24,594,132</u></u>
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See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

April 30, 2011

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of La Grange, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to generally accepted accounting principles (GAAP)). 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 was incorporated June 11, 1879. The Village is a municipal corporation governed by an elected seven-member board. The Village operates under a Board-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sanitation, public improvements, planning and zoning and general administrative services. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. The component units discussed below are included in the Village's reporting entity because of the significance of their operational or financial relationship with the Village.

Discretely Presented Component Unit

The component unit column in the financial statements include 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.

La Grange Public Library

The La Grange Public Library (the Library) is governed by the La Grange Public Library Board of Trustees (the Library Board of Trustees) elected by the voters of the Village. The Library Board of Trustees selects management staff, establishes budgets and otherwise directs the affairs of the Library. The Library may not issue bonded debt without the Village's approval. The Library receives most of its funding through property taxes levied by the Village on behalf of the Library. Separate financial statements are not issued.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The Village's financial statements include 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 Village's President, 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 establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were 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. PPERS is reported as a pension trust fund. No separate stand-alone financial statements are issued by PPERS.

Firefighters' Pension Employees Retirement System

The Village's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one pension beneficiary elected by the membership and two firefighter 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. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's firefighters because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund. No separate stand-alone financial statements are issued by FPERS.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental 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 all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of 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 either to outside parties (enterprise funds) or the 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 pronouncements of the Financial Accounting Standards Board (FASB) 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. When these assets are held under the terms of a formal trust agreement, a pension trust fund is used. Agency funds generally are used to account for assets that the Village holds on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated for this purpose. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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 accounted for in another fund.
- The Motor Fuel Tax Fund accounts for the operation of certain street maintenance programs and to fund specific capital projects as authorized by the Illinois Department of Transportation. The Village has elected to report the Motor Fuel Tax Fund as a major fund.
- The Capital Projects Fund accounts for the costs of various infrastructure improvements to village property. These costs are financed by transfers from the General and Motor Fuel Tax Funds, grants and bond proceeds.
- The Debt Service Fund accounts for resources that are used to repay general long-term debt obligations.

The Village reports the following major proprietary funds:

- The Water Fund accounts for the activities of the water operations.
- The Sewer Fund accounts for the activities of the sewer operations.
- The Parking Fund accounts for the activities of the parking lots and meters.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the Village reports the following funds:

- The Internal Service Equipment Replacement Fund is used to accumulate monies for the future replacement of equipment. Financing is provided by payments from the General, ETSB, Water, Parking and Sewer Funds.
- Pension Funds are used to account for the Police and Firefighters' Pension activities.
- Agency Funds are used to account for noncommitment debt of the special service areas and special assessments.

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 financial statements, with the exception of the 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. 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 funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. The Village recognizes property taxes when they become both measurable and available in the period intended to finance. A 90 day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue and charges for services. Sales and income taxes owed to and fines collected by the State of Illinois at year end on behalf of the Village also are recognized as revenue. Permit revenues are not susceptible to accrual because generally they are not measurable until received in cash.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

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

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are stated at fair value.

f. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the financial statements. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

g. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets

Capital assets which include property, plant, equipment, intangible assets and infrastructure assets (e.g., roads, bridges and storm sewers) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000 for furniture, equipment and vehicles and \$100,000 for building, building improvements and infrastructure plus an estimated useful life in excess of one year. 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.

In the case of the initial capitalization of general infrastructure assets, (i.e., those reported by governmental activities) the Village chose to include all such items regardless of their acquisition date. The Village was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the Village constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the Village values these capital assets at the estimated fair value of the item at the date of its donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building and building improvements	10 - 50
Improvements	10 - 35
Water distribution system	10 - 40
Sewer distribution system	40
Vehicles, equipment and furniture	2 - 25
Intangible assets	5-10
Infrastructure	50

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Compensated Absences

Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees.

j. 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, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental 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 uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

k. Fund Balance/Net Assets

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Manager by the Village Board of Trustees. Any residual fund balance is reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Fund Balance/Net Assets (Continued)

The Village has established fund balance reserve policies for its general fund. The General Fund targets six months of operating expenditures as unassigned fund balance. The Special Revenue, Capital Projects and Debt Service Funds do not have established fund balance limits due to the nature of the transactions accounted for in these funds.

In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Net assets have not been restricted by 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 principal outstanding issued to construct capital assets.

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. 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 Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds. The investments are governed by three separate investment policies; one policy for the Village adopted by the Village Board and one policy each for the Police and Firefighters' Pension Funds approved by their respective boards.

The Village's investment policy authorizes the Village to make deposits/invest 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, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and IMET.

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

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

The Police and Firefighters' Pension Funds can invest in the same securities as the Village, plus the following: certain non-U.S. obligations (corporate debt securities), Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political divisions, Illinois insurance company general and separate accounts, mutual funds and equity securities.

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 objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

a. Village Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance. At April 30, 2011, the Village had bank balances of \$11,250 that were uninsured and uncollateralized.

b. Village Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2011:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
Illinois Funds	\$ 4,785,936	\$ 4,785,936	\$ -	\$ -	\$ -
Illinois Metropolitan Investment Fund	1,934,045	1,934,045	-	-	-
<b>TOTAL</b>	<b>\$ 6,719,881</b>	<b>\$ 6,719,881</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a fifteen month period. The investment policy limits the maximum maturity length of investments in the general fund and the special revenue funds to fifteen months from date of purchase. Investments in other funds may be purchased with maturities to match future projects or liability requirements. In addition, the policy requires the Village to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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2. DEPOSITS AND INVESTMENTS (Continued)

b. Village Investments (Continued)

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in short-term commercial paper rated A+ to AAA by Standard and Poor's. Illinois Funds and the Illinois Metropolitan Investment Fund are rated AAA by Standard and Poor's.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party acting as the Village's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Village's name. Illinois Funds and the money market mutual fund are not subject to custodial credit risk.

Concentration of credit risk - The Village's investment policy limits investments to the amount of the portfolio that can be invested in any one investment vehicle as follows:

Diversification by Instrument	Percent of Portfolio
U.S. Treasury obligations (bills, notes and bonds)	100%
U.S. government agency securities and instrumentalities of government sponsored corporations	50%
Bankers acceptances (BAs)	25%
Repurchase agreements (REPOs) (monies in the public funds or other money market funds are not to be included in this limitation)	25%
Certificates of deposit (CDs) commercial banks/savings and loans	100%
Certificates of deposit (CDs) credit unions	100%
Illinois Public Funds (or similar types of investments/money market pools)	50%
Commercial paper (CP)	10%

Diversification by Financial Institution

Bankers Acceptances (BAs) - no more than 25% of the total portfolio with any one institution.

Repurchase Agreements (REPOs) - no more than 25% of the total portfolio with any one institution.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Village Investments (Continued)

Diversification by Financial Institution (Continued)

Certificates of Deposit (CDs) - Commercial banks, savings and loan association, credit unions - no more than 50% of the total portfolio with any one institution.

Local Government Investment Pool - The Illinois Public Funds or similar type of investment/money market pools - no more than 50%.

c. Police and Firefighters' Pension Funds Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Police and Firefighters' Pension Funds' deposits may not be returned to them. The Police and Firefighters' Pension Funds' investment policies do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Police and Firefighters' Pension Funds' deposits with financial institutions.

d. Police Pension Fund Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2011:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasury obligations	\$ 1,902,905	\$ 299,781	\$ 775,506	\$	\$ 827,618
U.S. agency obligations	2,378,722	689	1,621	8,584	2,367,828
<b>TOTAL</b>	<b>\$ 4,281,627</b>	<b>\$ 300,470</b>	<b>\$ 777,127</b>	<b>\$ 8,584</b>	<b>\$ 3,195,446</b>

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy does not limit the maximum maturity length of investments in the Police Pension Fund.

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The U.S. Treasury and U.S. agency obligations are rated AAA, the money market funds are rated AAA and the bond mutual funds are rated AAA. Illinois Funds is rated AAA by Standard and Poor's.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

d. Police Pension Fund Investments (Continued)

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 (DVP) basis with the underlying investments held by a third-party acting as the Police Pension Fund's agent separate from where the investment was purchased in the Police Pension Fund's name. Illinois Funds, insurance contracts and bond mutual funds are not subject to custodial credit risk.

Concentration of credit risk - The Police Pension Fund's investment policy limits the amount of the portfolio that can be invested in any one investment vehicle to 50% of the portfolio.

e. Firefighters' Pension Fund Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of April 30, 2011:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasury obligations	\$ 237,853	\$ -	\$ -	\$ 107,383	\$ 130,470
U.S. agency obligations	739,934	-	831	6,367	732,736
<b>TOTAL</b>	<b>\$ 977,787</b>	<b>\$ -</b>	<b>\$ 831</b>	<b>\$ 113,750</b>	<b>\$ 863,206</b>

In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy does not limit the maximum maturity length of investments in the Firefighters' Pension Fund.

The Firefighters' Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The U.S. agency obligations are rated AAA and the money market funds are rated AAA. Illinois Funds is rated AAA by Standard and Poor's.

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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2. DEPOSITS AND INVESTMENTS (Continued)

e. Firefighters' Pension Fund Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party acting as the Firefighters' Pension Fund's agent separate from where the investment was purchased in the Firefighters' Pension Fund's name. Illinois Funds, insurance contracts and bond mutual funds are not subject to custodial credit risk.

Concentration of credit risk - The Firefighters' Pension Fund's investment policy limits the amount of the portfolio that can be invested in any one investment vehicle to 50% of the portfolio.

3. RECEIVABLES

Property taxes for 2010 attach as an enforceable lien on January 1, 2010 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 prepared by the County and issued on or about February 1, 2011 and August 1, 2011 and are payable in two installments, on or about March 1, 2011 and September 1, 2011. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 3% of the tax levy and 5% of the debt service levy to reflect actual collection experience.

The 2011 tax levy, which attached as an enforceable lien on property as of January 1, 2011, has not been recorded as a receivable as of April 30, 2011, as the tax has not yet been levied by the Village and will not be levied until December 2011 and, therefore, the levy is not measurable at April 30, 2011.

The following receivables are included in due from other governments on the statement of net assets:

GOVERNMENTAL ACTIVITIES	
Income taxes	\$ 312,163
Sales taxes	394,534
Utility taxes	180,404
MFT allotment	32,214
9-1-1 fees	4,100
	<hr/>
TOTAL	<u>\$ 923,415</u>

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2011 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Construction in progress	\$ 2,079,766	\$ 1,573,656	\$ -	\$ 3,653,422
Land	539,948	-	-	539,948
Land right of way	7,575,298	-	-	7,575,298
Total capital assets not being depreciated	10,195,012	1,573,656	-	11,768,668
Capital assets being depreciated				
Buildings	5,898,888	-	-	5,898,888
Improvements	2,530,018	-	-	2,530,018
Street infrastructure	11,633,273	-	-	11,633,273
Storm sewers	1,695,557	-	-	1,695,557
Equipment	4,902,899	1,044,744	400,751	5,546,892
Total capital assets being depreciated	26,660,635	1,044,744	400,751	27,304,628
Less accumulated depreciation for				
Buildings	3,487,311	130,848	-	3,618,159
Improvements	1,489,709	58,637	-	1,548,346
Street infrastructure	3,869,806	210,261	-	4,080,067
Storm sewers	1,221,734	21,912	-	1,243,646
Equipment	3,265,710	579,431	400,751	3,444,390
Total accumulated depreciation	13,334,270	1,001,089	400,751	13,934,608
Total capital assets being depreciated, net	13,326,365	43,655	-	13,370,020
<b>GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET</b>	<b>\$ 23,521,377</b>	<b>\$ 1,617,311</b>	<b>\$ -</b>	<b>\$ 25,138,688</b>
	Beginning Balances	Increases	Decreases	Ending Balances
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 1,370,735	\$ -	\$ -	\$ 1,370,735
Construction in progress	241,404	194,000	241,405	193,999
Total capital assets not being depreciated	1,612,139	194,000	241,405	1,564,734
Capital assets being depreciated				
Building and building improvements	9,386,936	-	-	9,386,936
Water distribution system	14,666,759	561,000	-	15,227,759
Sewer distribution system	3,750,249	122,405	-	3,872,654
Parking improvements	1,775,449	-	-	1,775,449
Equipment	548,647	-	-	548,647
Total capital assets being depreciated	30,128,040	683,405	-	30,811,445

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES (Continued)				
Less accumulated depreciation for				
Building and building improvements	\$ 1,177,605	\$ 201,505	\$ -	\$ 1,379,110
Water distribution system	6,987,582	371,890	-	7,359,472
Sewer distribution system	1,749,775	50,961	-	1,800,736
Parking improvements	1,742,673	21,542	-	1,764,215
Equipment	494,011	17,487	-	511,498
Total accumulated depreciation	<u>12,151,646</u>	<u>663,385</u>	<u>-</u>	<u>12,815,031</u>
 Total capital assets being depreciated, net	 <u>17,976,394</u>	 <u>20,020</u>	 <u>-</u>	 <u>17,996,414</u>
 BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	 <u>\$ 19,588,533</u>	 <u>\$ 214,020</u>	 <u>\$ 241,405</u>	 <u>\$ 19,561,148</u>

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 88,200
Public safety	437,708
Highways and streets	<u>475,181</u>
 TOTAL DEPRECIATION EXPENSE - GOVERNMENT ACTIVITIES	 <u>\$ 1,001,089</u>

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets and omissions; injuries to employees; illnesses of employees; and natural disasters.

