

Village of Lake Bluff, Illinois
Comprehensive Annual Financial Report
Year Ended April 30, 2008

Prepared by:

Finance Department

Susan Griffin, Finance Director

Village of Lake Bluff, Illinois
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended April 30, 2008

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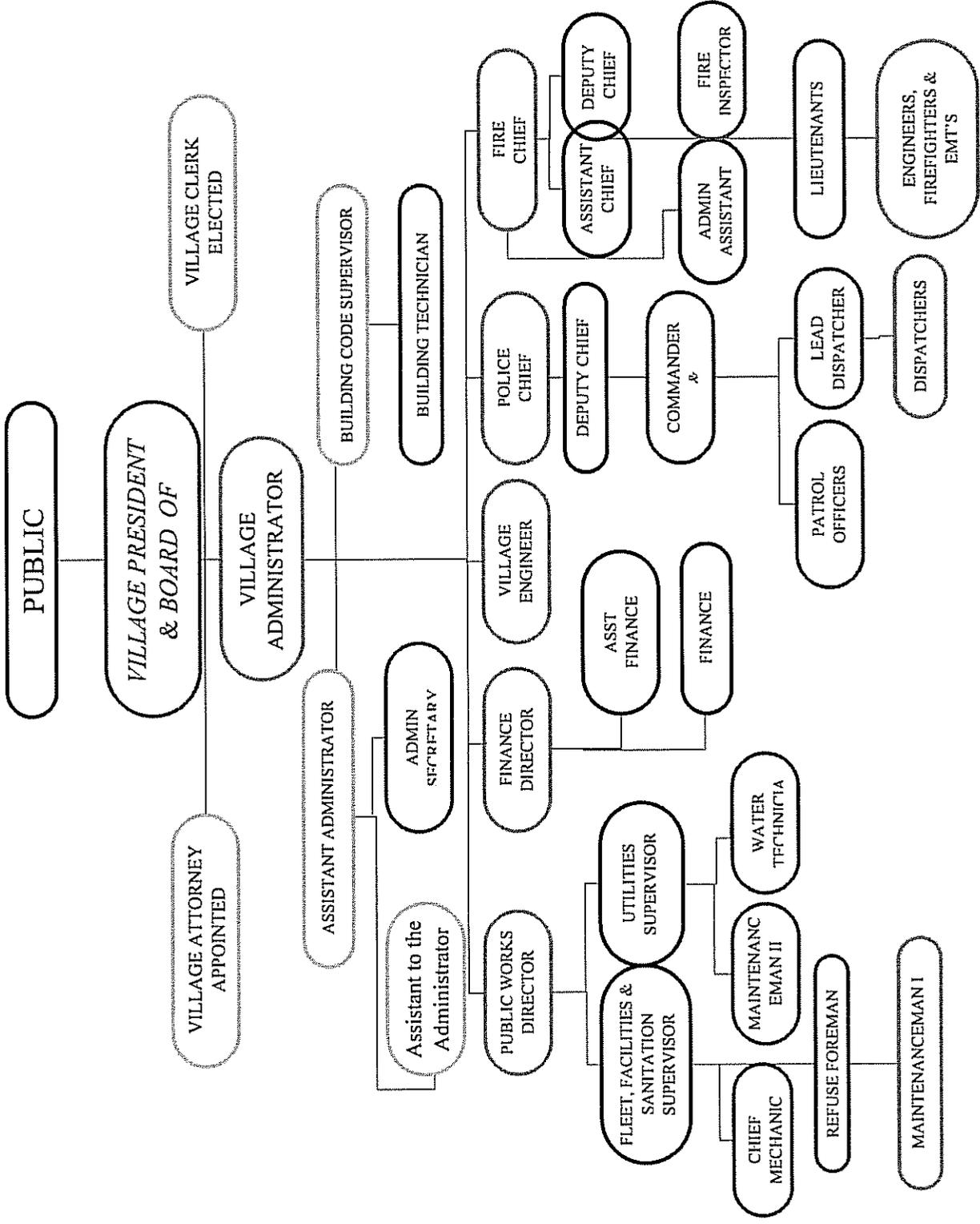
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INTRODUCTORY SECTION



Village of Lake Bluff, Illinois

OFFICERS AND OFFICIALS

Year Ended April 30, 2008

LEGISLATIVE

Village Board of Trustees

Christine Letchinger, Village President

David Barkhausen

Brian Rener

Rick Lesser

Kathleen O'Hara

Michael Peters

Geoff Surkamer

Michael Klawitter, Village Clerk

ADMINISTRATION

R. Drew Irvin, Village Administrator

Susan M. Griffin, Director of Finance

Thomas I. Cahill, Director of Public Works

William Gallagher, Police Chief

N. David Graf, Fire Chief

Gerald Nellessen, Building Code Supervisor

George E. Russell, Jr., Village Engineer

Ryan Waller, Assistant Administrator

Peter M. Friedman, Village Attorney

December 30, 2008

The Honorable Village President
Board of Trustees
Village Administrator
Village of Lake Bluff
Lake Bluff, Illinois 60044

The Comprehensive Annual Financial Report of the Village of Lake Bluff, Illinois (Village), for the fiscal year ended April 30, 2008 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

The Village's financial statements have been audited by Miller, Cooper & Co., Ltd., a firm of licensed certified public accountants. The objective of the independent audit was to obtain reasonable assurance about whether the financial statements are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors' report on pages 1-2 rendered an unqualified opinion that the Village's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP).

GAAP requires that management provide a "Management Discussion and Analysis" (MD&A) narrative providing an introduction, overview, and analysis to accompany the basic financial statements. This transmittal letter is designed to complement the MD&A which begins on page 3.

Under Governmental Accounting Standards Board (GASB) Statement 14, the financial reporting entity includes both the primary government and its component unit. The Lake Bluff Public Library is fiscally dependent upon the Village, but functions as a separate legal entity; therefore, it is reflected in the financial statements as a discretely presented component unit of the Village. The Village did not receive federal funds during fiscal year 2008 requiring it to undergo a single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

This report includes all funds and activities of the Village. The Village provides a full range of services including police and fire protection; maintenance of streets and infrastructure; sanitation collection; water distribution; and planning, zoning, and general administrative services.

Village Profile

The Village of Lake Bluff was incorporated in 1895 and operates under the Board/Administrator form of government. The Village is a small, predominately residential community located on the shores of Lake Michigan; Lake Bluff is 33 miles north of Chicago in Lake County and has a land area of 4.5 square miles. The Village is distinguished by its mature trees, natural ravines, open spaces, dramatic bluffs, and shoreline. The population, as certified by the 2000 census, is 6,056, which represents a 10% increase from the 1990 census of 5,486. Most of this increase in population is attributed to the annexation of the Sanctuary subdivision in 1998. The 2007 Equalized Assessed Valuation (EAV) for the Village is \$627,765,760, which represents a 9.8% increase in EAV from 2006.

On April 5, 2005, the voters approved the home rule referendum. Home rule status provides financial and legislative flexibility to a community resulting in decisions that better reflect the Village's interests. Home rule is granted to a community either by attaining a population of 25,000 or by voter referendum. In 1991, the State of Illinois enacted the Property Tax Limitation Act (PTELL), which limits property tax increases to the lower of 5% or the Consumer Price Index, with some exceptions for annexed areas, new construction, and increases approved by referendum. As a result of voter approval of home rule, and consistent with presentations to the public, the Village Board enacted some revenue enhancements that allow it to continue to comply with the PTELL (even though it is not applicable to home rule governments) and diversify its revenue stream.

The Village's Industrial/Commercial Corridor Business District (ICCBD) located along the southeastern portion of Rt. 43 and Rt. 176 is comprised of manufacturing, service, and retail firms. The Village continues to receive substantial sales tax revenue from the Knauz Auto Park which includes BMW, Mercedes, Land Rover, Mini, Chrysler, and Buick dealerships; Shepard Chevrolet; Imperial Motors' Jaguar; The Exchange Group Saab and the Lake Forest Sportscar's Maserati and Ferrari dealership; the Carriage Way Shopping Center that includes a Dominick's Fresh Food store; and several businesses located in the ICCBD. In addition to the ICCBD, the Village has a historic Central Business District (CBD) in its downtown with retail shops and service businesses. Sales tax revenues represent 36% of the general fund revenues down from 38% last year. Automobile sales tax revenues represented 73% of the sales taxes (not including the 1% home rule sales tax of which auto sales are exempt) for the *calendar* year 2007.

Major Initiatives

For the year ended April 30, 2008

Village Administrator Kent Street left Lake Bluff after 14 years of service to become the Village Manager with the larger Village of Deerfield. A recruitment firm was engaged to assist in the hiring process and Drew Irvin began as Village Administrator in January 2008. The Village and the City of North Chicago negotiated and approved a Corridor Agreement to define understandings with regard to the annexation, municipal jurisdiction, and development of certain specific properties along their common boundaries. The communities desire to limit and mitigate the potential adverse impacts of the development or redevelopment of certain parcels along the corridor on residential neighborhoods, local roads, traffic, and schools. Further during 2007-08, the Village resources were focused on these major priorities, with specific accomplishments:

1. Maintaining operational efficiency and current service levels.
 - a. Implemented a cart recycling program from current curbside open bins resulting in less household waste collected.
 - b. Obtained Tree City USA designation for the 12th consecutive year.
 - c. Police department was reaccredited by the Commission for Accreditation of Law Enforcement Agencies (CALEA), assuring compliance with the standards of a professional law enforcement agency.
 - d. The Insurance Services Organization (ISO) again awarded a category 3 rating for the Village's all-volunteer fire department.
 - e. Hired and trained two patrol officers to fill a vacancy and an additional authorized position.
 - f. Hired an Assistant Finance Director upon the resignation of the Accountant.
 - g. Finalized negotiations with both police and public works bargaining units.
 - h. Revised the Village Employee Handbook.
2. Continued sound financial management.
 - a. Levied a Village property tax within the Property Tax Limitation Act amount.
 - b. Received Government Finance Officers Association (GFOA) budget award and Certificate of Achievement for Excellence in Financial Reporting.
3. Construction of infrastructure improvement projects.
 - a. Finalized Phase II of urban design and safety improvements to the roadways and walkways at Scranton/Center/Walnut/Sheridan Road intersections. Received Chicago Metropolitan Chapter of the American Public Works Association "Project of the Year Award for Projects under \$2 Million" for the Village's CBD Streetscape Improvement Project.
 - b. Installed a sidewalk on the east side of Green Bay Road from West Witchwood Lane south to the border with Lake Forest.
 - c. Resurfacing and roadway improvements to three lane miles of streets at a cost of \$473,700.
 - d. Lined 2900 feet of clay sanitary sewers to prevent the intrusion of roots into the sewer mains.
4. Advanced the redevelopment of CBD Block One.
 - a. Finalized the Lake Effect Development agreement, including the sale of two Village vacant parcels for the redevelopment of CBD Block One to retail and office space.
5. Analysis of a recommendation for senior housing on 10 acres of Village-owned property.
 - a. Prepared a request for proposals and evaluated responses.
 - b. Held public hearings and joint workshops with the Plan Commission and Zoning Board of Appeals to evaluate proposals.
 - c. Engaged a financial consultant to analyze the responses.

6. Major developments and building and zoning projects
 - a. The Village Board approved a subdivision plan and a request from School District 65 for a special use permit and variations from the zoning code to allow for the construction of a new school at the Central School site, as well as an addition to the Middle School.
 - b. The Village Board approved an amendment to an existing special use permit to allow for the installation of four outdoor paddle courts at the Park District's Blair Park.
 - c. The Zoning Board of Appeals began an assessment of the Sign Code regulations.
 - d. The Plan Commission initiated a review of the Tree Preservation Ordinance.

These projects were funded through current operating revenues, a strategic reduction of excess fund balance reserves, grant revenues, and the 2001 G.O. Certificates, 2004 Alternate Water Revenue, and 2006 G.O. bond proceeds.

For the Future

The effects of the recent financial crisis, along with changing demographics of the public, have resulted in expanded service requests associated with public safety, affordable housing, traffic congestion, public health, environmental protection, and social services. More specifically, a decline in revenues from lower sales tax receipts and development-related fees have initiated a comprehensive analysis of programs and challenged the prioritization of capital expenditures.

However, the Village is committed to maintain aging public facilities and infrastructure, to preserve the safety and welfare of the public, to respect and maintain the architectural and environmental character of the community, to foster the volunteer spirit and intergovernmental cooperatives, and to support the advanced level of public services provided by the Village.

Below is a short description of some of the more significant initiatives proposed for the coming year. These projects are anticipated to be funded through current operating revenues, grant revenues, and the 2006 G.O. Bond proceeds.

- ❖ Continue senior housing proposal deliberations for the 10 acres of Village-owned vacant property on Route 176, west of Green Bay Road.
- ❖ Renegotiate the Intergovernmental Service Agreement with The City of Lake Forest for building inspection, ambulance, youth and senior services, and fire dispatch and response.
- ❖ Hire and train a patrol officer and a public safety telecommunicator to fill two vacant positions.
- ❖ Complete scheduled water infrastructure improvement projects funded by 2004 bond proceeds.
- ❖ Prepare an RFP and select an engineering firm to develop a reconfiguration study of the Route 176/Route 41 interchange.
- ❖ Install traffic signal and construct-related roadway safety improvements at the intersection of North Shore Drive and Waukegan Road.
- ❖ Resume the annual street rehabilitation program.
- ❖ Review annexation opportunities and boundary agreement provisions.

Financial Information

Management of the Village is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Village are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concepts of reasonable assurance recognize that: (1) the costs of the controls should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgeting Controls. In addition, the Village maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Village Board. Activities of the General Fund, special revenue funds, debt service funds, capital project funds, enterprise fund, and pension trust fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Encumbrance accounting is not used by the Village. All annual appropriations lapse at fiscal year-end and are generally reappropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

Police Pension Trust Fund. The Village maintains a Police Pension Trust Fund mandated by state law for sworn police officers. The net assets held in trust for the Police Pension Fund as of April 30, 2008 are \$6,503,242, up from \$6,326,813 as of April 30, 2007. Pursuant to the actuarial calculation of funding, the Police Pension Fund is 67% funded, with an unfunded liability of \$3,293,856 as of April 30, 2008; unchanged from the 2007 funding level. Several factors influence the unfunded liability of pension plans, including the rate of return on investments, state law changes increasing benefits, the addition of officers to the plan, and disability benefits. While the Police Department consists of 16 members comprised of a Chief, 1 Deputy Chief, 1 Commander, 2 Sergeants, and 11 Patrol officers, Chief William Gallagher has elected not to participate in the plan. The Pension Fund currently pays benefits to 10 annuitants.

Cash management policies and practices. Cash temporarily idle during the year may be invested in demand deposits, certificates of deposit, the Illinois Funds, commercial paper, and obligations of the U.S. Treasury and Government Agencies. State law also allows the pension trust funds to invest up to 45% of the fund's assets in separate accounts of Illinois-licensed insurance companies invested in stocks, bonds, and real estate, and mutual funds managed by an investment company registered under Illinois Securities Law of 1953 and the Federal Investment Company Act of 1940.

The Village's investment policy details the cash management objectives and the guidelines for investing Village cash. The Village's investment goal is to minimize credit and market risks while maintaining a competitive yield on its portfolio. In addition, funds on deposit in excess of FDIC limits must be secured by collateral held in safekeeping by a third party. The Police Pension Fund has a separate investment policy, adopted by the Pension Board of Trustees, that articulates the expanded investment instruments allowed by law for pension funds.

The Village earned \$401,833 on all governmental and the Water Fund investments for the year ended April 30, 2008. This represents a 2% decrease from last year due to the lower short-term interest rates.

The Police Pension Fund realized interest on investments before net depreciation in the fair value of the portfolio of \$350,747. The mutual funds' and government agencies' fair value depreciated by \$174,032.

Debt administration. At April 30, 2008, the Village has three outstanding debt issues and two unsecured notes. The outstanding principal on the bond issues is \$5.595 million, plus \$473,000 on the two unsecured notes, for a total of \$6.068 million. The Village did not issue any debt in fiscal year 2008.

In 2006, Moody's upgraded all of the Village's bonded debt to **Aa1**, the second highest rating available, from **Aa2** for the G.O. Debt and **Aa3** for 2001 Certificates as non-property tax-supported debt. Moody's cited the Village's wealthy and steadily growing tax base; sound financial operations enhanced by recently gained home rule status; and minimal debt burden with limited capital needs as an explanation for the improved rating.

Risk management. The Village continues to participate in the Intergovernmental Risk Management Agency (IRMA), which is a risk pooling agency of over 75 municipalities and 8 special districts in northeastern Illinois that have joined together to manage and fund their property, casualty, and workers' compensation claims into a comprehensive risk management program. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration and litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting services for its members. The Board of Directors is comprised of a delegate and an alternate delegate from each member to represent the agency. Each member agency is entitled to one vote on the Board. IRMA operational activities are conducted by a professional staff that is responsible for the claims administration, self- and excess insurance requirements, financial operations, and conducting training and loss prevention programs.

Other Information

Awards. 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 Lake Bluff for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2007. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report conforms to the Certificate of Achievement program requirements and we will be submitting it for consideration.

Acknowledgments. The preparation of this Comprehensive Annual Financial Report was made possible by the dedicated service of Marlene Scheibl, Gail Ciolek, and Carol Weatherall. The entire Village staff has our sincere appreciation for their compliance with Village policies and procedures, which assists the finance department in ensuring that the financial statements are consistent and free of material misstatements.

In closing, without the leadership and support of the Village President and Board of Trustees, preparation of this report would not have been possible.

Sincerely,



R. Drew Irvin
Village Administrator



Susan M. Griffin
Susan M. Griffin
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Lake Bluff
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2007

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.



Clare S. Cox

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Honorable Village President and
Members of the Board of Trustees
Village of Lake Bluff, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Lake Bluff, Illinois, as of and for the year ended April 30, 2008, 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 Lake Bluff's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Lake Bluff, Illinois, as of April 30, 2008, and the respective changes in financial position and cash flows, where applicable, 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 on pages 3 to 10 and the pension trend information, budgetary comparison information, and notes to the required supplementary information on pages 63 to 69 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

(Continued)

The Honorable Village President and
Members of the Board of Trustees
Village of Lake Bluff, Illinois

(Continued)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lake Bluff, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplemental information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
December 30, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended April 30, 2008

As management of the Village of Lake Bluff, Illinois, (the Village) we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village of Lake Bluff for the fiscal year ended April 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introduction Section of this report.

This management 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) clarify the Village's financial position and ability to address future challenges; (4) identify material deviations from the budget; and (5) identify concerns specific to individual funds. The Village's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The Village obtained an unqualified opinion from the independent audit firm, Miller, Cooper & Co., Ltd.
- The Village's investment in capital assets net of related debt of \$19.79 million equals the capital assets net of accumulated depreciation of \$25.29 million minus \$5.50 million in outstanding related debt.
- The Village's total net assets (governmental and business type) are \$27.94 million as of April 30, 2008 compared to \$27.24 million as of April 30, 2007. The unrestricted net assets declined to \$3.82 million on April 30, 2008, compared to \$4.12 million as of April 30, 2007.
- The total net assets growth of \$700 thousand in fiscal year 2008 is due to the Village's investment into infrastructure and accumulation of assets (from an accounting perspective) and reflects an improvement in the Village's financial position.
- Primary government-wide expenses were \$9.83 million, funded with program revenues of \$2.17 million and property, sales, utility, income and other taxes; interest and miscellaneous revenue of \$8.36 million accounted for the increase in net assets of \$700 thousand.

OVERVIEW OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Village's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Village's overall financial condition. Financial reporting at this level uses accounting similar to full accrual accounting such as in the private sector. Interfund activity is eliminated and the cost of assets with a long service life is spread out over future years so that capital expenditures are amortized through depreciation when the benefits are realized.

The first government-wide statement is the **Statement of Net Assets** that presents information about all of the Village's assets and liabilities, with the differences reported as net assets. Over a multiyear period, an increase or decrease in net assets can detect an improvement or deterioration in the financial position of the Village. Additionally, one would need to evaluate non-financial factors, such as the condition of Village infrastructure, the satisfaction of constituents, and other information beyond the scope of this report to make a more complete assessment of whether the Village as a whole has improved.