The Village purchases medical insurance from a private insurance company and participates in a municipal risk management pool for general liability coverage. Premiums have been displayed as expenditures/expenses in appropriate funds. The amount of settlements did not exceed the insurance coverage for each of the past three fiscal years.

Intergovernmental Risk Management Agency (IRMA)

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

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. RISK MANAGEMENT (Continued)

Intergovernmental Risk Management Agency (IRMA) (Continued)

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

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

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for general government activities. These bonds, therefore, are reported in the proprietary funds if they are expected to be repaid from proprietary revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Current Portion
\$2,785,000 Alternate Revenue Refunding Bonds dated December 22, 2005 due in annual installments from \$135,000 to \$295,000 plus interest from 3.20% to 3.90% through December 1, 2017.	Debt Service	\$ 2,050,000	\$ -	\$ 220,000	\$ 1,830,000	\$ 235,000
<b>TOTAL GENERAL OBLIGATION BONDS</b>		<b>\$ 2,050,000</b>	<b>\$ -</b>	<b>\$ 220,000</b>	<b>\$ 1,830,000</b>	<b>\$ 235,000</b>

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	Alternate Revenue Bonds	
	Principal	Interest
2012	\$ 235,000	\$ 68,765
2013	240,000	60,305
2014	250,000	51,545
2015	260,000	42,295
2016	270,000	32,545
2017	280,000	22,285
2018	295,000	11,505
<b>TOTAL</b>	<b>\$ 1,830,000</b>	<b>\$ 289,245</b>

c. Other Changes in Long-Term Debt

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

Governmental Activities

	Balances May 1	Additions	Retirements	Balances April 30	Current Portion
General obligation bonds	\$ 2,050,000	\$ -	\$ 220,000	\$ 1,830,000	\$ 235,000
Net pension obligation - IMRF	-	71,733	-	71,733	-
Net pension obligation – fire pension	(5,389)	18,425	-	13,036	-
Other postemployment benefit*	52,069	26,437	-	78,506	-
Compensated absences payable*	618,302	108,702	18,562	708,442	69,353
<b>TOTAL</b>	<b>\$ 2,714,982</b>	<b>\$ 225,297</b>	<b>\$ 238,562</b>	<b>\$ 2,701,717</b>	<b>\$ 304,353</b>

\* The Village's General Fund has historically been used to retire the compensated absences and other postemployment benefit liabilities.

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

c. Other Changes in Long-Term Debt (Continued)

Business-Type Activities

	Balances May 1	Additions	Retirements	Balances April 30	Current Portion
Net pension obligation - IMRF	\$ -	\$ 43,040	\$ -	\$ 43,040	\$ -
Other postemployment benefit	4,995	2,536	-	7,531	-
Compensated absences payable	150,143	1,733	6,996	144,880	34,853
<b>TOTAL</b>	<b>\$ 155,138</b>	<b>\$ 47,309</b>	<b>\$ 6,996</b>	<b>\$ 195,451</b>	<b>\$ 34,853</b>

7. INDIVIDUAL FUND DISCLOSURES

a. Transfers between funds during the year were as follows:

Primary Government

Fund	Transfers In	Transfers Out
General	\$ 57,381	\$ 800,000
Emergency Telephone Systems Board	-	50,000
Tax Increment Financing	-	7,381
Capital Projects	700,000	296,575
Debt Service	296,575	-
Parking	100,000	-
<b>TOTAL ALL FUNDS</b>	<b>\$ 1,153,956</b>	<b>\$ 1,153,956</b>

- \$700,000 transferred to the Capital Projects Fund from the General Fund. This transfer represents the General Fund's portion of infrastructure maintenance and improvements.
- \$100,000 transferred to the Parking Fund from the General Fund. This transfer funds the additional costs associated with the general maintenance and operations of the parking structure.
- \$50,000 transferred to the General Fund from the Emergency Telephone Systems Board Fund. This transfer is to offset the costs of personnel attributable directly to the operation of the emergency telephone system.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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7. INDIVIDUAL FUND DISCLOSURES (Continued)

a. (Continued)

- \$296,575 transferred to the Debt Service Fund from the Capital Projects Fund. This transfer is for funding the Alternate Revenue Bonds. The bonds were issued to fund the completion of the residential street light program.

b. Due From/To Other Funds

Primary Government

Receivable Fund	Payable Fund	Amount
Capital Projects	Water	\$ 442,000
Capital Projects	Sewer	<u>194,000</u>
<b>TOTAL</b>		<b><u>\$ 636,000</u></b>

- \$442,000 and \$194,000 due from the Water and Sewer Funds, respectively, to the Capital Projects Fund relates to projects financed from the Capital Fund to be reimbursed by the Water and Sewer Funds. These amounts will be repaid within one year.

8. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

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

9. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan and the Firefighters' Pension Plan which is also a single-employer pension plan. 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 IMRF as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' Plans or SLEP) 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 eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate 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 state statute.

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2010 was 10.42% of covered payroll.

Sheriff's Law Enforcement Personnel (SLEP)

Sheriff's Law Enforcement Personnel (SLEP), having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earnings rate for the next 10 years of credited service, and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by state statutes. SLEP members are required to contribute 6.50% of their annual salary to SLEP. The Village is required to contribute the remaining amounts necessary to fund the SLEP as specified by statute. The employer contribution rate for the calendar year 2010 was 14.65% of covered payroll.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. At April 30, 2010, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	29
Terminated employees entitled to benefits but not yet receiving them	2
Current employees	
Vested	27
Nonvested	-
	<hr/>
TOTAL	<u>58</u>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to 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 annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Employees are required by ILCS 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 has until the year 2033 to fully fund the past service costs for the Police Pension Plan. For the year ended April 30, 2010, the Village's contribution was 26.70% of covered payroll.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. At April 30, 2010, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	26
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	10
Nonvested	10
	<hr/>
TOTAL	<hr/> <hr/> 46

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual 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 1/12 of 2.50% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75.00% of such monthly salary. Employees with at least ten 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 covered employee 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 the age of at least 55 by 3.00% of the original pension and 3.00% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past services costs for the Firefighters' Pension Plan. For the year ended April 30, 2010, the Village's contribution was 41.16% of covered payroll.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which the employee services are performed. Benefits and refunds of the plans 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.

Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net assets for either the Police or Firefighters' Pension Plans. Information for the IMRF is not available.

Plan	Organization	Amount
Police Pension	Transamerica	\$ 1,466,465
	Met Life	925,660
	ING Golden Select	1,749,579
	Nationwide	802,839
	Pacific Life Insurance	1,611,425
	Manulife Financial	882,433
	Kemper Scudder	9,660
		<u>\$ 7,448,061</u>

Plan	Organization	Amount
Firefighters' Pension	ING Golden Select	\$ 1,705,529
	Pacific Life Insurance	1,315,487
	Nationwide	509,626
	Transamerica	1,006,148
	Putnam Allstate Advisor	773,250
	Met Life Bullet	463,702
		<u>\$ 5,773,742</u>

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Administrative Costs

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

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Sheriff's Law Enforcement Personnel	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2008	December 31, 2008	April 30, 2010	April 30, 2010
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	5 Year Smoothed Market	Market Value	Market Value
Amortization method	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed
Amortization period	30 Years, Open	30 Years, Open	23 Years, Closed	23 Years, Closed
Significant actuarial assumptions				
a) Rate of return on present and future assets	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	4.00% Compounded Annually	3.00% Compounded Annually	3.00% Compounded Annually
c) Additional projected Salary increases - seniority/merit	.40% to 10%	.40% to 10%	2.00%	2.00%
d) Postretirement benefit increases	3.00%	3.00%	3.00%	3.00%

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

Trend Information

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

	For Fiscal Year	Illinois Municipal Retirement	Sheriff's Law Enforcement Personnel
Annual pension cost (APC)	2009	\$ 372,465	\$ 14,618
	2010	422,810	17,026
	2011	555,736	18,797
Employer contributions	2009	\$ 372,465	\$ 14,618
	2010	422,810	17,026
	2011	452,152	18,797
Percentage of APC contributed	2009	100.00%	100.00%
	2010	100.00%	100.00%
	2011	81.36%	100.00%
NPO (asset)	2009	\$ -	\$ -
	2010	-	-
	2011	143,465	-
	For Fiscal Year	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2009	\$ 488,890	\$ 542,901
	2010	564,934	593,567
	2011	822,408	773,527
Employer contributions	2009	\$ 482,475	\$ 536,622
	2010	563,847	587,972
	2011	812,318	760,590
Percentage of APC contributed	2009	98.69%	98.84%
	2010	99.81%	99.06%
	2011	98.77%	98.33%
NPO (asset)	2009	\$ (79,311)	\$ (11,423)
	2010	(74,598)	(5,389)
	2011	(64,900)	13,036

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

Net Pension Obligation

The Village's annual pension cost and net pension obligation to the Police and Firefighters' Pension Funds for the year ended April 30, 2011 were as follows:

	Illinois Municipal Retirement*	Police Pension	Firefighters' Pension
Annual required contributions	\$ 554,883	\$ 823,760	\$ 773,525
Interest on net pension obligation	2,991	(5,624)	7
Adjustment to annual required contribution	(2,138)	4,272	(5)
Annual pension cost	555,736	822,408	773,527
Contributions made	452,152	812,318	760,590
(Increase) decrease in net pension obligation (asset)	103,584	10,090	12,937
Net pension obligation (asset), beginning of year	39,881	(74,990)	99
<b>NET PENSION OBLIGATION (ASSET), END OF YEAR</b>	<b>\$ 143,465</b>	<b>\$ (64,900)</b>	<b>\$ 13,036</b>

\* A portion of the Illinois Municipal Retirement Fund net pension obligation is allocated to the LaGrange Public Library.

In an effort to retain retirement costs, beginning in 2010, IMRF offered members an opportunity to phase-in contribution rate increases. The phase-in plan provides municipalities the flexibility to moderate the significant increases in the employer contribution rate while maintaining the commitment to fully fund the pension plan over a reasonable time period. The Village is participating in the phase-in funding option, resulting in a temporary NPO.

The funded status and funding progress of the plans as of December 31, 2010 for IMRF and April 30, 2010 for Police and Firefighters' Pension Funds were as follows:

	Illinois Municipal Retirement	Sheriff's Law Enforcement Personnel	Police Pension	Fire Pension
Actuarial accrued liability (AAL)	\$ 12,248,866	\$ 261,895	\$ 23,911,338	\$ 17,622,336
Actuarial value of plan assets	8,552,699	194,523	14,405,306	8,452,039
Unfunded actuarial accrued liability (UAAL)	3,696,167	67,372	9,506,032	9,170,297
Funded ratio (actuarial value of plan assets/AAL)	69.82%	74.28%	60.2%	48%
Covered payroll (active plan members)	\$ 4,186,745	\$ 125,974	\$ 2,112,137	\$ 1,428,538
UAAL as a percentage of covered payroll	88.28%	53.48%	450.1%	641.9%

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

Net Pension Obligation (Continued)

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.

d. Summary Financial Statements

Schedule of Net Assets as of April 30, 2011.

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 836,190	\$ 205,894	\$ 1,042,084
Investments			
U.S. Government and agency securities	4,281,627	977,787	5,259,414
Municipal bonds			
Insurance contracts	7,448,061	5,773,742	13,221,803
Equities	2,961,348	2,088,815	5,050,163
Receivables			
Accrued interest	16,429	4,239	20,668
	<u>15,543,655</u>	<u>9,050,477</u>	<u>24,594,132</u>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS</b>	<u>\$ 15,543,655</u>	<u>\$ 9,050,477</u>	<u>\$ 24,594,132</u>

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Summary Financial Statements (Continued)

Schedule of Changes in Net Assets for the year ended April 30, 2011.

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 812,318	\$ 760,590	\$ 1,572,908
Employee	213,588	136,964	350,552
Miscellaneous	132	127	259
Total contributions	1,026,038	897,681	1,923,719
Investment Income			
Net appreciation in fair value of investments	287,187	291,019	578,206
Interest income	1,266,586	595,450	1,862,036
Less investment expense	(38,388)	(23,429)	(61,817)
Net investment income	1,515,385	863,040	2,378,425
Miscellaneous income	-	-	-
Total additions	2,541,423	1,760,721	4,302,144
<b>DEDUCTIONS</b>			
Benefits and refunds	1,391,452	1,147,199	2,538,651
Administrative expenses	2,000	2,000	4,000
Miscellaneous	9,622	13,083	22,705
Total deductions	1,403,074	1,162,282	2,565,356
NET INCREASE	1,138,349	598,439	1,736,788
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>			
May 1	14,405,306	8,452,038	22,857,344
April 31	\$ 15,543,655	\$ 9,050,477	\$ 24,594,132

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities.

b. Benefits Provided

The Village provides pre and post Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

c. Membership

At April 30, 2009, membership consisted of:

Retirees and beneficiaries currently receiving benefits	8
Terminated employees entitled to benefits but not yet receiving them	-
Active employees - vested	59
Active employees - nonvested	37
	<hr/>
TOTAL	104
	<hr/>
Participating employers	1
	<hr/> <hr/>

d. Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Village first had an actuarial valuation performed for the Plan as of May 1, 2008 to determine the funded status of the Plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2011. Because the Village has fewer than 200 participants, a valuation is performed every three years in accordance with GAAP. The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2011 and the two preceding years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2009	\$ 45,427	\$ 16,863	37.10%	\$ 28,564
April 30, 2010	45,363	16,863	37.20%	57,064
April 30, 2011	45,835	16,863	36.80%	86,037

The net OPEB obligation as of April 30, 2011 was calculated as follows:

Annual required contribution	\$ 44,884
Interest on net OPEB obligation	2,853
Adjustment to annual required contribution	(1,902)
Annual OPEB cost	45,835
Contributions made	16,863
Increase in net OPEB obligation	28,973
Net OPEB obligation, beginning of year	57,064
<b>NET OPEB OBLIGATION, END OF YEAR</b>	<b>\$ 86,037</b>

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2009 was as follows:

Actuarial accrued liability (AAL)	\$ 501,973
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	501,973
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 7,133,744
UAAL as a percentage of covered payroll	7.04%

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plan.

Actuarial valuations of an ongoing plan involve 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 annual required contributions 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, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the May 1, 2009 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 5.0%, projected salary increases of 5.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2009 was 30 years.

11. SUBSEQUENT EVENTS

In August 2011, Standard and Poor's reduced its rating of the U.S. Government securities from AAA to AA+. This in turn lead to a similar change in rating for IMET.

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

12. COMPONENT UNIT - LA GRANGE PUBLIC LIBRARY

a. Financial Information

Separate financial statements for the Library are not issued.

b. Deposits

In accordance with the Library's investment policy, the Library's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and 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.

c. Library Investments

The following table presents the investments and maturities of the Library's debt securities as of April 30, 2011:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
Illinois Funds	\$ 2,364,197	\$ 2,364,197	\$ -	\$ -	\$ -
TOTAL	\$ 2,364,197	\$ 2,364,197	\$ -	\$ -	\$ -

In accordance with its investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a three-month period by utilizing Illinois Funds.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in Illinois Funds. Illinois Funds is rated AAA by Standard and Poor's.

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 (DVP) basis with the underlying investments held by a third-party acting as the Library's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Library's name. Illinois Funds and the money market mutual fund are not subject to custodial credit risk.

VILLAGE OF LA GRANGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

12. COMPONENT UNIT - LA GRANGE PUBLIC LIBRARY (Continued)

d. Receivables

Property taxes for 2010 attach as an enforceable lien on January 1, 2010 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 prepared by the County and issued on or about February 1, 2011 and July 1, 2011 and are payable in two installments, on or about March 1, 2011 and September 1, 2011. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at three percent of the tax levy and 5% of the debt service levy to reflect actual collection experience.

The 2011 tax levy, which attached as an enforceable lien on property as of January 1, 2011, has not been recorded as a receivable as of April 30, 2011, as the tax has not yet been levied by the Village and will not be levied until December 2011 and, therefore, the levy is not measurable at April 30, 2011.

e. Capital Assets

The following is a summary of the capital asset activity for the year ended April 30, 2011:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land and land improvements	\$ 94,418	\$ -	\$ -	\$ 94,418
Total capital assets not being depreciated	94,418	-	-	94,418
Capital assets being depreciated				
Buildings	8,823,555	-	-	8,823,555
Furniture and fixtures	244,223	-	-	244,223
Office equipment	38,543	8,457	-	47,000
Total capital assets being depreciated	9,106,321	8,457	-	9,114,778
Less accumulated depreciation for				
Buildings	662,665	221,487	-	884,152
Machinery and equipment	36,633	12,211	-	48,844
Vehicles	15,539	3,705	-	19,244
Total accumulated depreciation	714,837	237,403	-	952,240
Total capital assets being depreciated, net	8,391,484	(228,946)	-	8,162,538
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>				
	\$ 8,485,902	\$ (228,946)	\$ -	\$ 8,256,956

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

12. COMPONENT UNIT - LA GRANGE PUBLIC LIBRARY (Continued)

e. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
Culture and recreation	\$ 237,403
<b>TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES</b>	<b>\$ 237,403</b>

f. Long-Term Debt

1) Bonds payable at April 30, 2011 are comprised of the following:

General Obligation Bonds

\$9,320,000 2004 General Obligation Library Bonds, due in annual installments of \$335,000 to \$655,000 from January 1, 2003 to December 1, 2024, interest from 3.0% to 4.3%. While a general obligation of the Village, the principal and interest is to be repaid with the Library's tax levy. \$ 7,200,000

2) Debt Service to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	General Obligation Library Bonds	
	Principal	Interest
2012	\$ 395,000	\$ 290,842
2013	410,000	274,055
2014	430,000	256,630
2015	445,000	238,355
2016	465,000	222,780
2017	480,000	206,040
2018	495,000	188,280
2019	515,000	169,470
2020	535,000	149,385
2021	560,000	127,985
2022	580,000	105,025
2023	605,000	80,665
2024	630,000	55,255
2025	655,000	28,165
<b>TOTAL</b>	<b>\$ 7,200,000</b>	<b>\$ 2,392,932</b>

VILLAGE OF LA GRANGE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

12. COMPONENT UNIT - LA GRANGE PUBLIC LIBRARY (Continued)

f. Long-Term Debt (Continued)

3) Changes in Long-Term Debt

Changes in long-term debt during the year ended April 30, 2011 is as follows:

	Balances May 1	Additions	Deletions	Balances April 30	Current Portion
General obligation bonds	\$ 7,580,000	\$ -	\$ 380,000	\$ 7,200,000	\$ 395,000
Net pension obligation - IMRF	-	28,693	-	28,693	-
Unamortized premium	57,383	-	3,826	53,557	-
Compensated absences	42,874	48,563	42,874	48,563	48,563
<b>TOTAL</b>	<b>\$ 7,680,257</b>	<b>\$ 77,256</b>	<b>\$ 426,700</b>	<b>\$ 7,330,813</b>	<b>\$ 443,563</b>

g. Annual OPEB Costs and Net OPEB Obligation

The Village first had an actuarial valuation performed for the Plan as of May 1, 2008 to determine the funded status of the Plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2011. The Library's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2011 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
April 30, 2009	\$ 2,477	\$ 3,014	121.70%	\$ (537)
April 30, 2010	2,418	3,014	124.65%	(1,133)
April 30, 2011	2,359	3,014	127.76%	(1,788)

The net OPEB obligation as of April 30, 2011 was calculated as follows:

Annual required contribution	\$ 2,378
Interest on net OPEB obligation	(57)
Adjustment to annual required contribution	38
Annual OPEB cost	2,359
Contributions made	3,014
Decrease in net OPEB obligation	(655)
Net OPEB obligation, beginning of year	(1,133)
<b>NET OPEB OBLIGATION (ASSET), END OF YEAR</b>	<b>\$ (1,788)</b>

12. COMPONENT UNIT - LA GRANGE PUBLIC LIBRARY (Continued)

g. Annual OPEB Costs and Net OPEB Obligation (Continued)

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2011 was as follows:

Actuarial accrued liability (AAL)	\$	25,827
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)		25,827
Funded ratio (actuarial value of plan assets/AAL)		-%
Covered payroll (active plan members)	\$	-
UAAL as a percentage of covered payroll		-%

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plan.

Actuarial valuations of an ongoing plan involve 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 annual required contributions 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, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the May 1, 2009 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 5.0%, projected salary increases of 5.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advanced funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2011 was 30 years.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF LA GRANGE, ILLINOIS

GENERAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes			
Property	\$ 5,954,184	\$ 5,954,184	\$ 5,852,290
Sales	1,621,150	1,621,150	1,687,782
Other	2,663,050	2,663,050	2,537,784
Intergovernmental	64,096	109,864	181,347
Fines, licenses and permits	1,061,582	1,061,582	1,050,567
Investment income	80,000	80,000	61,340
Miscellaneous	286,050	286,050	360,912
<b>Total revenues</b>	<b>11,730,112</b>	<b>11,775,880</b>	<b>11,732,022</b>
<b>EXPENDITURES</b>			
General government	2,026,305	2,186,305	2,113,519
Public safety	7,446,451	7,563,014	7,546,971
Highways and streets	1,722,034	1,747,034	1,677,999
<b>Total expenditures</b>	<b>11,194,790</b>	<b>11,496,353</b>	<b>11,338,489</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>535,322</b>	<b>279,527</b>	<b>393,533</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (in)			
ETSB Fund	50,000	50,000	50,000
Tax Increment Financing Fund	-	-	7,381
Transfers (out)			
Capital Projects Fund	(700,000)	(700,000)	(700,000)
Parking Fund	(100,000)	(100,000)	(100,000)
<b>Total other financing sources (uses)</b>	<b>(750,000)</b>	<b>(750,000)</b>	<b>(742,619)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (214,678)</b>	<b>\$ (470,473)</b>	<b>(349,086)</b>
<b>FUND BALANCE, MAY 1</b>			<b>7,356,604</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 7,007,518</b>

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

MOTOR FUEL TAX FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes			
State motor fuel tax	\$ 410,000	\$ 410,000	\$ 462,635
Investment income	26,000	26,000	5,514
Total revenues	<u>436,000</u>	<u>436,000</u>	<u>468,149</u>
<b>EXPENDITURES</b>			
None			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>436,000</u>	<u>436,000</u>	<u>468,149</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers (out)			
Capital Projects Fund	<u>(1,348,582)</u>	<u>(1,348,582)</u>	-
Total other financing sources (uses)	<u>(1,348,582)</u>	<u>(1,348,582)</u>	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (912,582)</u>	<u>\$ (912,582)</u>	468,149
FUND BALANCE, MAY 1			<u>1,361,426</u>
FUND BALANCE, APRIL 30			<u>\$ 1,829,575</u>

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF FUNDING PROGRESS

April 30, 2011

Calendar Year	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2005	\$ 8,243,309	\$ 8,911,487	92.50%	\$ 668,178	\$ 3,248,871	20.57%
2006	9,543,307	9,853,367	96.85%	310,060	3,330,775	9.31%
2007	10,446,779	11,131,041	93.85%	684,262	3,704,026	18.47%
2008	7,189,854	10,764,452	66.79%	3,574,598	3,949,910	90.50%
2009	8,190,145	12,034,081	68.06%	3,843,936	4,220,084	91.09%
2010	8,552,699	12,248,866	69.82%	3,696,167	4,186,745	88.28%

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

SHERIFF'S LAW ENFORCEMENT PERSONNEL  
SCHEDULE OF FUNDING PROGRESS

April 30, 2011

Calendar Year	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2007	\$ 115,296	\$ 126,503	91.14%	\$ 11,207	\$ 109,914	10.20%
2008	141,527	176,021	80.40%	34,494	113,828	30.30%
2009	163,287	219,347	74.44%	56,060	121,334	46.20%
2010	194,523	261,895	74.28%	67,372	125,974	53.48%

Note: The Village implemented the Sheriff's Law Enforcement Personnel Plan for the year ended December 31, 2007, therefore, information for prior years is not available.

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

POLICE PENSION FUND  
SCHEDULE OF FUNDING PROGRESS

April 30, 2011

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2005	\$ 12,881,409	\$ 19,177,261	67.17%	\$ 6,295,852	\$ 1,652,918	380.89%
2006	14,973,591	20,051,960	74.67%	5,078,369	1,735,564	292.61%
2007	15,821,318	20,937,302	75.57%	5,115,984	1,920,639	266.37%
2008	15,482,324	21,921,736	70.63%	6,439,411	2,016,671	319.31%
2009	12,755,497	23,129,888	55.15%	10,374,391	2,088,122	496.83%
2010	14,405,306	23,911,338	60.24%	9,506,032	2,112,137	450.07%

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

FIREFIGHTERS' PENSION FUND  
SCHEDULE OF FUNDING PROGRESS

April 30, 2011

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2005	\$ 7,560,450	\$ 13,334,072	56.70%	\$ 5,773,622	\$ 1,092,198	528.62%
2006	8,776,758	14,062,301	62.41%	5,285,543	1,185,318	445.92%
2007	9,219,172	15,335,206	60.12%	6,116,034	1,240,865	492.88%
2008	8,994,331	15,919,958	56.50%	6,925,627	1,302,908	531.55%
2009	7,518,844	17,125,131	43.91%	9,606,287	1,243,750	772.36%
2010	8,452,039	17,622,336	47.96%	9,170,297	1,428,538	641.94%

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS  
 OTHER POSTEMPLOYMENT BENEFITS PLAN  
 SCHEDULE OF FUNDING PROGRESS

April 30, 2011

Actuarial Valuation Date April 30,	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Underfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
2009	\$ -	\$ 501,973	0.00%	\$ 501,973	\$ 7,133,744	7.04%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A

N/A Information is not available as an actuarial valuation was not performed

Information for prior years is not available as the Village's first actuarial valuation was performed April 30, 2009 and the Village did not have an actuarial valuation performed as of April 30, 2010 or April 30, 2011.