The second government-wide statement is the **Statement of Activities**, which reports *how* the Village's net assets changed during the current fiscal year. All current year revenues and expenses are included, regardless of when the cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the Village's distinct activities or functions on revenues provided by the Village's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Village that are principally supported by taxes and intergovernmental revenues (such as state-shared revenues) from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The Village of Lake Bluff's governmental activities include general government, public safety, and public works. The Village's only business-type activity relates to water. The Police Pension fiduciary activity is not available to fund Village programs and, therefore, is not included in the government-wide statements, but is presented in this document after the Village-wide statements.

The Village's financial reporting includes the funds of the Village primary government and the Lake Bluff Public Library. The Library, as a component unit of the Village, is reported separately from the financial information presented for the primary government on the government-wide statements. *The government-wide financial statements are presented on pages 11-13 of this report.*

REPORTING THE VILLAGE'S MOST SIGNIFICANT FUNDS

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, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Village's funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Unlike the government-wide financial statements, governmental fund financial information focuses on near-term *flow* of spendable resources, as well as on the *balance* of spendable resources available at the end of the fiscal year. It is useful to compare the information presented for governmental *funds* with similar information presented for governmental *activities* in the government-wide financial statements. The governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental *funds* and governmental *activities*. *The basic governmental fund financial statements can be found on pages 14-17 of this report.*

The Village of Lake Bluff has 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund because it is the Village's only major fund. Major funds are defined as those governmental or enterprise funds' whose total assets, liabilities, revenues, and expenditures/expenses are at least 10% of the totals for all funds of that category (governmental or enterprise) and at least 5% of the combined governmental and enterprise funds. The remaining 12 funds' data is combined into a single column labeled "nonmajor" governmental funds. *Individual fund data for these nonmajor governmental funds is shown on pages 70-79 in this report.*

The Village has adopted an annual budget for all of its funds except: Special Service Area Bonds, Special Service Area Capital Project, and the Train Station Wreath Funds. Budgetary comparison statements have been provided to demonstrate compliance with the budget for all other funds. *The actual to budget comparison statements by fund can be found on pages 80-95.*

Proprietary funds. The Water Fund is the Village's only proprietary fund. There are two categories of proprietary funds: enterprise funds and internal service funds. The Water Fund, as an enterprise fund, reports business-type activities in the government-wide financial statements. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent is that the costs (expenses, including depreciation) of providing the goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. An internal service fund is an accounting method used to accumulate and allocate costs internally among various governmental functions for services that predominantly benefit the government. The Village does not have any internal service funds. *The Water Fund financial activity is shown in more detail than the government-wide financial statements and can be found on pages 18-21 of this report.*

Fiduciary funds. The Police Pension Fund is the Village's only fiduciary fund. Fiduciary funds are not reflected in the government-wide financial statement because its resources are not available to support the Village's programs, but are used to account for resources held for the benefit of the eligible police officers. The accounting used for fiduciary funds is similar to that used for proprietary funds. *The Police Pension Fund financial statements can be found on pages 22-23 of this report.*

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. *The notes are preceded by an index which begins on page 24 of this report.*

Other information

In addition to the basic financial statements and accompanying notes, this report also encompasses certain required supplementary information concerning the Village's funding of pension benefit obligations to its employees and budget information. *Required supplementary information can be found on pages 63-69 of this report.*

Major funds and component units are reported in the basic financial statements as discussed. *Combining and individual statements and schedules for nonmajor funds are presented in a subsequent section of this report beginning on page 70.*

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

The largest portion of the Village's net assets reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The Village uses capital assets to provide services to citizens; therefore, these assets are not available for future spending. Further, the debt repayment is provided from other sources, since the capital assets cannot be used to liquidate the liabilities. The total unrestricted net assets for the primary government are \$3,817,433, which is 7.4% less than \$4,120,003 unrestricted net assets at the fiscal year ended April 30, 2007. Restricted assets comprise \$1,614,494 as "restricted for enabling legislation" and \$2,722,809 restricted for street improvements, capital outlay, and debt service. Assets restricted for enabling legislation include unspent funds that are limited for specific purposes as required by external agencies. Comparison of both restricted and unrestricted net assets reveals growth of 13.5%, or \$1,757,026. The Water Fund's unrestricted net assets increased \$82,440 due to the operating income of \$184,768 less nonoperating expenses and transfers of \$102,328.

The following schedule presents a summary of governmental and business-type net assets as of April 30, 2008 compared to April 30, 2007.

Village of Lake Bluff Net Assets

	Governmental Activities		Water Activities		Total	
	2008	2007	2008	2007	2008	2007
Current & other assets	\$11,301,199	\$10,669,712	\$ 1,966,878	\$1,760,057	\$13,268,077	\$12,429,769
Capital assets	17,876,337	18,328,869	7,409,723	7,647,471	25,286,060	25,976,340
Total assets	29,177,536	28,998,581	9,376,601	9,407,528	38,554,137	38,406,109
Long term liabilities	3,603,161	3,799,252	2,637,614	2,754,388	6,240,775	6,553,640
Other liabilities	4,155,312	4,396,916	214,769	211,362	4,370,081	4,608,278
Total liabilities	7,758,473	8,196,168	2,852,383	2,965,750	10,610,856	11,161,918
Net assets:						
Invested in capital assets, net of related debt	\$15,098,822	\$14,636,441	\$ 4,689,723	\$ 4,812,471	\$19,788,545	\$19,448,912
Restricted	4,337,303	3,675,276	---	---	\$ 4,337,303	3,675,276
Unrestricted	1,982,938	2,490,696	1,834,495	1,629,307	3,817,433	4,120,003
Total net assets	\$21,419,063	\$20,802,413	\$ 6,524,218	\$6,441,778	\$27,943,281	\$27,244,191

The following table presents a summary of governmental revenues, expenses, and changes in net assets for the fiscal year ended April 30, 2008 compared to April 30, 2007. Total governmental revenues declined by 1.8%, but were offset by a reduction in expenses of 8.4%; the net assets increased by \$616,650 after transfers. The water fund revenues increased 8.1%, offset by growth in expenses of 9.1%, resulting in the net assets after transfers increase of \$82,440.

Village of Lake Bluff Changes in Net Assets

	Governmental Activities		Water (Business-Type)		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues						
Charge for services	606,301	1,416,085	1,326,282	1,227,045	1,932,583	2,643,130
Operating grants and contributions	240,528	185,442	----	----	240,528	185,442
General revenues						
Property taxes	2,389,677	2,244,225	----	----	2,389,677	2,244,225
Sales taxes	3,242,281	3,218,327	----	----	3,242,281	3,218,327
Other taxes	1,958,597	1,837,616	----	----	1,958,597	1,837,616
Interest & Invest gains	339,738	319,950	55,149	70,523	394,887	390,473
Other	384,231	115,229	----	----	384,231	115,229
<i>Subtotal general revenue</i>	<i>8,314,524</i>	<i>7,735,347</i>	<i>55,149</i>	<i>70,523</i>	<i>8,369,673</i>	<i>7,805,870</i>
Total Revenues	9,161,353	9,336,874	1,381,431	1,297,568	10,542,784	10,634,442
Expenses:						
General government	2,708,645	2,814,923	----	----	2,708,645	2,814,923
Public safety	3,589,680	3,229,925	----	----	3,589,680	3,229,925
Public works	2,116,890	3,214,011	1,145,154	1,027,808	3,262,044	4,241,819
Debt service	150,799	88,851	121,079	132,822	271,878	221,673
Total expenses	8,566,014	9,347,710	1,266,233	1,160,630	9,832,247	10,508,340
Increase (dec) in net assets before transfers	595,339	(10,836)	115,198	136,938	710,537	126,102
Transfers	21,311	26,651	(32,758)	(26,651)	(11,447)	-----
Increase in net assets	616,650	15,815	82,440	110,287	699,090	126,102
Net assets – May 1, 2007	20,802,413	20,786,598	6,441,778	6,331,491	27,244,191	27,118,089
Net assets – April 30, 2008	21,419,063	20,802,413	6,524,218	6,441,778	27,943,281	27,244,191

Governmental Activities

Program Revenues

Charge for services in the governmental activities includes: building permits and related fees; vehicle, business, and other licenses; sewer charge; and police and fire protection services provided to local unincorporated areas. Charge for services declined by 57.2% predominately due to a 28% drop in building permit revenues. New building activity and major renovation projects have begun to descend as a result of tighter mortgage credit and the impact of higher fuel costs. Operating grants increased 30% from a USEPA sewer lining grant and FEMA reimbursement from the February 2008 snow storm.

General Revenues

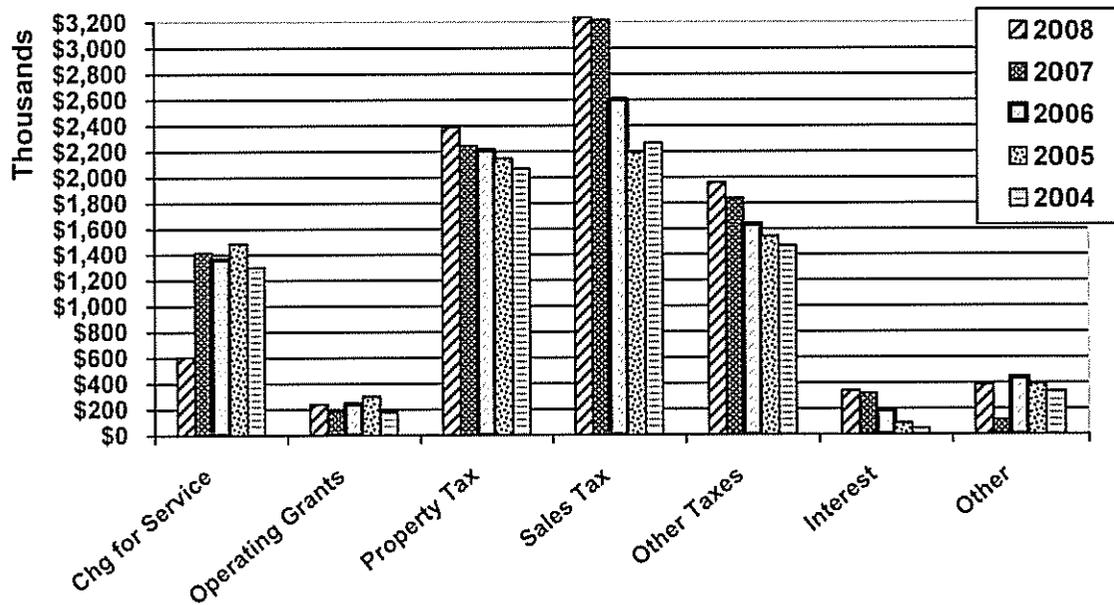
Village tax revenues are derived from a combination of the following sources: real estate, sales and local use, income, utility, personal property replacement, and motor fuel taxes. Total general revenues increased by 7.6%. Property taxes continue to be a major part of the Village's revenue structure, accounting for 26% of the total governmental revenues. In 2005, upon attainment of home rule legal authority, the Village adopted a 1% home rule sales tax, a 1% prepared food and beverage tax, and a demolition tax. These home rule sources, combined, accounted for an additional \$802,691, or 15.4% of the combined sales and other taxes category.