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

April 30, 2011

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 302,515	\$ 302,515	100.00%
2007	345,735	345,735	100.00%
2008	353,614	353,614	100.00%
2009	372,465	372,465	100.00%
2010	422,810	422,810	100.00%
2011*	452,152	554,883	81.49%

\* The Village has elected to participate in IMRF's optional phase-in plan.

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

SHERIFF'S LAW ENFORCEMENT PERSONNEL  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

April 30, 2011

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2007	\$ 15,311	\$ 15,311	100.00%
2008	17,023	17,023	100.00%
2009	14,618	14,618	100.00%
2010	17,026	17,026	100.00%
2011	18,797	18,797	100.00%

Note: The Village implemented the Sheriff's Law Enforcement Personnel Plan for the year ended April 30, 2007, therefore, information for prior years is not available.

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS  
POLICE PENSION FUND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

April 30, 2011

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 441,849	\$ 449,786	98.24%
2007	530,333	532,305	99.63%
2008	459,277	471,380	97.43%
2009	482,475	488,890	98.69%
2010	563,847	564,934	99.81%
2011	812,318	823,760	98.61%

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS  
FIREFIGHTERS' PENSION FUND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

April 30, 2011

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 420,926	\$ 428,130	98.32%
2007	482,634	471,556	102.35%
2008	476,960	486,327	98.07%
2009	536,622	542,901	98.84%
2010	587,972	593,567	99.06%
2011	760,590	773,525	98.33%

(See independent auditor's report.)

VILLAGE OF LAGRANGE, ILLINOIS

OTHER POSTEMPLOYMENT BENEFIT PLAN  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

April 30, 2011

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	\$ 16,863	\$ 45,427	37.12%
2010	16,863	44,884	37.57%
2011	16,863	44,884	37.57%

Information for prior years is not available as the Village's first actuarial valuation was performed May 1, 2008.

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2011

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BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service and Pension Trust Funds with the exception of the Tax Increment Financing Fund. All annual appropriations lapse at fiscal year end.

All departments of the Village submit requests for appropriation to the Village Manager so that a budget may be prepared. The budget is prepared by fund, function and activity and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

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

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

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, four supplementary appropriations were necessary.

The following fund actual expenditures exceeded the fund's appropriations:

Fund	Appropriations	Actual
Sewer	\$ 571,335	\$ 601,201

## MAJOR GOVERNMENTAL FUNDS

General Fund - The chief operating fund of the Village, which accounts for all activities of the general government except for those accounted for in another fund.

Motor Fuel Tax Fund - A special revenue fund established to account for the municipal portion of motor fuel tax revenues collected and distributed by the State of Illinois, which are used to pay for street improvements, maintenance and repairs.

The Capital Projects Fund - established to account for the costs of various infrastructure improvements to village property. These costs are financed by transfers from the General and Motor Fuel Tax Funds, grants and bond proceeds.

The Debt Service Fund - established to account for resources that are used to repay general long-term debt obligations.

VILLAGE OF LA GRANGE, ILLINOIS

GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
<b>TAXES</b>			
Property	\$ 5,842,027	\$ 5,842,027	\$ 5,727,819
Property - road and bridge	112,157	112,157	124,471
Replacement	231,750	231,750	267,063
Income	1,246,300	1,246,300	1,216,904
Sales and local use - NHR	1,621,150	1,621,150	1,687,782
Municipal utility	575,000	575,000	525,432
Simplified telecommunication	610,000	610,000	528,385
<b>Total taxes</b>	<b>10,238,384</b>	<b>10,238,384</b>	<b>10,077,856</b>
<b>INTERGOVERNMENTAL</b>			
Grants - State of Illinois	1,200	1,200	1,100
Grants - IDOT - highway maintenance	62,896	62,896	61,981
Grants	-	45,768	70,626
Asset forfeiture	-	-	47,640
<b>Total intergovernmental</b>	<b>64,096</b>	<b>109,864</b>	<b>181,347</b>
<b>FINES, LICENSES AND PERMITS</b>			
Vehicle	245,000	245,000	224,562
Animal	10,000	10,000	10,710
Business	30,000	30,000	29,259
Liquor	35,000	35,000	37,169
Elevator inspection fees	6,000	6,000	9,000
Building permits	240,000	240,000	239,265
Filing/zoning fees	7,500	7,500	2,150
Contractor licensing fees	45,000	45,000	54,795
Fire - plan review fees	1,000	1,000	575
Franchise fee - Comcast cable	175,000	175,000	196,085
Sprint antenna lease	34,582	34,582	34,583
Village violation fines	90,000	90,000	71,225
Compliance violation fines	55,000	55,000	54,089
Circuit court fines	50,000	50,000	57,953
Pound fees	2,000	2,000	300
False alarm fines	10,000	10,000	3,575
DUI fines	3,000	3,000	1,260
Alarm user fees	19,000	19,000	22,259
Accident reports	3,500	3,500	1,753
<b>Total fines, licenses and permits</b>	<b>1,061,582</b>	<b>1,061,582</b>	<b>1,050,567</b>
<b>INVESTMENT INCOME</b>	<b>80,000</b>	<b>80,000</b>	<b>61,340</b>
<b>MISCELLANEOUS</b>			
Auction proceeds	1,000	1,000	852
Pistol range fees	1,950	1,950	1,950
Administration refuse credit	25,000	25,000	-
Commercial refuse license	25,000	25,000	20,000
Ambulance transport fees	175,000	175,000	206,118
La Grange Road depot - sublet	3,600	3,600	3,600
Miscellaneous	54,500	54,500	128,392
<b>Total miscellaneous</b>	<b>286,050</b>	<b>286,050</b>	<b>360,912</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (in)			
Emergency telephone systems board fund	50,000	50,000	50,000
Tax increment financing fund	-	-	7,381
<b>Total other financing sources (uses)</b>	<b>50,000</b>	<b>50,000</b>	<b>57,381</b>
<b>TOTAL REVENUES</b>	<b>\$ 11,780,112</b>	<b>\$ 11,825,880</b>	<b>\$ 11,789,403</b>

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

GENERAL FUND  
SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT</b>			
Personnel	\$ 1,223,759	\$ 1,223,759	\$ 1,198,387
Supplies and materials	39,450	39,450	39,779
Operations and contractual	718,446	887,096	844,008
Capital outlay	44,650	36,000	31,345
Total general government	<u>2,026,305</u>	<u>2,186,305</u>	<u>2,113,519</u>
<b>PUBLIC SAFETY</b>			
Personnel	7,002,475	7,032,475	7,005,369
Supplies and materials	97,200	97,200	121,417
Operations and contractual	323,276	404,044	399,139
Capital outlay	23,500	29,295	21,046
Total public safety	<u>7,446,451</u>	<u>7,563,014</u>	<u>7,546,971</u>
<b>HIGHWAYS AND STREETS</b>			
Personnel	1,068,132	1,068,132	940,984
Supplies and materials	57,100	57,100	76,422
Operations and contractual	582,302	607,302	646,809
Capital outlay	14,500	14,500	13,784
Total highways and streets	<u>1,722,034</u>	<u>1,747,034</u>	<u>1,677,999</u>
<b>TOTAL EXPENDITURES</b>	<u>11,194,790</u>	<u>11,496,353</u>	<u>11,338,489</u>
<b>TRANSFERS</b>			
Transfer to Capital Projects Fund	700,000	700,000	700,000
Transfer to Parking Fund	100,000	100,000	100,000
Total transfers	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<u>\$ 11,994,790</u>	<u>\$ 12,296,353</u>	<u>\$ 12,138,489</u>

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Intergovernmental			
Grant proceeds	\$ 2,118,900	\$ 2,118,900	\$ 865,596
Contribution from property owners	600	600	419
Investment income	5,000	5,000	780
Miscellaneous	5,000	5,000	7,335
	<hr/>		
Total revenues	2,129,500	2,129,500	874,130
	<hr/>		
<b>EXPENDITURES</b>			
Capital outlay			
Resurfacing	2,041,732	2,041,732	1,168,760
Other	2,478,750	2,478,750	539,495
	<hr/>		
Total expenditures	4,520,482	4,520,482	1,708,255
	<hr/>		
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(2,390,982)	(2,390,982)	(834,125)
	<hr/>		
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
General Fund	700,000	700,000	700,000
Motor Fuel Tax Fund	1,348,582	1,348,582	-
Transfers (out)			
Debt Service Fund	(296,575)	(296,575)	(296,575)
	<hr/>		
Total other financing sources (uses)	1,752,007	1,752,007	403,425
	<hr/>		
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (638,975)</b>	<b>\$ (638,975)</b>	<b>(430,700)</b>
	<hr/>		
<b>FUND BALANCE, MAY 1</b>			<b>963,773</b>
	<hr/>		
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 533,073</b>
	<hr/>		

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Investment income	2,256	2,256	233
Total revenues	<u>2,256</u>	<u>2,256</u>	<u>233</u>
<b>EXPENDITURES</b>			
Debt service			
Principal	220,000	220,000	220,000
Interest and fiscal charges	76,575	76,575	76,575
Total expenditures	<u>296,575</u>	<u>296,575</u>	<u>296,575</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(294,319)</u>	<u>(294,319)</u>	<u>(296,342)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
Capital Projects Fund	296,575	296,575	296,575
Total other financing sources (uses)	<u>296,575</u>	<u>296,575</u>	<u>296,575</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 2,256</u>	<u>\$ 2,256</u>	233
FUND BALANCE, MAY 1			<u>170,189</u>
FUND BALANCE, APRIL 30			<u>\$ 170,422</u>

(See independent auditor's report.)

## NONMAJOR GOVERNMENTAL FUNDS

Foreign Fire Insurance Tax Fund - A special revenue fund established to account for the collection of the State Foreign Fire Insurance Tax and related expenditures to provide equipment, materials and services necessary to support the core functions and essential activities of the Fire Department.

Emergency Telephone Systems Board (ETSB) Fund - A special revenue fund established to account for all operations of the E-911 emergency telephone service provided by the Village.

Tax Increment Financing Fund - A special revenue fund established to account for revenues and expenditures for approved projects of a Tax Increment Financing (TIF) District.

VILLAGE OF LA GRANGE, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET

April 30, 2011

		Foreign Fire Insurance Tax	Emergency Telephone Systems Board	Tax Increment Financing Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$	42,431	\$ 129,503	\$ -	\$ 171,934
Receivables					
Other		-	4,100	-	4,100
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>42,431</b>	<b>\$ 133,603</b>	<b>\$ -</b>	<b>\$ 176,034</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$	-	\$ 1,883	\$ -	\$ 1,883
Total liabilities		-	1,883	-	1,883
<b>FUND BALANCES</b>					
Restricted for public safety		42,431	131,720	-	174,151
Total fund balances		42,431	131,720	-	174,151
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$</b>	<b>42,431</b>	<b>\$ 133,603</b>	<b>\$ -</b>	<b>\$ 176,034</b>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

For the Year Ended April 30, 2011

	Foreign Fire Insurance Tax	Emergency Telephone Systems Board	Tax Increment Financing Fund	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 21,016	\$ -	\$ -	\$ 21,016
Charges for services	-	236,733	-	236,733
Investment income	44	321	10	375
Total revenues	<u>21,060</u>	<u>237,054</u>	<u>10</u>	<u>258,124</u>
<b>EXPENDITURES</b>				
Public safety	<u>12,783</u>	<u>299,870</u>	<u>-</u>	<u>312,653</u>
Total expenditures	<u>12,783</u>	<u>299,870</u>	<u>-</u>	<u>312,653</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	<u>8,277</u>	<u>(62,816)</u>	<u>10</u>	<u>(54,529)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)				
General fund	<u>-</u>	<u>(50,000)</u>	<u>(7,381)</u>	<u>(57,381)</u>
Total other financing sources (uses)	<u>-</u>	<u>(50,000)</u>	<u>(7,381)</u>	<u>(57,381)</u>
<b>NET CHANGE IN FUND BALANCES</b>				
	8,277	(112,816)	(7,371)	(111,910)
<b>FUND BALANCES, MAY 1</b>				
	<u>34,154</u>	<u>244,536</u>	<u>7,371</u>	<u>286,061</u>
<b>FUND BALANCES, APRIL 30</b>				
	<u>\$ 42,431</u>	<u>\$ 131,720</u>	<u>\$ -</u>	<u>\$ 174,151</u>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

FOREIGN FIRE INSURANCE TAX FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes			
Other			
Foreign fire insurance	\$ 17,000	\$ 17,000	\$ 21,016
Investment income	500	500	44
Total revenues	<u>17,500</u>	<u>17,500</u>	<u>21,060</u>
<b>EXPENDITURES</b>			
Public safety			
Miscellaneous	800	800	750
Equipment	18,550	18,550	12,033
Total expenditures	<u>19,350</u>	<u>19,350</u>	<u>12,783</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (1,850)</u>	<u>\$ (1,850)</u>	8,277
<b>FUND BALANCE, MAY 1</b>			<u>34,154</u>
<b>FUND BALANCE, APRIL 30</b>			<u>\$ 42,431</u>

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

EMERGENCY TELEPHONE SYSTEMS BOARD FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Charges for services	\$ 230,000	\$ 230,000	\$ 236,733
Grant proceeds	100,000	100,000	-
Investment income	1,800	1,800	321
<b>Total revenues</b>	<b>331,800</b>	<b>331,800</b>	<b>237,054</b>
<b>EXPENDITURES</b>			
Public safety			
Contractual services	85,800	85,800	68,663
Equipment	266,888	266,888	231,207
<b>Total expenditures</b>	<b>352,688</b>	<b>352,688</b>	<b>299,870</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(20,888)</b>	<b>(20,888)</b>	<b>(62,816)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)			
General fund	(50,000)	(50,000)	(50,000)
<b>Total other financing sources (uses)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (70,888)</b>	<b>\$ (70,888)</b>	<b>(112,816)</b>
<b>FUND BALANCE, MAY 1</b>			<b>244,536</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 131,720</b>

(See independent auditor's report.)

## PROPRIETARY FUNDS

Water Fund - An enterprise fund established to account for all operations of the water utility services provided by the Village.

Parking Meter Fund - An enterprise fund established to account for all operations of village parking lots and meters.

Sewer Fund - An enterprise fund established to account for all operations of the sewer utility services provided by the Village.

Equipment Replacement Fund - An internal service fund established to account for all vehicle and equipment replacement activities of the Village.

VILLAGE OF LA GRANGE, ILLINOIS

PROPRIETARY FUNDS  
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended April 30, 2011

	Enterprise Funds						Internal Service	
	Water		Parking Meter		Sewer		Equipment Replacement	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>OPERATING REVENUES</b>								
Water sales	\$ 3,200,000	\$ 3,130,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer fees	-	-	-	-	435,000	391,170	-	-
Water meter installation	20,000	33,011	-	-	-	-	-	-
Sewer connection fees	-	-	-	-	8,000	5,600	-	-
Delinquent penalties	37,000	39,365	-	-	-	-	-	-
Fire lines	11,000	11,925	-	-	-	-	-	-
Parking meter collections	-	-	90,000	90,121	-	-	-	-
Parking decal sales	-	-	446,000	456,578	-	-	-	-
Parking fines	-	-	165,000	134,750	-	-	-	-
Charges for services	-	-	-	-	-	-	183,753	309,642
Miscellaneous income	-	-	-	-	-	-	-	34,306
<b>Total operating revenues</b>	<b>3,268,000</b>	<b>3,215,084</b>	<b>701,000</b>	<b>681,449</b>	<b>443,000</b>	<b>396,770</b>	<b>183,753</b>	<b>343,948</b>
<b>OPERATING EXPENSES</b>								
Personnel services	1,237,125	1,225,988	647,163	671,206	263,739	284,585	-	-
Supplies and materials	30,300	26,381	18,500	12,854	6,500	6,382	-	-
Contractual services	1,992,333	1,864,132	95,617	68,152	27,019	31,978	-	-
Capital outlay	528,055	540,849	86,868	18,368	274,097	278,256	1,027,000	1,106,554
Other	10,700	5,141	-	877	-	-	-	-
<b>Total operating expenses</b>	<b>3,798,513</b>	<b>3,662,491</b>	<b>848,148</b>	<b>771,457</b>	<b>571,355</b>	<b>601,201</b>	<b>1,027,000</b>	<b>1,106,554</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(530,513)</b>	<b>(447,407)</b>	<b>(147,148)</b>	<b>(90,008)</b>	<b>(128,355)</b>	<b>(204,431)</b>	<b>(843,247)</b>	<b>(762,606)</b>

	Enterprise Funds						Internal Service	
	Water		Parking Meter		Sewer		Equipment Replacement	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
NONOPERATING REVENUES (EXPENSES)								
Investment income	\$ 8,000	\$ 8,729	\$ 22,000	\$ 5,118	\$ 4,000	\$ 1,456	\$ 33,000	\$ 35,850
Miscellaneous revenue	100	1,436	-	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-	-	-	77,900
Total nonoperating revenues (expenses)	8,100	10,165	22,000	5,118	4,000	1,456	33,000	113,750
INCOME (LOSS) BEFORE TRANSFERS	(522,413)	(437,242)	(125,148)	(84,890)	(124,355)	(202,975)	(810,247)	(648,856)
TRANSFERS	-	-	100,000	100,000	-	-	-	-
CHANGE IN NET ASSETS - BUDGETARY BASIS	<u>\$ (522,413)</u>	<u>(437,242)</u>	<u>\$ (25,148)</u>	15,110	<u>\$ (124,355)</u>	<u>(202,975)</u>	<u>\$ (810,247)</u>	<u>(648,856)</u>
ADJUSTMENTS TO GAAP BASIS								
Depreciation		(392,049)		(218,060)		(53,276)		(517,376)
Capital assets capitalized		<u>442,000</u>		<u>-</u>		<u>194,000</u>		<u>1,029,878</u>
Total adjustments to GAAP basis		<u>49,951</u>		<u>(218,060)</u>		<u>140,724</u>		<u>512,502</u>
CHANGE IN NET ASSETS		(387,291)		(202,950)		(62,251)		(136,354)
NET ASSETS, MAY 1		<u>9,028,922</u>		<u>11,044,537</u>		<u>2,492,830</u>		<u>5,139,164</u>
NET ASSETS, APRIL 30		<u>\$ 8,641,631</u>		<u>\$ 10,841,587</u>		<u>\$ 2,430,579</u>		<u>\$ 5,002,810</u>

(See independent auditor's report.)

## FIDUCIARY FUNDS

Police Pension Fund - A pension trust fund established to account for pensions paid for police officers.

Firefighters' Pension Fund - A pension trust fund established to account for pensions paid for firefighters.

Special Assessment #269 Fund - An agency fund established to account for bonds issued and the collection of special assessments to service these bonds, which are used to pay for the benefited owner's portion of costs associated with the construction of street improvements.

Special Assessment #270 Fund - An agency fund established to account for bonds issued and the collection of special assessments to service these bonds, which are used to pay for the benefited owner's portion of costs associated with the construction of street improvements.

VILLAGE OF LA GRANGE, ILLINOIS  
 FIDUCIARY FUNDS  
 COMBINING STATEMENT OF NET ASSETS

April 30, 2011

	Pension Trust		Total Pension Trust	Agency		Total Agency
	Police Pension	Firefighters' Pension		Special Assessment #269	Special Assessment #270	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 836,190	\$ 205,894	\$ 1,042,084	\$ 1	\$ 1	\$ 2
Investments, at fair value						
U.S. Government and agency securities	4,281,627	977,787	5,259,414	-	-	-
Insurance contracts	7,448,061	5,773,742	13,221,803	-	-	-
Stocks	2,961,348	2,088,815	5,050,163	-	-	-
Receivables						
Assessments	-	-	-	49,516	2,083	51,599
Accrued interest	16,429	4,239	20,668	-	-	-
<b>Total assets</b>	<b>15,543,655</b>	<b>9,050,477</b>	<b>24,594,132</b>	<b>49,517</b>	<b>2,084</b>	<b>51,601</b>
<b>LIABILITIES</b>						
Due to general fund	-	-	-	29,331	-	29,331
Due to bondholders	-	-	-	20,186	2,083	22,269
Due to property owners	-	-	-	-	1	1
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,517</b>	<b>2,084</b>	<b>51,601</b>
<b>NET ASSETS</b>	<b>\$ 15,543,655</b>	<b>\$ 9,050,477</b>	<b>\$ 24,594,132</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

PENSION TRUST FUNDS  
 COMBINING STATEMENT OF CHANGES IN NET ASSETS

For the Year Ended April 30, 2011

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 812,318	\$ 760,590	\$ 1,572,908
Employee	213,588	136,964	350,552
Other	132	127	259
Total contributions	1,026,038	897,681	1,923,719
Investment income			
Net appreciation in fair value of investments	287,187	291,019	578,206
Interest	1,266,586	595,450	1,862,036
Total investment income	1,553,773	886,469	2,440,242
Less investment expense	(38,388)	(23,429)	(61,817)
Net investment income	1,515,385	863,040	2,378,425
Total additions	2,541,423	1,760,721	4,302,144
<b>DEDUCTIONS</b>			
Benefits and refunds	1,391,452	1,147,199	2,538,651
Administrative expenses	2,000	2,000	4,000
Miscellaneous	9,622	13,083	22,705
Total deductions	1,403,074	1,162,282	2,565,356
NET INCREASE	1,138,349	598,439	1,736,788
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>			
May 1	14,405,306	8,452,038	22,857,344
April 30	\$ 15,543,655	\$ 9,050,477	\$ 24,594,132

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

AGENCY FUNDS  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Year Ended April 30, 2011

**Special Assessment #269**

ASSETS

Cash and investments	\$	1	\$	-	\$	-	\$	1
Assessments receivable		50,217		-		701		49,516
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>50,218</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>701</b>	<b>\$</b>	<b>49,517</b>

LIABILITIES

Due to general fund	\$	30,156	\$	-	\$	825	\$	29,331
Due to bondholders		20,062		124		-		20,186
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>50,218</b>	<b>\$</b>	<b>124</b>	<b>\$</b>	<b>825</b>	<b>\$</b>	<b>49,517</b>

**Special Assessment #270**

ASSETS

Cash and investments	\$	1	\$	-	\$	-	\$	1
Assessments receivable		2,083		-		-		2,083
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>2,084</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>2,084</b>

LIABILITIES

Due to bondholders	\$	2,083	\$	-	\$	-	\$	2,083
Due to property owners		1		-		-		1
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>2,084</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>2,084</b>

**All Funds**

ASSETS

Cash and investments	\$	2	\$	-	\$	-	\$	2
Assessments receivable		52,300		-		701		51,599
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>52,302</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>701</b>	<b>\$</b>	<b>51,601</b>

LIABILITIES

Due to general fund	\$	30,156	\$	-	\$	825	\$	29,331
Due to bondholders		22,145		124		-		22,269
Due to property owners		1		-		-		1
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>52,302</b>	<b>\$</b>	<b>124</b>	<b>\$</b>	<b>825</b>	<b>\$</b>	<b>51,601</b>

See accompanying notes to financial statements.

COMPONENT UNIT - LIBRARY

VILLAGE OF LA GRANGE, ILLINOIS

COMPONENT UNIT - LIBRARY  
STATEMENT OF NET ASSETS AND BALANCE SHEET

April 30, 2011

	Balance Sheet	Adjustments	Statement of Net Assets
<b>ASSETS</b>			
Cash	\$ 3,181,538	\$ -	\$ 3,181,538
Receivables			
Property taxes	1,354,728	-	1,354,728
Other	5,064	-	5,064
Prepaid items	22,599	-	22,599
Deferred bond issuance costs	-	124,359	124,359
Net other postemployment benefit asset	-	1,788	1,788
Capital assets			
Not being depreciated	-	94,418	94,418
Being depreciated	-	8,162,538	8,162,538
<b>TOTAL ASSETS</b>	<b>\$ 4,563,929</b>	<b>\$ 8,383,103</b>	<b>\$ 12,947,032</b>
<b>LIABILITIES AND FUND BALANCE/ NET ASSETS</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 1,124	\$ -	\$ 1,124
Accrued payroll	21,488	-	21,488
Accrued interest payable	-	121,184	121,184
Unearned/deferred property taxes	2,655,989	-	2,655,989
Due within one year			
Bonds payable	-	395,000	395,000
Compensated absences payable	-	48,563	48,563
Due in more than one year			
Net pension obligation-IMRF	-	28,693	28,693
Bonds payable	-	6,805,000	6,805,000
Unamortized bond premium	-	53,557	53,557
<b>Total liabilities</b>	<b>2,678,601</b>	<b>7,451,997</b>	<b>10,130,598</b>
<b>FUND BALANCE/NET ASSETS</b>			
Net assets			
Invested in capital assets, net of related debt	-	1,003,399	1,003,399
Nonspendable for prepaid items	22,599	(22,599)	-
Unassigned fund balance/net assets	1,862,729	(49,694)	1,813,035
<b>Total fund balance/net assets</b>	<b>1,885,328</b>	<b>931,106</b>	<b>2,816,434</b>
<b>TOTAL LIABILITIES AND FUND BALANCE/NET ASSETS</b>	<b>\$ 4,563,929</b>	<b>\$ 8,383,103</b>	<b>\$ 12,947,032</b>

See accompanying notes to financial statements.