Non-home rule sales taxes increased by 2.6% due to the opening of Pasquesi Home and Garden's 80,000 square foot store, consistent automobile sales, and robust local use tax receipts. Income tax revenues were at an all-time high, with a 9.2% increase over last year on the strength of employment in Illinois.

Natural gas and electric utility taxes decreased by 1.4% due to the moderate temperatures in the region and conservation efforts. Telecommunications tax receipts declined by 2% due to the lower costs driven by market competition. Interest revenue rose 8.4% over last year due to the amount of available cash, including the 2006 bond proceeds. Other revenues are typically nonrecurring sources as well as some minor recurring charges.

Below is a chart comparing the last five years of governmental revenues by source.

Village of Lake Bluff Governmental Revenues



Governmental Expenses

Total governmental expenses decreased 8.4% overall despite higher fuel and supplies costs from the dramatic rise in crude oil. Personnel costs which comprise salaries, benefits, insurance, and pension expenses represent 48% of the total governmental expenses. During fiscal year 2008, the Village had four positions that were temporarily vacant from staffing turnover.

The general government expenses include the costs of personnel, commodities, contracts, and depreciation for the general administration including the Administrator's Office, Finance, and Boards and Commissions departments. This category of expenses is down 3.8%, predominately from the savings associated with the temporary vacancy during the recruitment process in the Village Administrator and Asst. Finance Director positions.

The public safety expenses are comprised of personnel, commodities, contracts, and capital expenditures for the police sworn, dispatch, and fire departments. The Police department hired and trained two additional patrol officers, accounting for most of the 11% increase in expenses.

The public works expenses include the costs of personnel, commodities, contracts, and depreciation for the maintenance of streets, bridges, sewers, street lights, and parkways. Also included in these activities are the costs associated with the Engineering/Building/Zoning department, the forestry infrastructure, and sanitation and recycling collection. This division's expenses decreased by 34% because of a decline in capital spending with the 2006 bond proceeds, and due to the vacancy in the building and zoning technician position.

Water - Proprietary Activities

The water activities include the costs of purchasing and distributing potable water to the Village's 2,000 residential and business customers; reading the meters; billing and collections; and maintaining the related infrastructure. The Village purchases water from the Central Lake County Joint Action Water Agency (CLCJAWA) at a rate of \$2.15 per 1,000 gallons. The revenues reflect the sale of the water, connection fees, meter sales, and other miscellaneous fees.

The Village charges its customers at a rate of \$5.42 per thousand gallons of water used. This rate was unchanged from the prior year and is calculated to sufficiently cover the wholesale rate, to adequately fund the annual water infrastructure maintenance costs, and to maintain required bond payment coverage. The debt service for 2008 is for the interest expense and discount amortization associated with the issuance, in 2004, of \$3.06 million in alternate revenue bonds to finance water infrastructure improvement projects to be completed over a 5-year period.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

The focus of the Village's governmental funds is to provide information on current inflows, outflows, and balances of non-capital assets. Unreserved fund balance serves as a useful measure of the Village's net resources available for spending at the end of the year. The governmental activities' total fund balance is \$7,519,029. The total fund balances grew \$813,651 from 2007 to 2008.

Village of Lake Bluff Governmental Fund Balances

		Governmental Activities		Increase/Decrease from 2007	
		2008	2007	Percentage	Dollars
General	Major	\$ 4,796,220	\$ 3,420,488	40.2%	\$1,375,732
Motor Fuel Tax	Nonmajor	1,076,141	1,120,182	(3.9)	(44,041)
Redevelopment	Nonmajor	718,793	1,516,944	(52.6)	(798,151)
Vehicle Replacement	Nonmajor	356,659	228,809	55.9	127,850
IL Municipal Retirement	Nonmajor	30,998	(4,422)	800.1	35,420
FICA/Social Security	Nonmajor	93,837	70,354	33.4	23,483
E-911	Nonmajor	386,469	294,895	31.1	91,574
Foreign Fire Tax	Nonmajor	24,164	22,250	8.6	1,914
Train Station Wreath	Nonmajor	4,044	4,134	(2.2)	(90)
SSA Bonds	Nonmajor	13,168	12,645	4.1	523
2001 G.O. Certificates	Nonmajor	(880)	(280)	(214.3)	(600)
2006 G.O. Bonds	Nonmajor	5,925	6,425	(7.8)	(500)
Capital Projects	Nonmajor	13,491	12,954	4.1	537
Total		\$ 7,519,029	\$ 6,705,378	12.1%	\$ 813,651

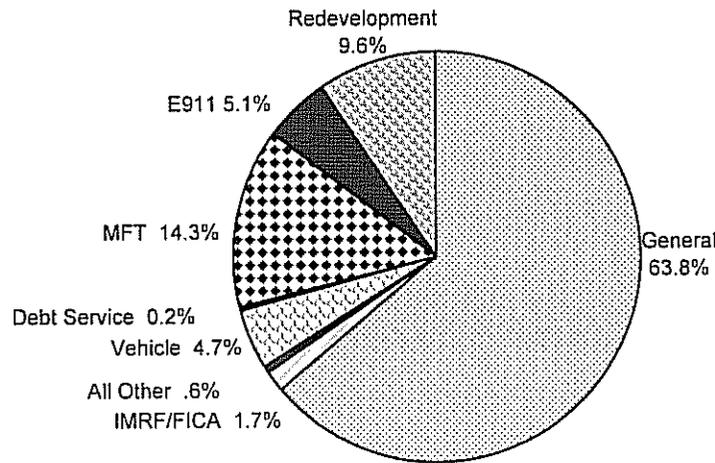
Governmental Funds – Major and Nonmajor

The General Fund fund balance of \$4,796,220 reflects the available resources to finance the main operations of the Village of Lake Bluff. The General Fund fund balance exceeds the Finance Committee policy of maintaining an amount equal to at least 25% of operating expenditures. The General Fund revenues include \$825,000 for the sale of the vacant land in the CBD Block One. When adjusting the change in fund balance for this one time inflow, the net increase in fund balance is \$550,732, or 16% over fiscal year 2007. The Motor Fuel Tax Fund funds are required to be utilized exclusively for maintenance of streets and the Redevelopment Fund funds are for the expenditure of the 2006 bond proceeds for specific capital improvements. The Vehicle Replacement Fund fund balance is reserved for replacement of capital vehicles and equipment. The other nonmajor governmental fund balances are reserved for IMRF Pension, Social Security, debt service, and capital projects expenses.

Below is a list of some of the reasons for some of the more significant fund balance changes.

- ❖ General Fund capital expenditures declined and revenues were greater than anticipated.
- ❖ Motor Fuel Tax Fund expenditures for the street rehabilitation program commenced in fiscal year 2007 and will continue through fiscal year 2009 to maintain streets pursuant to the annual condition assessment.
- ❖ Vehicle Replacement Fund fund balance increased as transfers in exceeded the purchases for the year.
- ❖ Illinois Municipal Retirement Fund fund balance was in a deficit last year due to a 52% increase in the employer contribution rates since 2004; however, the property tax levy was adjusted over the past two years to clear the deficit fund position. Social Security/FICA Fund fund balance increased from expensing less than anticipated from the personnel vacancies.
- ❖ The Redevelopment Fund fund balance decreased with the expenditure of the 2006 G.O. Bonds proceeds for completion of the CBD Center Ave/Scranton/Sheridan Road improvements.

GOVERNMENTAL FUND BALANCES AS A PERCENTAGE OF THE TOTAL



General Fund Budgetary Highlights

The budget was not modified during the year, and actual expenditures did not exceed the budget. The General Fund revenues exceeded the projected revenues by \$236,608, or 2.7%. Specifically, the state income tax revenue was \$44,414 more than projected; demolition permits exceeded expectations by \$30,000; and the Village received a \$40,102 credit from the Intergovernmental Risk Management Agency (IRMA) interest income rebate. However, building permit and sales tax revenues declined by \$77,657 and \$21,074, respectively, from the impact of the constrained credit markets. Further, the budget included \$25,000 that was never realized because the proposed leaf bag sticker program was not implemented. The General Fund expenditures were less than budgeted by \$593,760, or 7% of the projections due to these factors: personnel costs savings from human resource changes; the postponement of some capital equipment expenditures; and the unused \$200,000 contingency budget.

Water - Proprietary Fund

The Water Fund had operating income of \$184,768 and a change in net assets of \$82,440 after nonoperating revenues and transfers. The increase in net assets was attributed to a decrease in operating expenses. Revenues were down 19% from the prior year due to a decline in water consumption and water connection fees which correlate to the decrease in building activity.

Capital Assets and Debt Administration

Capital Assets. The Village's investment in capital assets, net of accumulated depreciation, for governmental activities was \$17,876,337. The Village's net realizable capital asset investment for the Water Fund was \$7,409,723. Major capital asset events during the current fiscal year included the sale of Village-owned vacant property in the CBD Block One.