VILLAGE OF LA GRANGE, ILLINOIS

COMPONENT UNIT - LIBRARY  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2011

	Original and Final Budget	Actual	Adjustments	Statement of Activities
<b>REVENUES</b>				
Taxes				
Property taxes - current	\$ 2,607,207	\$ 2,684,328	\$ -	\$ 2,684,328
Replacement taxes	18,960	26,716	-	26,716
Fines and forfeits	31,000	37,783	-	37,783
Investment income	10,000	5,402	-	5,402
Miscellaneous				
Donations	5,000	3,284	-	3,284
Other	29,472	28,783	-	28,783
Total revenues	<u>2,701,639</u>	<u>2,786,296</u>	<u>-</u>	<u>2,786,296</u>
<b>EXPENDITURES/EXPENSES</b>				
Culture and recreation	2,014,647	1,793,752	261,000	2,054,752
Principal	380,000	380,000	(380,000)	-
Interest	306,992	306,992	-	306,992
Total expenditures/expenses	<u>2,701,639</u>	<u>2,480,744</u>	<u>(119,000)</u>	<u>2,361,744</u>
NET CHANGE IN FUND BALANCE/NET ASSETS	<u>\$ -</u>	305,552	119,000	424,552
FUND BALANCE/NET ASSETS, MAY 1		<u>1,579,776</u>	<u>812,106</u>	<u>2,391,882</u>
FUND BALANCE/NET ASSETS, APRIL 30		<u>\$ 1,885,328</u>	<u>\$ 931,106</u>	<u>\$ 2,816,434</u>

(See independent auditor's report.)

## SUPPLEMENTAL DATA

VILLAGE OF LA GRANGE, ILLINOIS  
SCHEDULE OF INSURANCE IN FORCE

April 30, 2011

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village of			
La Grange	All risk property	\$1,000,000,000 per occurrence	12/31/11
	Public official liability	\$3,000,000 per occurrence	12/31/11
	Police professional liability	\$7,000,000 per occurrence	12/31/11
	Money and securities	\$100,000 blanket limit	12/31/11
	Employee dishonesty	\$2,500,000 blanket limit	12/31/11
	Forgery or alteration	\$2,500,000 blanket limit	12/31/11
	Excess general liability/ automobile	\$7,000,000 per occurrence	12/31/11
	Theft, disappearance and destruction	\$100,000 blanket	12/31/11
	Workers' compensation	Full statutory benefits	12/31/11
	Employer's liability	\$1,000,000 blanket limit	12/31/11
Village of			
La Grange			
Public Library	Property - building	\$2,027,040	4/30/2011
	Property - contents	\$2,066,165	4/30/2011
	Automobile	\$1,000,000	4/30/2011
	General liability	\$1,000,000 per occurrence	4/30/2011
		\$2,000,000 aggregate	4/30/2011
	Crime		
	Employee dishonesty	\$50,000	4/30/2011
	Forgery or alteration	\$50,000	4/30/2011
	Theft, disappearance and destruction	\$10,000	4/30/2011
	Workers' compensation	\$500,000	4/30/2011
	Boiler and machinery	\$1,000,0000	4/30/2011

(See independent auditor's report.)

VILLAGE OF LA GRANGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS  
2005 ALTERNATE REVENUE REFUNDING BONDS

April 30, 2011

Date of Issue	June 1, 2006
Date of Maturity	December 1, 2017
Authorized Issue	\$ 2,785,000
Denomination of Bonds	\$ 5,000
Interest Rates	3.20% - 3.90%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	First National Bank of La Grange

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2010	\$ 235,000	\$ 68,765	\$ 303,765	2011	\$ 34,383	2011	\$ 34,382
2011	240,000	60,305	300,305	2012	30,153	2012	30,152
2012	250,000	51,545	301,545	2013	25,773	2013	25,772
2013	260,000	42,295	302,295	2014	21,148	2014	21,147
2014	270,000	32,545	302,545	2015	16,273	2015	16,272
2015	280,000	22,285	302,285	2016	11,143	2016	11,142
2016	295,000	11,505	306,505	2017	5,753	2017	5,752
	<u>\$ 1,830,000</u>	<u>\$ 289,245</u>	<u>\$ 2,119,245</u>		<u>\$ 144,626</u>		<u>\$ 144,619</u>

(See independent auditor's report.)

## STATISTICAL SECTION

This part of the Village'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 displays about the Village's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have been changed over time.	84-91
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	92-97
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	98-102
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	103-104
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	105-107

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 No. 34 in 2004; schedules presenting government-wide information include information beginning in that year.

VILLAGE OF LA GRANGE, ILLINOIS

NET ASSETS BY COMPONENT

Last Eight Fiscal Years

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011
<b>GOVERNMENTAL ACTIVITIES</b>								
Invested in capital assets net of related debt	\$ 15,307,433	\$ 15,656,941	\$ 18,930,507	\$ 19,045,027	\$ 19,493,061	\$ 19,623,954	\$ 21,471,377	\$ 23,308,688
Restricted	4,376,702	2,690,783	2,135,944	2,570,315	2,141,650	2,799,614	2,031,415	2,436,668
Unrestricted	5,670,647	9,679,324	4,532,594	7,158,890	10,147,997	14,406,277	11,202,081	9,511,459
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 25,354,782</b>	<b>\$ 28,027,048</b>	<b>\$ 25,599,045</b>	<b>\$ 28,774,232</b>	<b>\$ 31,782,708</b>	<b>\$ 36,829,845</b>	<b>\$ 34,704,873</b>	<b>\$ 35,256,815</b>
<b>BUSINESS-TYPE ACTIVITIES</b>								
Invested in capital assets net of related debt	\$ 12,050,626	\$ 12,950,634	\$ 20,269,210	\$ 20,417,117	\$ 19,942,728	\$ 20,093,344	\$ 19,588,533	19,561,148
Restricted	-	-	-	-	-	-	-	-
Unrestricted	3,524,257	2,977,233	3,216,791	3,730,552	3,691,422	3,204,708	2,977,756	2,352,649
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 15,574,883</b>	<b>\$ 15,927,867</b>	<b>\$ 23,486,001</b>	<b>\$ 24,147,669</b>	<b>\$ 23,634,150</b>	<b>\$ 23,298,052</b>	<b>\$ 22,566,289</b>	<b>\$ 21,913,797</b>
<b>PRIMARY GOVERNMENT</b>								
Invested in capital assets net of related debt	\$ 27,358,059	\$ 28,607,575	\$ 39,199,717	\$ 39,462,144	\$ 39,435,789	\$ 39,717,298	\$ 41,059,910	42,869,836
Restricted	4,376,702	2,690,783	2,135,944	2,570,315	2,141,650	2,799,614	2,031,415	2,436,668
Unrestricted	9,194,904	12,656,557	7,749,385	10,889,442	13,839,419	17,610,985	14,179,837	11,864,108
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 40,929,665</b>	<b>\$ 43,954,915</b>	<b>\$ 49,085,046</b>	<b>\$ 52,921,901</b>	<b>\$ 55,416,858</b>	<b>\$ 60,127,897</b>	<b>\$ 57,271,162</b>	<b>\$ 57,170,612</b>

Data Source

Audited Financial Statements

VILLAGE OF LA GRANGE, ILLINOIS

CHANGE IN NET ASSETS

Last Eight Fiscal Years

Fiscal Year	2004	2005	2006
<b>EXPENSES</b>			
Governmental activities			
General government	\$ 1,768,632	\$ 1,590,186	\$ 1,845,464
Public safety	5,426,684	5,860,890	6,119,447
Highways and streets	1,891,727	2,413,158	2,464,050
Economic development	25,940	961,240	13,063
Interest	406,753	420,036	506,152
Total governmental activities expenses	9,519,736	11,245,510	10,948,176
Business-type activities			
Water	3,017,602	2,825,014	2,863,831
Sewer	-	302,694	329,252
Parking	642,094	624,712	742,020
Total business-type activities expenses	3,659,696	3,752,420	3,935,103
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<b>\$ 13,179,432</b>	<b>\$ 14,997,930</b>	<b>\$ 14,883,279</b>
<b>PROGRAM REVENUES</b>			
Governmental activities			
Charges for services			
General government	\$ 944,325	\$ 941,040	\$ 732,123
Public safety	404,968	520,864	535,871
Highways and streets	291,437	289,781	258,926
Operating grants and contributions	547,480	570,739	509,208
Capital grants and contributions	75,162	-	1,483,176
Total governmental activities program revenues	2,263,372	2,322,424	3,519,304
Business-type activities			
Charges for services			
Water	3,049,273	2,779,585	2,943,231
Sewer	-	425,389	459,666
Parking	625,946	653,966	638,705
Operating grants and contributions	-	-	-
Capital grants and contributions	-	-	-
Total business-type activities program revenues	3,675,219	3,858,940	4,041,602
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<b>\$ 5,938,591</b>	<b>\$ 6,181,364</b>	<b>\$ 7,560,906</b>

	2007	2008	2009	2010	2011
\$	1,937,230	\$ 2,308,329	\$ 2,304,578	\$ 2,403,960	\$ 2,219,004
	6,642,436	6,905,170	7,211,128	7,464,482	8,211,120
	2,017,568	3,304,975	2,829,506	3,502,763	3,188,321
	99,775	150,253	1,195,475	5,575,820	-
	432,004	353,797	241,819	92,357	73,343
	11,129,013	13,022,524	13,782,506	19,039,382	13,691,788
	2,892,482	3,157,557	3,167,287	3,412,349	3,612,540
	379,052	489,657	492,746	454,813	460,477
	871,378	939,593	947,992	987,368	989,517
	4,142,912	4,586,807	4,608,025	4,854,530	5,062,534
\$	15,271,925	\$ 17,609,331	\$ 18,390,531	\$ 23,893,912	\$ 18,754,322
\$	855,298	\$ 969,318	\$ 763,975	\$ 507,135	\$ 569,433
	534,768	587,665	664,944	694,998	664,840
	246,045	261,949	262,899	269,777	313,878
	464,571	462,184	442,249	428,546	463,735
	-	126,962	3,331,705	1,330,911	1,947,291
	2,100,682	2,408,078	5,465,772	3,231,367	3,959,177
	2,687,286	2,657,000	3,034,837	2,938,394	3,216,520
	434,711	447,297	413,261	408,242	396,770
	652,490	637,171	641,122	645,361	681,449
	-	-	-	-	-
	-	-	-	-	-
	3,774,487	3,741,468	4,089,220	3,991,997	4,294,739
\$	5,875,169	\$ 6,149,546	\$ 9,554,992	\$ 7,223,364	\$ 8,253,916

VILLAGE OF LA GRANGE, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Eight Fiscal Years

Fiscal Year	2004	2005	2006
NET (EXPENSES) REVENUES			
Governmental activities	\$ (7,256,364)	\$ (8,923,086)	\$ (7,428,872)
Business-type activities	15,523	106,520	106,499
TOTAL PRIMARY GOVERNMENT NET (EXPENSES) REVENUES	\$ (7,240,841)	\$ (8,816,566)	\$ (7,322,373)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS			
Governmental activities			
Taxes			
Property	\$ 5,918,478	\$ 6,253,695	\$ 7,310,714
Sales	1,305,869	1,304,241	1,424,058
Utility	518,635	525,999	616,230
Other	1,793,357	1,992,829	2,140,818
Investment earnings	165,706	264,467	541,186
Gain from the sale of property	62,051	-	-
Tif surplus distribution	-	-	-
Miscellaneous	455,807	504,121	308,435
Transfers	-	750,000	(7,340,572)
Total governmental activities	10,219,903	11,595,352	5,000,869
Business-type activities			
Investment earnings	43,196	56,776	102,850
Miscellaneous	3,512	222,952	8,213
Contributions	-	716,736	-
Transfers	-	(750,000)	7,340,572
Total business-type activities	46,708	246,464	7,451,635
TOTAL PRIMARY GOVERNMENT	\$ 10,266,611	\$ 11,841,816	\$ 12,452,504
CHANGE IN NET ASSETS			
Governmental activities	\$ 2,963,539	\$ 2,672,266	\$ (2,428,003)
Business-type activities	62,231	352,984	7,558,134
TOTAL PRIMARY GOVERNMENT CHANGE IN NET ASSETS	\$ 3,025,770	\$ 3,025,250	\$ 5,130,131

Data Source

Audited Financial Statements

2007	2008	2009	2010	2011
\$ (9,028,331)	\$ (10,614,446)	\$ (8,316,734)	\$ (15,808,015)	\$ (9,732,611)
(368,425)	(845,339)	(518,805)	(862,533)	(767,795)
\$ (9,396,756)	\$ (11,459,785)	\$ (8,835,539)	\$ (16,670,548)	\$ (10,500,406)
\$ 7,598,116	\$ 7,704,022	\$ 8,028,635	\$ 8,423,435	\$ 5,873,311
1,651,702	1,733,078	1,707,932	1,585,276	1,687,782
555,717	589,944	587,064	476,791	525,432
2,144,077	2,347,610	2,305,612	2,049,516	2,012,352
751,162	691,733	467,220	143,462	68,239
-	-	-	-	-
-	-	-	747,885	-
368,376	656,535	367,408	356,678	217,437
(865,632)	(100,000)	(100,000)	(100,000)	(100,000)
12,203,518	13,622,922	13,363,871	13,683,043	10,284,553
164,461	168,117	82,556	30,770	15,303
-	3,675	151	-	-
765,632	60,028	-	-	-
100,000	100,000	100,000	100,000	100,000
1,030,093	331,820	182,707	130,770	115,303
\$ 13,233,611	\$ 13,954,742	\$ 13,546,578	\$ 13,813,813	\$ 10,399,856
\$ 3,175,187	\$ 3,008,476	\$ 5,047,137	\$ (2,124,972)	\$ 551,942
661,668	(513,519)	(336,098)	(731,763)	(652,492)
\$ 3,836,855	\$ 2,494,957	\$ 4,711,039	\$ (2,856,735)	\$ (100,550)

VILLAGE OF LA GRANGE, ILLINOIS  
FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>GENERAL FUND</b>										
Reserved/restricted	\$ -	\$ -	\$ -	\$ 4,064	\$ 2,342	\$ -	\$ -	\$ 109,441	\$ 221,110	\$ 262,520
Assigned for economic development	-	-	-	-	-	-	-	-	747,885	747,885
Unreserved/unassigned	6,942,076	7,756,501	8,022,501	8,280,219	8,370,231	8,263,032	8,295,701	7,686,966	6,387,609	5,997,113
<b>TOTAL GENERAL FUND</b>	<b>\$ 6,942,076</b>	<b>\$ 7,756,501</b>	<b>\$ 8,022,501</b>	<b>\$ 8,284,283</b>	<b>\$ 8,372,573</b>	<b>\$ 8,263,032</b>	<b>\$ 8,295,701</b>	<b>\$ 7,796,407</b>	<b>\$ 7,356,604</b>	<b>\$ 7,007,518</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Reserved/restricted	\$ -	\$ -	\$ 4,260,890	\$ 5,957,189	\$ 4,270,833	\$ 5,369,600	\$ 5,405,719	\$ 7,177,304	\$ 1,817,676	\$ 2,174,148
Unreserved/assigned, reported in										
Special Revenue Funds	2,389,827	2,804,128	-	-	-	-	-	-	-	-
Debt Service Funds	123,383	118,233	-	-	-	-	-	-	-	-
Capital Project Funds	1,741,155	994,857	1,376,440	846,936	(148,058)	404,005	948,656	1,210,242	963,773	533,073
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 4,254,365</b>	<b>\$ 3,917,218</b>	<b>\$ 5,637,330</b>	<b>\$ 6,804,125</b>	<b>\$ 4,122,775</b>	<b>\$ 5,773,605</b>	<b>\$ 6,354,375</b>	<b>\$ 8,387,546</b>	<b>\$ 2,781,449</b>	<b>\$ 2,707,221</b>

Data Source

Audited Financial Statements

VILLAGE OF LA GRANGE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2002	2003	2004	2005
<b>REVENUES</b>				
Taxes	\$ 8,516,976	\$ 9,082,933	\$ 9,536,340	\$ 10,089,912
Licenses and permits	752,678	750,240	892,242	1,186,116
Intergovernmental	474,178	448,301	520,658	683,948
Charges for services	549,000	-	7,754	73,803
Investment income	420,900	315,234	164,177	261,037
Miscellaneous	3,843,191	959,133	1,080,755	708,304
Total revenues	14,556,923	11,555,841	12,201,926	13,003,120
<b>EXPENDITURES</b>				
General government	2,453,485	2,511,220	1,717,903	1,685,933
Public safety	4,353,658	4,576,854	5,382,334	5,623,998
Highways and streets	1,174,349	1,209,181	1,321,571	1,339,215
Economic development	690,345	61,643	25,940	961,240
Capital outlay	1,613,183	2,125,554	495,995	1,303,175
Debt service				
Principal	305,000	340,000	945,000	975,000
Interest	778,302	904,690	389,122	440,046
Other charges	-	-	-	-
Total expenditures	11,368,322	11,729,142	10,277,865	12,328,607
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,188,601	(173,301)	1,924,061	674,513
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,404,823	3,235,100	2,077,621	2,791,582
Transfers (out)	(2,788,191)	(2,584,521)	(2,077,621)	(2,041,582)
Bonds/notes issued	-	-	-	-
Payment to escrow agent	-	-	-	-
Sale of capital assets	-	-	62,051	-
Total other financing sources (uses)	616,632	650,579	62,051	750,000
NET CHANGE IN FUND BALANCES	\$ 3,805,233	\$ 477,278	\$ 1,986,112	\$ 1,424,513
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	10.72%	12.08%	16.26%	13.82%

Data Source

Audited Financial Statements

	2006	2007	2008	2009	2010	2011
\$	11,504,355	\$ 11,960,303	\$ 12,379,089	\$ 12,572,204	\$ 12,535,018	\$ 10,098,872
	1,061,222	1,005,086	1,056,762	932,583	949,402	1,050,567
	790,150	622,774	868,921	3,918,841	818,416	1,509,578
	4,490	92,342	3,867	257,985	245,379	237,152
	533,690	744,105	686,667	465,282	167,452	68,242
	567,231	503,879	809,961	528,012	1,210,271	368,247
	14,461,138	14,928,489	15,805,267	18,674,907	15,925,938	13,332,658
	1,749,674	1,878,139	2,221,861	2,209,157	2,321,048	2,113,519
	6,087,869	6,429,965	6,835,548	7,057,583	7,575,382	7,859,624
	1,469,547	1,494,714	1,745,562	2,017,805	1,812,198	1,677,999
	7,353,634	865,407	319,410	1,195,475	5,575,820	-
	2,709,028	365,292	1,587,401	573,839	2,453,339	1,708,255
	1,765,991	1,792,209	1,994,437	3,682,363	2,010,000	220,000
	424,772	459,132	387,609	304,808	124,051	76,575
	25,619	-	-	-	-	-
	21,586,134	13,284,858	15,091,828	17,041,030	21,871,838	13,655,972
	(7,124,996)	1,643,631	713,439	1,633,877	(5,945,900)	(323,314)
	3,717,221	3,070,016	4,088,400	4,666,171	4,367,701	1,053,956
	(3,717,221)	(3,170,016)	(4,188,400)	(4,766,171)	(4,467,701)	(1,153,956)
	7,285,000	-	-	-	-	-
	(2,751,342)	-	-	-	-	-
	-	-	-	-	-	-
	4,533,658	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
\$	(2,591,338)	\$ 1,543,631	\$ 613,439	\$ 1,533,877	\$ (6,045,900)	\$ (423,314)
	14.63%	21.48%	20.50%	31.68%	11.32%	2.55%

VILLAGE OF LA GRANGE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
2000	\$ 238,429,718	\$ 31,802,749	\$ 33,096,043	\$ 599,662	\$ 303,928,172	1.7380	\$ 911,784,516
2001	248,388,284	32,686,261	36,014,190	639,846	317,728,581	1.3070	953,185,743
2002	347,995,834	36,844,395	40,577,653	758,643	426,176,525	1.4200	1,278,529,575
2003	349,081,445	35,398,446	40,350,155	384,898	425,214,944	1.5600	1,275,644,832
2004	369,950,841	30,444,985	42,100,262	360,926	442,857,014	1.2690	1,328,571,042
2005	488,848,094	35,494,867	47,006,177	350,788	571,699,926	1.3315	1,715,099,778
2006	488,870,503	35,293,781	45,438,649	365,256	569,968,189	1.3032	1,709,904,567
2007	519,735,586	36,339,481	45,642,872	423,061	602,141,000	1.1240	1,806,423,000
2008	612,239,451	39,233,415	49,040,791	468,882	700,982,539	1.0629	2,102,947,617
2009	659,634,278	79,941,557	45,670,865	534,963	785,781,663	1.0629	2,357,344,989

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

Data Source

Office of the County Clerk

VILLAGE OF LA GRANGE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010**
<b>VILLAGE DIRECT RATES*</b>										
General	1.2367	0.9063	0.9024	0.8694	0.6943	0.7492	0.7310	0.6010	0.5345	0.5345
Police Pension	0.0787	0.0680	0.0917	0.1012	0.0942	0.0834	0.0811	0.0810	0.0970	0.0970
Fire Pension	0.0886	0.0747	0.0919	0.0964	0.0835	0.0860	0.0901	0.0850	0.0974	0.0974
Library	0.3340	0.2580	0.3340	0.4930	0.3970	0.4129	0.4010	0.3570	0.3340	0.3340
Total Direct Rate	1.7380	1.3070	1.4200	1.5600	1.2690	1.3315	1.3032	1.1240	1.0629	1.0629
<b>OVERLAPPING RATES*</b>										
La Grange Park District	0.3890	0.2980	0.3520	0.3520	0.3590	0.4210	0.4070	0.3540	0.3330	0.3330
County of Cook/Health Facilities	0.2010	0.1560	0.1410	0.1410	0.1220	0.1030	0.4460	0.4150	0.3940	0.3940
Forest Preserve District of Cook County	0.0670	0.0610	0.0590	0.0590	0.0600	0.0570	0.0530	0.0510	0.0490	0.0490
Consolidated Elections	0.0320	-	0.0290	-	-	-	0.0120	-	0.0210	0.0210
Township of Lyons	0.0390	0.0330	0.0350	0.0350	0.0360	0.0330	0.0330	0.0460	0.0470	0.0470
General Assistance Lyons	0.0050	0.0050	0.0020	0.0020	0.0020	0.0030	0.0030	0.0020	0.0020	0.0020
Road and Bridge Lyons	0.0420	0.0350	0.0370	0.0370	0.0370	0.0340	0.0340	0.0320	0.0330	0.0330
Lyons Mental Health	0.1020	0.0850	0.0880	0.0880	0.0900	0.0810	0.0810	0.0740	0.0760	0.0760
Suburban T B Sanitarium	0.0070	0.0060	0.0040	0.0040	0.0010	0.0050	-	-	-	-
Metro Water Reclamation Dist. of Greater Chicago	0.4010	0.3710	0.3610	0.3610	0.3470	0.2840	0.2630	0.2520	0.2610	0.2610
Des Plaines Valley Mosquito Abatement District	0.0130	0.0110	0.0120	0.0120	0.0120	0.0120	0.0120	0.0120	0.0110	0.0110
La Grange Highlands Sanitary District	0.2660	0.2660	0.2210	0.2210	0.2190	0.1950	0.1950	0.1770	0.1770	0.1770
South Lyons Sanitary District	0.1110	0.0970	0.1010	0.1010	0.0980	0.0910	0.0900	0.0810	0.0880	0.0880
School District #102	4.0870	3.1830	3.2980	3.2980	3.3750	2.9390	2.8830	2.7040	2.5590	2.5590
School District #105	2.2830	1.9910	2.0540	2.0540	2.3420	2.3780	2.3220	2.1350	2.3830	2.3830
School District #106	3.6710	2.9530	3.0930	3.0930	3.0640	2.6150	2.5590	2.3420	2.2490	2.2490
Lyons Township High School #204	2.2810	1.8510	1.9140	1.9140	1.8930	1.6570	1.6170	1.4820	1.4910	1.4910
DuPage Community College District #502	0.2260	0.2170	0.2270	0.2270	0.2250	0.2060	0.2080	0.1930	0.2040	0.2040
La Grange Special Service Area #4a	1.4410	1.4410	-	-	-	-	-	-	-	-
La Grange Special Service Area #7	-	-	-	-	0.2190	0.2040	0.1550	0.1480	0.1320	0.1320

\* Property tax rates are per \$100 of assessed valuation

\*\*2009 tax rates are estimated

Data Source

Cook County Clerk's Office

VILLAGE OF LA GRANGE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Last Year and Nine Years Ago

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
La Grange rd Investor	\$ 8,261,544	1	1.05%	\$ -		0.00%
Columbia/LG Memorial Hospital	5,729,672	2	0.73%	12,220,118	1	4.02%
Burcor Properties	5,658,512	3	0.72%	1,017,593	5	0.33%
CNC	5,099,319	4	0.65%	1,577,049	3	0.52%
Grayhill Manufacturing Co.	4,797,705	5	0.61%	2,141,191	2	0.70%
Sambell La Grange	3,777,889	6	0.48%	949,998	6	0.31%
SBC/Ameritech	2,717,470	7	0.35%	779,336	8	0.26%
DPA Management	2,321,453	8	0.30%	-		0.00%
Bank One	2,305,553	9	0.29%	-		0.00%
Grozich, LLC	2,101,726	10	0.27%	-		0.00%
First of America	-		0.00%	800,995	7	0.26%
Bank One	-		0.00%	660,060	9	0.22%
Alamo Group	-		0.00%	636,482	10	0.21%
D.R. Brooks, B&B Investments	-		0.00%	1,019,149	4	0.34%
	<u>\$ 42,770,843</u>		<u>5.45%</u>	<u>\$ 21,801,971</u>		<u>6.83%</u>