Long-Term Debt. At April 30, 2008, the Village had three outstanding bond issues and two unsecured notes with a total principal balance of \$6.07 million outstanding. In August 2006, the Village issued \$2.1 million in G.O. Bonds to finance the cost of roadway improvements and street amenities in the downtown; a stop light on Waukegan Road and North Shore Drive; and other roadway and pedestrian access improvements. This debt will be repaid over 15 years beginning in 2011 with general operating revenues (the first 5 years are interest only payments). The 2001 G.O. Certificates of Participation (COPS) debt, issued on March 1, 2001 in the amount of \$1.93 million with a March 2011 maturity date, has an outstanding principal balance of \$775 thousand. This debt was issued to finance the safety, environmental, and space renovations at the Public Works Facility site, structural improvements at the Public Safety building, and the Village's share of costs to reconstruct the Moffett Road Bridge. In June 2004, the Village issued \$3.06 million in alternate water revenue bonds to finance the cost of 10 years of water infrastructure improvements. These bonds mature in December 2024 and will be repaid over 20 years with water revenues. The outstanding principal balance is \$2.72 million.

The Village has continued to observe a very conservative debt policy, as evidenced by the fact that the Village first issued bonds in 1987, has never carried debt in excess of \$10 million, and has a direct debt burden of 1% versus the median of 2.1%. The Village's outstanding general obligation debt principal represents .2% of EAV. *Additional information regarding the Village's debt is presented in the footnotes on pages 46-48, detailed schedules are shown on pages 102-106, and additional information is included in the statistical section on pages 122-126.*

Future Debt. At this time, the Village has no plans to issue additional debt in the upcoming fiscal year.

Bond Ratings. In July 2006, Moody's Investor Service upgraded the Village's bond rating to Aa1, which is the second highest rating. Moody's cited the Village's wealthy and steadily growing tax base; sound financial operations enhanced by recently gained home rule status; and minimal debt burden with limited capital needs.

Economic Factors

- Higher crude oil costs are impacting fuel, supplies, and commodities costs.
- Declines in the housing market are projected to dramatically decrease building and demolition permit revenues, demolition taxes, and water connection fees. To offset some of these expected revenue losses, the vacant building and zoning technician position likely will remain unfilled.
- Voters approved home rule in April 2005, which provides financial flexibility for the Village and provides some opportunities to mitigate potential revenue losses from the effects of state-wide budget constraints.
- Health insurance costs continue to rise in excess of the Consumer Price Index.
- Village sales tax receipts tend to be greater than the overall state; however, a decline in sales taxes and income tax receipts is projected due to weakening consumer confidence and increasing unemployment.

All of these factors were considered when preparing the fiscal year 2008-09 annual budget.

Contacting the Village's Financial Management

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations, and demonstrate the Village's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Village's Finance Director at 40 E. Center Ave, Lake Bluff, Illinois 60044 sgriffin@lakebluff.org or access the Village website at www.vlb.org.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Village of Lake Bluff, Illinois

Statement of Net Assets

April 30, 2008

	Primary Government			Component Unit
	Governmental Activities	Business-type Activity - Water Fund	Total	Public Library
ASSETS				
Cash and investments	\$ 7,373,311	\$ 1,512,374	\$ 8,885,685	\$ 377,227
Receivables, net of allowance for uncollectibles				
Property taxes	2,518,729	-	2,518,729	734,486
Other taxes	1,189,265	-	1,189,265	-
Other receivables	338,396	-	338,396	3
Accounts	57,919	247,392	305,311	-
Accrued interest	6,104	565	6,669	-
Inventory	24,022	-	24,022	-
Internal balances	24,583	(24,583)	-	-
Due from primary government	-	-	-	14,150
Internal balances - advances	(231,130)	231,130	-	-
Restricted assets - cash	-	-	-	2,997
Capital assets not being depreciated	2,194,127	-	2,194,127	347,445
Capital assets, net of accumulated depreciation	15,682,210	7,409,723	23,091,933	1,547,480
Total assets	29,177,536	9,376,601	38,554,137	3,023,788
LIABILITIES				
Accounts payable	368,034	41,703	409,737	39,041
Accrued payroll	102,892	5,556	108,448	12,962
Interest payable	-	40,800	40,800	-
Other liabilities	186,707	-	186,707	92,093
Unearned property taxes	2,518,729	-	2,518,729	734,486
Other unearned revenue	206,561	-	206,561	7,330
Deposits held	381,978	4,893	386,871	-
Due to component unit	14,150	-	14,150	-
Due to fiduciary fund	3,119	-	3,119	-
Noncurrent liabilities:				
Due within one year	373,142	121,817	494,959	-
Due in more than one year	3,603,161	2,637,614	6,240,775	-
Total liabilities	7,758,473	2,852,383	10,610,856	885,912
NET ASSETS				
Investment in capital assets, net of related debt	15,098,822	4,689,723	19,788,545	1,894,925
Restricted for:				
Street improvements	1,615,653	-	1,615,653	-
Debt service	18,213	-	18,213	-
Capital outlay	1,088,943	-	1,088,943	2,997
Restricted for enabling legislation	1,614,494	-	1,614,494	-
Unrestricted	1,982,938	1,834,495	3,817,433	239,954
Total net assets	\$ 21,419,063	\$ 6,524,218	\$ 27,943,281	\$ 2,137,876

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois

Statement of Activities
Year Ended April 30, 2008

	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
<u>Functions/Programs</u>			
Primary Government			
Governmental activities:			
General government	\$ 2,708,645	\$ 262,970	\$ 45,652
Public safety	3,589,680	122,457	22,569
Public works	2,116,890	220,874	172,307
Interest on long-term debt	150,799	-	-
Total governmental activities	8,566,014	606,301	240,528
Business-type activity:			
Water	1,266,233	1,326,282	-
Total primary government	\$ 9,832,247	\$ 1,932,583	\$ 240,528
Component Unit - Library	\$ 635,896	\$ 16,067	\$ 27,637

General revenues:

- Property tax
- Utility tax
- Intergovernmental revenues - unrestricted
- Replacement taxes
- Sales tax
- Income tax
- Telephone surcharge
- Other taxes
- Interest
- Miscellaneous
- Gain on sale of capital assets
- Transfers
- Total general revenues, gain on sale of capital assets, and transfers
- Change in net assets
- Net assets at beginning of year
- Net assets at end of year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Primary Government		Component Unit
	Business-type Activity Water Fund	Total	Public Library
\$ (2,400,023)	\$ -	\$ (2,400,023)	\$ -
(3,444,654)	-	(3,444,654)	-
(1,723,709)	-	(1,723,709)	-
(150,799)	-	(150,799)	-
(7,719,185)	-	(7,719,185)	-
-	60,049	60,049	-
(7,719,185)	60,049	(7,659,136)	-
-	-	-	(592,192)
2,389,677	-	2,389,677	697,495
990,251	-	990,251	-
64,618	-	64,618	-
3,242,281	-	3,242,281	-
570,574	-	570,574	-
91,513	-	91,513	-
157,061	-	157,061	-
339,738	55,149	394,887	11,291
84,580	-	84,580	9,344
384,231	-	384,231	-
21,311	(32,758)	(11,447)	11,447
8,335,835	22,391	8,358,226	729,577
616,650	82,440	699,090	137,385
20,802,413	6,441,778	27,244,191	2,000,491
\$ 21,419,063	\$ 6,524,218	\$ 27,943,281	\$ 2,137,876

Village of Lake Bluff, Illinois

Governmental Funds

Balance Sheet

April 30, 2008

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments	\$ 4,499,735	\$ 2,873,576	\$ 7,373,311
Receivables, net			
Property taxes	1,997,683	521,046	2,518,729
Other taxes	1,175,708	13,557	1,189,265
Other receivables	338,396	-	338,396
Accounts	51,508	6,411	57,919
Accrued interest	4,551	1,553	6,104
Inventory	24,022	-	24,022
Due from other funds	-	140,000	140,000
Total assets	\$ 8,091,603	\$ 3,556,143	\$ 11,647,746
LIABILITIES			
Accounts payable	\$ 286,876	\$ 81,158	\$ 368,034
Accrued payroll	102,892	-	102,892
Other liabilities	186,707	-	186,707
Unearned property taxes	1,997,683	521,046	2,518,729
Other unearned revenue	206,561	-	206,561
Deposits held	381,978	-	381,978
Due to other funds	118,536	-	118,536
Due to component unit	14,150	-	14,150
Advance to other fund	-	231,130	231,130
Total liabilities	3,295,383	833,334	4,128,717
FUND BALANCES			
Reserved for:			
Inventory	24,022	-	24,022
Unreserved, designated for capital expenditures	(300,000)	-	(300,000)
Unreserved, reported in:			
General fund	5,072,198	-	5,072,198
Special revenue funds	-	1,615,653	1,615,653
Debt service funds	-	18,213	18,213
Capital projects funds	-	1,088,943	1,088,943
Total fund balances	4,796,220	2,722,809	7,519,029
Total liabilities and fund balances	\$ 8,091,603	\$ 3,556,143	\$ 11,647,746

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Assets
April 30, 2008

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

Total fund balances - governmental funds	\$	7,519,029
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		17,876,337
Long-term liabilities, including general obligation limited tax certificates payable, notes payable to bank, the net pension obligation, and compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		<u>(3,976,303)</u>
Net assets of governmental activities	\$	<u><u>21,419,063</u></u>

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended April 30, 2008

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	\$ 1,875,131	\$ 514,546	\$ 2,389,677
Other taxes	5,014,123	102,175	5,116,298
Licenses, permits, and fees	1,378,688	-	1,378,688
Intergovernmental	45,652	194,876	240,528
Charges for services	386,087	-	386,087
Fines and forfeitures	96,598	-	96,598
Interest earned on investments	204,839	134,899	339,738
Miscellaneous	84,580	-	84,580
Total revenues	9,085,698	946,496	10,032,194
Expenditures			
Current			
General government	2,116,967	528,350	2,645,317
Public safety	3,250,238	68,735	3,318,973
Public works	2,226,409	149,787	2,376,196
Capital outlay	-	1,255,072	1,255,072
Debt service			
Principal	45,000	313,989	358,989
Interest	9,688	141,111	150,799
Total expenditures	7,648,302	2,457,044	10,105,346
Excess (deficiency) of revenues over expenditures	1,437,396	(1,510,548)	(73,152)
Other financing sources (uses)			
Sale of capital assets	827,022	38,470	865,492
Transfers in	-	909,997	909,997
Transfers out	(888,686)	-	(888,686)
Total other financing sources (uses)	(61,664)	948,467	886,803
Net change in fund balances	1,375,732	(562,081)	813,651
Fund balance at beginning of year	3,420,488	3,284,890	6,705,378
Fund balance at end of year	\$ 4,796,220	\$ 2,722,809	\$ 7,519,029

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended April 30, 2008

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

Net change in fund balances - total governmental funds	\$ 813,651
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	28,729
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net assets.	(481,261)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and increases in compensated absences consume the current financial resources of governmental funds.	<u>255,531</u>
Change in net assets of governmental activities	<u>\$ 616,650</u>

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois

Proprietary Fund - Water

Statement of Net Assets

April 30, 2008

ASSETS

Current assets

Cash and cash equivalents	\$ 1,512,374
Accounts receivable, net of allowance for uncollectibles	247,392
Accrued interest	<u>565</u>
Total current assets	<u>1,760,331</u>

Noncurrent assets

Advance to other fund	231,130
Capital assets, net of accumulated depreciation	<u>7,409,723</u>
Total noncurrent assets	<u>7,640,853</u>

Total assets	<u>9,401,184</u>
--------------	------------------

LIABILITIES

Current liabilities

Accounts payable	41,703
Accrued payroll	5,556
Interest payable	40,800
Due to other funds	24,583
Deposits held	4,893
Compensated absences	1,817
Revenue bonds payable	<u>120,000</u>
Total current liabilities	<u>239,352</u>

Noncurrent liabilities

Compensated absences	37,614
Revenue bonds payable	<u>2,600,000</u>
Total noncurrent liabilities	<u>2,637,614</u>

Total liabilities	<u>2,876,966</u>
-------------------	------------------

NET ASSETS

Invested in capital assets, net of related debt	4,689,723
Unrestricted	<u>1,834,495</u>
Total net assets	<u>\$ 6,524,218</u>

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois
 Proprietary Fund - Water
 Statement of Revenues, Expenses, and Changes in Net Assets
Year Ended April 30, 2008

Operating revenues	
Water sales	\$ 1,197,433
Meter sales	15,663
Tap-on and connection fees	112,740
Miscellaneous	<u>446</u>
Total operating revenues	<u>1,326,282</u>
Operating expenses	
Administrative and finance	349,361
Water purchases	554,366
Supplies	39
Depreciation	<u>237,748</u>
Total operating expenses	<u>1,141,514</u>
Operating income	<u>184,768</u>
Nonoperating revenues (expenses)	
Interest earned on investments	55,149
Interest expense	(121,079)
Miscellaneous expense	<u>(3,640)</u>
Total nonoperating expense	<u>(69,570)</u>
Net income before transfers	115,198
Operating transfers out	<u>(32,758)</u>
Changes in net assets	82,440
Net assets at beginning of year	<u>6,441,778</u>
Net assets at end of year	<u>\$ 6,524,218</u>

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois

Proprietary Fund - Water

Statement of Cash Flows

Year Ended April 30, 2008

Cash flows from operating activities	
Receipts from customers	\$ 1,346,790
Payments to suppliers	(651,394)
Payments to employees	<u>(249,714)</u>
Net cash provided by operating activities	<u>445,682</u>
Cash flows from noncapital financing activities	
Decrease in due to other funds	(37,925)
Increase in advance to other funds	(15,000)
Transfers out	<u>(32,758)</u>
Net cash used in noncapital financing activities	<u>(85,683)</u>
Cash flows from capital and related financing activities	
Payments of capital debt	(115,000)
Interest paid on capital debt	<u>(121,995)</u>
Net cash used in capital and related financing activities	<u>(236,995)</u>
Cash flows from investing activities	
Interest earned on investments	<u>55,669</u>
Net cash provided by investing activities	<u>55,669</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	178,673
Cash and cash equivalents	
Beginning of year	<u>1,333,701</u>
End of year	\$ <u><u>1,512,374</u></u>

(Continued)

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois
Proprietary Fund - Water
Statement of Cash Flows (Continued)
Year Ended April 30, 2008

Reconciliation of operating income to net cash provided by operating activities

Operating income	\$ 184,768
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	237,748
Bad debts	(4,449)
Changes in assets and liabilities	
Decrease in accounts receivable	24,257
Decrease in accounts payable	(4,066)
Increase in accrued payroll	1,681
Increase in deposits held	700
Increase in compensated absences payable	<u>5,043</u>
Net cash provided by operating activities	<u>\$ 445,682</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois

Fiduciary Fund - Police Pension

Statement of Fiduciary Net Assets

April 30, 2008

ASSETS

Cash	\$ 115,727
Investments (at fair value)	
Certificates of deposit	1,488,013
U.S. government obligations	2,111,362
Mutual funds	2,748,653
Receivables	
Accrued interest	36,411
Due from other funds	<u>3,119</u>
Total assets	<u>6,503,285</u>

LIABILITIES

Accounts payable	<u>43</u>
Total liabilities	<u>43</u>

PLAN NET ASSETS

Plan net assets held in trust for pension benefits	\$ <u><u>6,503,242</u></u>
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The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois
Fiduciary Fund - Police Pension
Statement of Changes in Fiduciary Net Assets
Year Ended April 30, 2008

Additions	
Contributions	
Employer	\$ 344,413
Plan members	<u>118,243</u>
Total contributions	<u>462,656</u>
Investment income	
Net depreciation in fair value of investments	(174,032)
Interest earned on investments	<u>350,747</u>
Total investment income	176,715
Less investment expense	<u>5,499</u>
Net investment income	<u>171,216</u>
Total additions	<u>633,872</u>
Deductions	
Administration	
Fees	1,163
Miscellaneous	2,390
Disability and benefit payments	<u>453,890</u>
Total deductions	<u>457,443</u>
Net increase	176,429
Plan net assets held in trust for pension benefits	
At beginning of year	<u>6,326,813</u>
At end of year	\$ <u><u>6,503,242</u></u>

The accompanying notes are an integral part of this statement.

Village of Lake Bluff, Illinois
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April 30, 2008

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Village of Lake Bluff, Illinois
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Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Lake Bluff, Illinois (Village), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Government 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 principles are described below.

A. Reporting Entity

The Village was incorporated on September 26, 1895, and is a municipal corporation governed by an elected seven-member board. The Village operates under a President/Administrator form of government and provides the following services as authorized by its charter: public safety (police and fire); highways and streets; health, social, and cultural services; water and sanitation; public improvements; planning and zoning; and general administration services. As required by GAAP, these financial statements present the Village (the primary government) and its component unit.

Discretely Presented Component Unit

The Lake Bluff Public Library (Library) is governed by an elected board of trustees and provides services to residents, generally within the geographic boundaries of the Village. The Library Board of Trustees selects management staff, establishes budgets, and otherwise directs the affairs of the Library. The Library Board of Trustees cannot issue general obligation bonds on its own behalf and, as such, bonds cannot be issued in the Library's name alone. Bonds must be issued by the Village on behalf of the Library. The Library is primarily funded by property taxes levied by the Village on behalf of the Library. The Library has an April 30 year-end. Complete financial statements for the Library can be obtained from the administrative office at 123 E. Scranton Avenue, Lake Bluff, Illinois 60044.

Joint Ventures

Central Lake County Joint Action Water Agency (CLCJAWA)

CLCJAWA is a municipal corporation empowered to construct and maintain a joint water supply system to serve its member municipalities. Management consists of a Board of Directors comprised of one elected official from each member. The Village does not exercise any control over the activities of CLCJAWA beyond its representation on the Board of Directors. CLCJAWA is reported as a proprietary joint venture.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Solid Waste Agency of Lake County (SWALCO)

SWALCO is a municipal corporation empowered to plan, finance, construct, and operate a solid waste disposal system to serve its member municipalities. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of SWALCO beyond its representation on the Board of Directors. SWALCO is reported as a proprietary joint venture.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting

The Village uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Village functions or activities.

Funds are classified into the following categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of the Village'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 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. The Village maintains the Water Enterprise Fund.

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. The Village maintains a Police Pension Trust Fund.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Property taxes are recognized as revenues in the fiscal year for which they are levied. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

For this purpose, the Village considers property taxes as available if they are collected within 60 days of the end of the current fiscal period. A six-month availability period is used for revenue recognition for all governmental fund revenues. Expenditures generally are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded when payment is due.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue, and charges for services. Sales, income, replacement, and motor fuel taxes collected and held by the state at year-end on behalf of the Village also are susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The accrual basis of accounting is utilized by proprietary fund types and pension trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Unbilled water revenue of the Water Fund is recognized as earned when the water is consumed.

The Village reports the following major governmental fund:

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

The Village reports the following major and only proprietary fund:

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

Additionally, the Village reports the following fiduciary fund type:

The *Police Pension Fund* accounts for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by sworn police officers at rates fixed by law and the Village at amounts determined by an annual actuarial study.

The Village's enterprise fund applies all applicable GASB pronouncements and all Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements, in which case GASB prevails.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include charges to customers for goods, services, or privileges provided.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Village reports unearned revenue on its financial statements. Unearned revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenue also arises 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 Equivalents

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

F. Investments

Investments are reported at fair value.

G. Receivables

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

- Derived tax receivables (such as: sales, income, and motor fuel taxes) are recognized when the underlying exchange has occurred.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Receivables (Continued)

- Imposed nonexchange receivables (such as: property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary nonexchange transaction receivables (such as: mandates or grants) are recognized when all eligibility requirements have been met.

H. Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market.

I. Due to/from Other Funds (Internal Balances)

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 and are noninterest-bearing.

J. Advances to/from Other Fund

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account in the governmental funds, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

K. Capital Assets

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

Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (except that all library books are capitalized) and an estimated useful life of more than one year. Capital 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 the donation. Infrastructure acquired prior to the implementation of GASB Statement No. 34 - *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* is included in these financial statements.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets (Continued)

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.