Data Source

Office of the County Clerk

VILLAGE OF LA GRANGE, ILLINOIS  
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 4,254,738	\$ 1,844,232	43.35%	\$ 2,414,165	\$ 4,258,397	100.09%
2001	4,458,021	2,049,046	45.96%	2,384,764	4,433,810	99.46%
2002	4,332,096	2,046,765	47.25%	2,383,811	4,430,576	102.27%
2003	4,640,642	2,107,849	45.42%	2,482,807	4,590,656	98.92%
2004	4,719,149	2,137,996	45.30%	2,549,648	4,687,644	99.33%
2005	4,915,684	2,206,774	44.89%	2,730,675	4,937,449	100.44%
2006	5,180,586	2,320,565	44.79%	2,774,958	5,095,523	98.36%
2007	5,427,546	2,446,303	45.07%	2,887,144	5,333,447	98.27%
2008	5,362,830	2,544,434	47.45%	2,744,670	5,289,104	98.63%
2009	5,784,985	2,949,638	50.99%	2,708,992	5,658,630	97.82%

Data Source

Village records

VILLAGE OF LA GRANGE, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Fiscal Years

Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General merchandise	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food	68,745	71,470	141,317	176,371	204,827	217,012	235,537	257,825	262,831	262,087
Drinking and eating places	176,872	202,945	228,286	246,232	244,501	256,971	258,766	268,963	260,860	313,646
Apparel	-	11,094	16,290	19,468	23,992	27,986	24,120	22,801	17,875	14,319
Furniture & H.H. & Radio	111,321	101,920	102,822	108,059	112,483	109,393	92,077	79,960	56,782	74,627
Lumber, building hardware	17,103	24,914	22,450	19,732	20,934	18,076	12,867	12,510	42,981	32,267
Automobile and filling stations	57,304	67,582	63,855	65,303	64,523	69,975	75,846	88,979	80,924	118,401
Drugs and miscellaneous retail	85,530	144,880	214,767	238,780	257,632	277,016	279,326	275,379	225,938	224,771
Agriculture and all others	160,279	151,366	180,321	160,916	183,959	179,305	223,038	218,312	222,628	187,929
Manufacturers	7,075	10,064	119,015	28,355	(42,689)	7,154	12,117	8,782	12,390	13,422
<b>TOTAL</b>	<b>\$ 684,229</b>	<b>\$ 786,235</b>	<b>\$ 1,089,123</b>	<b>\$ 1,063,216</b>	<b>\$ 1,070,162</b>	<b>\$ 1,162,888</b>	<b>\$ 1,213,694</b>	<b>\$ 1,233,511</b>	<b>\$ 1,183,209</b>	<b>\$ 1,241,469</b>
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

VILLAGE OF LA GRANGE, ILLINOIS  
DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>DIRECT</b>										
Village of La Grange	0.25%	0.25%	0.25%	0.25%	0.25%	-	-	-	-	-
<b>OVERLAPPING</b>										
State of Illinois	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Cook County	1.25%	1.75%	1.75%	1.00%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Regional Transportation authority	1.25%	1.25%	1.25%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Village of La Grange	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Total overlapping	8.50%	9.00%	9.00%	8.00%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
<b>TOTAL SALES TAX RATE</b>	<b>8.75%</b>	<b>9.25%</b>	<b>9.25%</b>	<b>8.25%</b>	<b>8.00%</b>	<b>7.75%</b>	<b>7.75%</b>	<b>7.75%</b>	<b>7.75%</b>	<b>7.75%</b>

Data Source

Illinois Department of Revenue

VILLAGE OF LA GRANGE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Tax Increment Revenue Bonds	Installment Notes Payable	General Obligation Bonds	Installment Notes Payable	Capital Leases			
2002	\$ 4,990,000	\$ -	\$ 6,000,000	\$ -	\$ -	\$ -	\$ 10,990,000	0.32%	\$ 34,887
2003	4,650,000	-	6,000,000	-	-	-	10,650,000	0.33%	34,887
2004	4,305,000	-	5,400,000	-	-	-	9,705,000	0.36%	34,887
2005	3,930,000	-	4,800,000	-	-	-	8,730,000	0.40%	34,887
2006	3,610,000	-	7,919,009	-	-	-	11,529,009	0.30%	34,887
2007	3,225,000	-	6,511,800	-	-	-	9,736,800	0.36%	34,887
2008	2,765,000	-	4,977,363	-	-	-	7,742,363	0.45%	34,887
2009	2,260,000	-	1,800,000	-	-	-	4,060,000	0.86%	34,887
2010	2,050,000	-	-	-	-	-	2,050,000	1.70%	34,887
2011	1,830,000	-	-	-	-	-	1,830,000	1.91%	34,887

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

\* See the schedule of Demographic and Economic Statistics on page 103 for personal income and population data.

Personal income is the largest sole source income type, usually either property or sales tax. In the case of special districts, it may be fees.

VILLAGE OF LA GRANGE, ILLINOIS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt		Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
		Service Fund				
2002	\$ 4,990,000	\$	123,383	\$ 4,866,617	0.53%	\$ 139.50
2003	4,650,000		118,233	4,531,767	0.48%	129.90
2004	4,305,000		122,052	4,182,948	0.33%	119.90
2005	3,930,000		127,528	3,802,472	0.30%	108.99
2006	3,610,000		144,564	3,465,436	0.26%	99.33
2007	3,225,000		160,783	3,064,217	0.18%	87.83
2008	2,765,000		169,393	2,595,607	0.14%	74.40
2009	2,260,000		169,527	2,090,473	0.10%	59.92
2010	2,050,000		170,189	1,879,811	0.08%	53.88
2011	1,830,000		170,422	1,659,578	0.07%	47.57

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

\* See the schedule of Assessed Value and Actual Value of Taxable Property on page 92 for property value data.

VILLAGE OF LA GRANGE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2011

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village of La Grange (1)	Village of La Grange Share of Debt
Village of La Grange	\$ 1,830,000	100.00%	\$ 1,830,000
Cook County	2,940,510,000	0.41%	12,056,091
Cook County Forest Preserve	118,370,000	0.41%	485,317
Metropolitan Water Reclamation District	1,976,103,000	0.42%	8,299,633
Lyons Township High School #204	9,280,000	0.20%	18,560
School District #106	6,235,000	10.15%	632,853
School District #102	<u>28,796,320</u>	48.40%	<u>13,937,419</u>
	<u>5,079,294,320</u>		<u>35,429,873</u>
<b>TOTAL</b>	<u><u>\$ 5,081,124,320</u></u>		<u><u>\$ 37,259,873</u></u>

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

VILLAGE OF LA GRANGE, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	\$ 27,404,090	\$ 36,757,898	\$ 36,757,725	\$ 38,196,417	\$ 49,309,119	\$ 49,869,744	\$ 49,936,006	\$ 60,459,744	\$ 64,987,869	\$ 68,420,543
Total net debt applicable to limit	1,675,000	1,475,000	1,275,000	10,370,000	9,805,000	9,220,000	8,600,000	7,945,000	7,580,000	7,200,000
LEGAL DEBT MARGIN	\$ 25,729,090	\$ 35,282,898	\$ 35,482,725	\$ 27,826,417	\$ 39,504,119	\$ 40,649,744	\$ 41,336,006	\$ 52,514,744	\$ 57,407,869	\$ 61,220,543
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	6.11%	4.01%	3.47%	27.15%	19.88%	18.49%	17.22%	13.14%	11.66%	10.52%

VILLAGE OF LA GRANGE, ILLINOIS

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Water System Improvement Bonds						Special Assessment Bonds 269/270			
	Water Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
2002	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -
2003	-	-	-	-	-	N/A	102,212	78,000	24,601	1.00
2004	-	-	-	-	-	N/A	124,253	139,000	17,669	0.79
2005	-	-	-	-	-	N/A	116,590	81,000	11,336	1.26
2006	-	-	-	-	-	N/A	76,113	61,000	10,478	1.06
2007	-	-	-	-	-	N/A	45,561	59,000	7,109	0.69
2008	-	-	-	-	-	N/A	47,442	38,000	5,196	1.10
2009	-	-	-	-	-	N/A	35,097	25,000	3,441	1.23
2010	-	-	-	-	-	N/A	23,782	68,000	2,516	0.34
2011	-	-	-	-	-	N/A	825	-	-	-

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

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

Operating expenses do not include interest or depreciation.

VILLAGE OF LA GRANGE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

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Fiscal Year	Population (1)	Personal Income	Per Capita Personal Income (1)	Unemployment Rate (2)
2011	15,550	\$ 542,492,850	\$ 34,887	7.40%
2010	15,608	544,516,296	34,887	7.30%
2009	15,608	544,516,296	34,887	4.40%
2008	15,608	544,516,296	34,887	3.40%
2007	15,608	544,516,296	34,887	3.10%
2006	15,608	544,516,296	34,887	4.20%
2005	15,608	544,516,296	34,887	4.30%
2004	15,608	544,516,296	34,887	4.70%
2003	15,608	544,516,296	34,887	4.60%
2002	15,608	544,516,296	34,887	3.80%

(1) U.S. Bureau of Census. Data based on 2010 and 2000 Census.

(2) Illinois Department of Employment Security.

VILLAGE OF LA GRANGE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2011			2002		
	Number of Employees	Rank	Percentage of Total Village Population	Number of Employees	Rank	Percentage of Total Village Population
Adventist/La Grange Hospital	1,100	1	7.05%	1,000	1	6.41%
Lyons Township High School	600	2	3.84%	650	2	4.16%
Grayhill	525	3	3.36%	400	3	2.56%
School District 105	200	4	1.28%	180	4	1.15%
Meadowbrook Manor	150	5	0.96%	125	5	0.80%
Village of La Grange	119	6	0.76%	128	6	0.82%
Lexington Health Care Center	109	7	0.70%	102	7	0.65%
JP Morgan Chase	65	8	0.42%	75	8	0.48%
Musser	60	9	0.38%	60	9	0.38%
Billet Specialties, Inc	55	10	0.35%	-	-	0.00%
First National Bank of La Grange	55		0.35%	55	10	0.35%

Data Source

Village records

VILLAGE OF LA GRANGE, ILLINOIS  
 FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>GENERAL GOVERNMENT</b>										
Administration	4	4	4	4	4	4	4	4	4	4
Finance	5	5	5	5	5	5	5	5	5	5
Community development	4	4	4	5	5	5	5	6	6	6
<b>PUBLIC SAFETY</b>										
Police										
Officers	33	33	33	34	34	34	34	35	35	35
Civilians-parking	3	3	3	3	3	3	3	3	3	3
Fire										
Firefighters and officers	19	19	20	20	20	20	21	21	21	21
Civilians										
<b>PUBLIC WORKS</b>										
Public works	14	14	14	14	14	14	14	14	14	14
Water	9	9	9	9	9	9	9	9	9	9
Sewer	2	2	2	2	2	2	2	2	2	2
	93	93	94	96	96	96	97	99	99	99

Data Source

Village budget office

VILLAGE OF LA GRANGE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>PUBLIC SAFETY</b>										
Police										
Index/non-index crimes cleared	203	232	186	160	139	131	110	111	152	149
Parking violations	13,611	12,717	11,725	11,824	10,968	9,200	9,168	9,319	7,381	7,654
Traffic violations	3,974	4,470	3,990	3,092	2,310	2,488	2,107	1,643	2,049	2,580
Fire										
Emergency responses	1,869	1,879	1,968	1,965	2,074	2,009	2,027	1,941	1,832	2,022
Fire prevention activity	1,152	1,007	1,173	1,399	703	703	306	500	542	860
<b>PUBLIC WORKS</b>										
Street sweeping (miles)	4,520	4,171	4,567	4,750	4,557	4,839	4,203	4,209	3,988	3,570
Snow/ice control (hours)	1,122	983	700	840	1,110	331	1,147	1,517	1,213	1,191
<b>WATER</b>										
Water main breaks	22	25	27	30	42	47	73	35	41	33
Average daily consumption (gal.)	1,471,598	1,511,710	1,400,447	1,379,043	1,491,719	1,318,699	1,296,690	1,279,532	1,196,218	1,195,318
Service leaks	9	10	7	14	13	44	19	12	2	9
<b>SEWER</b>										
Catch basins repaired/replaced	14	-	10	22	75	33	28	9	119	384

Data Source

Village budgets and various Village departments

VILLAGE OF LA GRANGE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>PUBLIC SAFETY</b>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	6	6	6	6	6	6	7	7	7	7
Fire										
Fire stations	1	1	1	1	1	1	1	1	1	1
Fire engines	2	2	2	2	2	2	2	2	2	2
Ambulances	2	2	2	2	2	2	2	2	2	2
Aerial ladder truck	1	1	1	1	1	1	1	1	1	1
<b>PUBLIC WORKS</b>										
Collector streets (miles)	8	8	8	8	8	8	8	8	8	8
Residential streets (miles)	45	45	45	45	45	45	45	45	45	45
Streetlights	1,796	1,796	1,796	1,796	1,796	1,796	1,796	1,796	1,796	1,796
Traffic signals	17	17	17	17	17	17	17	17	17	17
<b>WATER</b>										
Water mains (miles)	70	70	70	70	70	70	70	70	70	70
Fire hydrants	560	560	560	560	560	560	560	560	560	560
<b>WASTEWATER</b>										
Sanitary sewers (miles)	39	39	39	39	39	39	39	39	39	39
Storm sewers (miles)	8	8	8	8	8	8	8	8	8	8

Data Source

Various Village departments