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

<u>Description</u>	<u>Years</u>
Buildings and improvements	15 - 50
Infrastructure	25 - 100
Equipment	3 - 25
Water systems/lines	40 - 75
Water tower	40
Vehicles	5 - 20
Books	10

L. Compensated Absences

Vested or accumulated vacation leave, including related Social Security, Medicare, and the Village's share of pension costs for IMRF, that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are accrued when incurred in the government-wide financial statements. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. Compensated absences are reported in governmental funds only if they have matured (i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement).

In the event of termination, an employee is reimbursed for accumulated vacation days up to a maximum of 25 working days. Employees, upon termination, are reimbursed for sick pay if unused sick leave exceeds a minimum of 60 days. An employee having a minimum of 60 days and not more than 119 days of sick leave accrued will receive compensation equal to 20% of all days accrued at the current pay rate. An employee having a minimum of 120 days to an unlimited maximum of sick leave accrued will receive compensation equal to 40% of all days accrued at the current pay rate. The General Fund has been used in prior years to liquidate the liability for compensated absences.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net assets. Bond premiums and discounts, as well as issuance costs, 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.

N. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent management plans that are subject to change.

O. Interfund Transactions

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

P. Use of Estimates

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

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental funds balance sheet includes a reconciliation between fund balance - total governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Assets (Continued)

One element of that reconciliation explains that "Long-term liabilities, including general obligation limited tax certificates payable, notes payable to bank, the net pension obligation, and compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds." The details of this difference are as follows:

General Obligation Limited Tax Certificates	\$	(2,875,000)
Unamortized bond discount		13,065
Notes payable to bank		(473,265)
Compensated absences		(357,763)
Net pension obligation		<u>(283,340)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	\$	<u><u>(3,976,303)</u></u>

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

The governmental funds statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net change in fund balances - total governmental funds and change in net assets of governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$	725,535
Depreciation expense		<u>(696,806)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net assets of governmental activities	\$	<u><u>28,729</u></u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)

Another element of that reconciliation states that "The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and increases in compensated absences consume the current financial resources of governmental funds." The details of this difference are as follows:

Principal repayments on General		
Obligation Limited Tax Certificates	\$	250,000
Amortization of bond discount		(2,010)
Principal repayments on notes payable to bank		109,238
Net increase in compensated absences		(25,367)
Net increase in net pension obligation		<u>(76,330)</u>
Net adjustment to increase net change in fund		
balances - total governmental funds to arrive at		
change in net assets of governmental activities	\$	<u>255,531</u>

NOTE 3 - DEFICIT FUND BALANCE

The 2001 General Obligation Tax Certificate Fund had a deficit fund balance of \$880 at April 30, 2008.

NOTE 4 - DEPOSITS AND INVESTMENTS

A. Primary government: The Village of Lake Bluff

The Village maintains a cash and investment pool that is available for use by most funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents" and "investments." In addition, investments are separately held by several of the Village's funds. The Village's investment policy and state statutes allow the Village to invest in the following:

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

A. Primary Government: The Village of Lake Bluff (Continued)

- Securities issued or guaranteed by the United States.
- Interest-bearing accounts of banks and savings and loan associations insured up to \$100,000 by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500 million and rated in the highest classification by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- The Illinois Funds.
- Repurchase agreements which meet instrument transaction requirements of Illinois law.

The deposits and investments of the Police Pension Fund are held separately from those of other Village funds. In addition to the aforementioned investments, the pension fund is also permitted to invest in the following instruments:

- General accounts of Illinois-licensed life insurance companies.
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds, and real estate, limited to 10% of the fund's investments.
- Bonds issued by any county, city, township, village, incorporated town, municipal corporation, or school district in Illinois.
- Tax anticipation warrants issued by any city, township, village, incorporated town, or fire protection district in Illinois.
- Equity accounts up to a limit of 45% of the aggregate fair value of the Fund's assets.
- Direct obligations of the State of Israel.

The Police Pension Fund, with net assets of \$2.5 million or more, may invest up to 35% of plan net assets in a separate account of life insurance companies and mutual funds. In addition, with net assets of at least \$5 million and with an appointed investment advisor, the pension fund may, through that investment advisor, invest up to 45% of the plan's net assets in common and preferred stocks which meet specific restrictions.

As of April 30, 2008, the Village's cash and investments consisted of the following:

	Government- Wide	Fiduciary	Total
Total Village cash and investments	\$ 8,885,685	\$ 6,463,755	\$ 15,349,440

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

A. Primary Government: The Village of Lake Bluff (Continued)

For disclosure purposes, this amount is segregated into three components: 1) cash on hand; 2) deposits with financial institutions, which include amounts held in demand accounts and savings accounts; and 3) other investments, which consist of investments in the Governmental Cash Investment Fund, certificates of deposit, Federal National Mortgage Association, Federal Home Loan Banks, money markets, U.S. Government treasuries, mutual funds, and common stocks as follows:

	Total
Cash on hand	\$ 800
Deposits with financial institutions - Village	1,923,392
Deposits with financial institutions - Police Pension Fund	1,498,835
Other investments - Village	6,961,493
Other investments - Police Pension Fund	4,964,920
Total Village cash and investments	\$ 15,349,440

As of April 30, 2008, the Village has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (In Years)	
		Less than 1	1-3
Governmental cash investment funds	\$ 6,961,493	\$ 6,961,493	\$ -
Total Village investments	\$ 6,961,493	\$ 6,961,493	\$ -

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

A. Primary Government: The Village of Lake Bluff (Continued)

As of April 30, 2008, the Police Pension Fund has the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>		
		<u>Less than 1</u>	<u>1-3</u>	<u>3-6</u>
Governmental cash investment funds	\$ 104,905	\$ 104,905	\$ -	\$ -
Federal National Mortgage Association	156,450	-	156,450	-
Federal Home Loan Banks	1,484,272	505,547	619,319	359,406
Federal Farm Credit Bank	470,640	255,078	-	215,562
Total Police Pension Fund investments	2,216,267	\$ <u>865,530</u>	\$ <u>775,769</u>	\$ <u>574,968</u>
		<u>Equities</u>		
Mutual Funds	2,748,653	\$ <u>2,748,653</u>		
Total fair value	\$ <u>4,964,920</u>			

1. Interest Rate Risk

The Village's investment policy objective is to invest funds in excess of those needed for short-term operating purposes and to maximize revenue from the investment of such available cash. To the extent possible, the Village will attempt to match the maturity schedule of its investments with anticipated cash flow requirements. Unless matched to a specific cash requirement, the Village will not directly invest in securities maturing more than five (5) years from the date of purchase. At least 5% of the portfolio shall be continuously invested in readily available market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet operational obligations.

The Police Pension Fund's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The fixed income assets are invested in proportion to the present value of the fund's projected liabilities which is determined annually by an independent actuary.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

A. Primary Government: The Village of Lake Bluff (Continued)

2. Credit Risk

State law limits investments in commercial paper, corporate bonds, and mutual bonds funds to the top two ratings issued by nationally recognized statistical rating organizations. The Village's investment policy mirrors the state law limits. As of April 30, 2008, the Village's investments in government agency notes and bonds were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Governmental Cash Investment Fund's fair value of the position in the external investment pool is the same as the value of the pool shares and these investments are not subject to risk categorization and conform to the Illinois Public Funds Act. The fund is managed by the financial institution in which it is held and is rated AAAM by Standard & Poor's as of June 30, 2008.

The Police Pension Fund's investment policy reflects the securities authorized by the Illinois Pension Code and the Illinois Public Funds Act. As of April 30, 2008, the Police Pension Fund's fixed income holdings are in AAA-rated government bonds and agencies.

3. Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of April 30, 2008, \$144,741 of the Village's deposits with financial institutions balance of \$2,440,876 was exposed to custodial credit risk because it was uninsured and undercollateralized.

The Village's investment policy does not impose any custodial limits or requirements.

The Police Pension Fund's deposits and investments are held in custody at a trust company authorized in Illinois. As of April 30, 2008, of the total deposits with financial institutions balance of \$1,607,005, none was exposed to custodial credit risk.

4. Concentration of Credit Risk

It is the policy of the Village to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer, or class of securities. The Village's investment policy requires the Village to diversify its investments by security instrument and institution.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

A. Primary Government: The Village of Lake Bluff (Continued)

4. Concentration of Credit Risk (Continued)

Diversification by security instrument is as follows: U.S. Treasury Obligations - 100% maximum; U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations - 100% maximum; Certificates of Deposit (CDs) Commercial Banks - 33% maximum, the exception would be when the CDs are being invested using the Certificate of Deposit Account Registry Service (CDARS) or similar system; Illinois Governmental Cash Investment Fund - 20% maximum; and Illinois Metropolitan Investment Fund - 15%. Diversification by institution is as follows: CDs - no more than 15% of the total portfolio with any one institution.

It is the policy of the Police Pension Fund to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer, or class of securities. The Police Pension Fund's investment policy requires the Police Pension Fund to diversify its investments by asset class (equities, bonds, and cash equivalents) and within equities by economic sector, industry, quality, size, investment style, etc. Diversification by asset allocation is as follows: Large Cap Growth - 7% minimum, 10% preferred, 13% maximum; Large Cap Value - 7% minimum, 10% preferred, 13% maximum; Small/Midcap Growth - 5% minimum, 7.5% preferred, 10% maximum; Small/Midcap Value - 5% minimum, 7.5% preferred, 10% maximum; International Growth - 1% minimum, 2.5% preferred, 4% maximum; International Value - 1% minimum, 2.5% preferred, 4% maximum; and Fixed Income and Cash - 55% minimum, 60% preferred, 65% maximum.

5. Concentration of Currency Risk

The Village's investments are not subject to currency fluctuation risk.

The Police Pension Fund's assets were invested in mutual funds that are exposed to currency risk. As of April 30, 2008, none of the investments were subject to currency risk. To reduce the impact of this risk, the Fund utilizes an equity asset allocation model that incorporates a variety of management styles, reviews the portfolio quarterly, and rebalances at least annually, if necessary.

B. Component Unit: The Lake Bluff Library

The Library's investment policy and state statutes allow investment in the following:

- Securities issued or guaranteed by the United States.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

B. Component Unit: The Lake Bluff Library (Continued)

- Interest-bearing accounts of banks and savings and loan associations insured up to \$100,000 by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500 million and rated in the highest classification by at least two rating agencies.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- The Illinois Funds.
- Repurchase agreements which meet instrument transaction requirements of Illinois law.

As of April 30, 2008, the Library's cash and investments consisted of the following:

	Total
Cash on hand	\$ 143
Deposits with financial institutions - unrestricted	320,830
Other investments	56,254
 Total Library cash and investments	 \$ 377,227

As of April 30, 2008, the Library has the following investments and maturities.

Deposits and Investments by Type	Fair Value	Investment Maturities (In Years)	
		Less than 1	1-3
Governmental cash investment funds	\$ 56,254	\$ 56,254	\$ -

NOTE 5 - RECEIVABLES - TAXES

Property taxes for 2007 attach as an enforceable lien on January 1, 2007 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 May 1 and August 1 and are payable in two installments, on or about June 1 and September 1. The county collects such taxes and remits them periodically. Based upon collection histories, the Village has not provided an allowance for uncollectible property taxes at April 30, 2008.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 6 - CAPITAL ASSETS

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

<u>A. Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land and improvements	\$ 2,653,592	\$ -	\$ 459,465	\$ 2,194,127
Capital assets being depreciated				
Buildings and improvements	5,503,071	-	-	5,503,071
Infrastructure	14,287,743	424,750	33,858	14,678,635
Equipment	5,152,606	300,785	276,460	5,176,931
Total capital assets being depreciated	<u>24,943,420</u>	<u>725,535</u>	<u>310,318</u>	<u>25,358,637</u>
Less accumulated depreciation for				
Buildings and improvements	1,619,538	140,886	-	1,760,424
Infrastructure	5,130,707	215,399	14,227	5,331,879
Equipment	2,517,898	340,521	274,295	2,584,124
Total accumulated depreciation	<u>9,268,143</u>	<u>696,806</u>	<u>288,522</u>	<u>9,676,427</u>
Total capital assets being depreciated, net	<u>15,675,277</u>	<u>28,729</u>	<u>21,796</u>	<u>15,682,210</u>
Governmental activities capital assets, net	<u>\$ 18,328,869</u>	<u>\$ 28,729</u>	<u>\$ 481,261</u>	<u>\$ 17,876,337</u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 6 - CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
B. <u>Business-type Activity - Water</u>				
Capital assets being depreciated				
Water systems/lines	\$ 8,861,456	\$ -	\$ -	\$ 8,861,456
Water tower	1,609,375	-	-	1,609,375
Vehicles	151,761	-	40,105	111,656
Total capital assets being depreciated	10,622,592	-	40,105	10,582,487
Less accumulated depreciation for				
Water systems/lines	2,160,691	190,083	-	2,350,774
Water tower	693,181	40,345	-	733,526
Vehicles	121,249	7,320	40,105	88,464
Total accumulated depreciation	2,975,121	237,748	40,105	3,172,764
Business-type activity capital assets, net	\$ 7,647,471	\$ (237,748)	\$ -	\$ 7,409,723

C. Depreciation Expense

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

Governmental activities:

General government	\$ 50,080
Public safety	260,033
Public works	386,693

Total depreciation expense – governmental activity \$ 696,806

Business – type activity

Water	\$ 237,748
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Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 6 - CAPITAL ASSETS (Continued)

D. Component Unit

Activity for the Library for the year ended April 30, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 347,445	\$ -	\$ -	\$ 347,445
Capital assets being depreciated				
Buildings	1,618,089	-	-	1,618,089
Equipment	93,713	-	-	93,713
Books	<u>1,261,432</u>	<u>103,630</u>	<u>236,828</u>	<u>1,128,234</u>
Total capital assets being depreciated	<u>2,973,234</u>	<u>103,630</u>	<u>236,828</u>	<u>2,840,036</u>
Less accumulated depreciation for				
Buildings	453,075	40,486	-	493,561
Equipment	54,285	6,533	-	60,818
Books	<u>938,770</u>	<u>36,235</u>	<u>236,828</u>	<u>738,177</u>
Total accumulated depreciation	<u>1,446,130</u>	<u>83,254</u>	<u>236,828</u>	<u>1,292,556</u>
Total capital assets being depreciated, net	<u>1,527,104</u>	<u>20,376</u>	<u>-</u>	<u>1,547,480</u>
Library capital assets, net	<u>\$ 1,874,549</u>	<u>\$ 20,376</u>	<u>\$ -</u>	<u>\$ 1,894,925</u>

E. Construction and Purchase Commitments

The value of construction contracts signed where the work has not yet been performed at April 30, 2008 is \$152,912.

The value of purchase commitments for capital assets at April 30, 2008 is \$116,065.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 7 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to injuries and illnesses of employees. These risks are covered by commercial insurance purchased from independent third parties and are displayed as expenditures/expenses of the General and Water Funds. Settled claims from these risks have not exceeded commercial insurance coverage for the past five 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 Cooperation Statute to pool risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The government'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. Beginning in 2005, members were given the option to assume higher deductibles. IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IRMA, experience modification factors based on past member loss experience, and optional deductible credits. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village had a member's reserve of \$225,903 and no excess surplus at April 30, 2008.

NOTE 8 - LEASE AND MAINTENANCE OBLIGATIONS

A. Commuter Station

The Village is engaged in an operating lease agreement with the Union Pacific Railroad for the parking lot at the Lake Bluff train station. This lease is renewable on a year-to-year basis. Lease payments are equal to one-third of the parking lot's gross revenues. These activities are accounted for in the General Fund.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 8 - LEASE AND MAINTENANCE OBLIGATIONS (Continued)

B. Library

The Library has operating leases and agreements relating to the rental of office equipment and for building and elevator maintenance. Rental and maintenance expense for leases totaled \$45,896 for the year ended April 30, 2008. Minimum annual payments on these contracts are as follows:

Year Ending April 30, 2009	Amount
	\$ 20,851

NOTE 9 - LONG-TERM DEBT

A. Summary of Long-Term Debt

The following is a summary of long-term debt activity for the Village for the year ended April 30, 2008:

	Balance May 1, 2007	Increases	Retirements/ Decreases	Balance April 30, 2008	Due Within One Year
Governmental activities					
General Obligation Limited					
Tax Certificates	\$ 3,125,000	\$ -	\$ 250,000	\$ 2,875,000	\$ 260,000
Less unamortized bond discount	(15,075)	2,010	-	(13,065)	1,005
Notes payable to bank	582,503	-	109,238	473,265	112,137
Compensated absences	332,396	315,187	289,820	357,763	-
Net pension obligation	207,010	76,330	-	283,340	-
Total governmental long-term debt	\$ 4,231,834	\$ 393,527	\$ 649,058	\$ 3,976,303	\$ 373,142

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 9 - LONG-TERM DEBT (Continued)

A. Summary of Long-Term Debt (Continued)

	<u>Balance</u> May 1, 2007	<u>Increases</u>	<u>Retirements/ Decreases</u>	<u>Balance</u> April 30, 2008	<u>Due Within</u> <u>One Year</u>
Business-type activity					
General Obligation					
Bonds	\$ 2,835,000	\$ -	\$ 115,000	\$ 2,720,000	\$ 120,000
Compensated absences	<u>34,388</u>	<u>19,760</u>	<u>14,717</u>	<u>39,431</u>	<u>1,817</u>
	<u>\$ 2,869,388</u>	<u>\$ 19,760</u>	<u>\$ 129,717</u>	<u>\$ 2,759,431</u>	<u>\$ 121,817</u>

B. Long-Term Debt - Terms and Maturities

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

On February 12, 2001, the Village passed an ordinance for the issuance of \$1,930,000 General Obligation Limited Tax Certificates, Series 2001. Principal payments began March 1, 2002 and are due every March 1 thereafter through March 1, 2011. Interest on bonds is payable semiannually on the first day of March and September each year, commencing on September 1, 2001. The annual interest rate is between 4.0% and 4.2%. Proceeds were used for the purpose of constructing improvements to the Village's public works facility and public safety building and for funding certain local costs of the Moffett Road Bridge reconstruction project.

On July 1, 2004, the Village issued General Obligation Bonds (Waterworks System Revenues and Sales Taxes Alternate Revenue Sources) in the amount of \$3,060,000 and bearing interest at rates varying from 4.0% to 4.7%. Principal payments began on December 15, 2005 and are due every December 15 thereafter through December 15, 2024. Interest on these bonds is payable semiannually on June 15 and December 15 of each year, commencing on December 15, 2005. Proceeds were used to construct improvements to the Village's waterworks system.

On October 24, 2005, the Village obtained a \$315,000 unsecured note payable to a bank for the purchase of land. The note bears interest at 3.85% and is payable semiannually on April 23 and October 24 of each year, commencing on April 24, 2006. Principal payments begin on October 24, 2006 and are due annually thereafter through October 24, 2012.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 9 - LONG-TERM DEBT (Continued)

B. Long-Term Debt - Terms and Maturities (Continued)

On July 24, 2006, the Village issued General Obligation Bonds in the amount of \$2,100,000 and bearing interest at rates varying from 3.90% to 4.25%. Principal payments begin on December 15, 2011 and are due every December 15 thereafter through December 15, 2020. Interest on these bonds is payable semiannually on June 15 and December 15 of each year, commencing on December 15, 2006. Proceeds were used to construct safety improvements to the Village's roadways, streets, pedestrian walkways, and intersections.

On February 13, 2007, the Village obtained a \$350,000 unsecured note payable to a bank for the purchase of land. The note bears interest at 4.35%. Principal and interest are payable semiannually on March 15 and September 15 of each year, commencing on March 15, 2007, and thereafter through September 15, 2011.

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

<u>Year Ending</u> <u>April 30,</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 260,000	\$ 117,739	\$ 120,000	\$ 117,395
2010	255,000	107,339	120,000	112,595
2011	260,000	96,884	125,000	107,795
2012	130,000	85,964	130,000	102,795
2013	185,000	80,894	130,000	97,595
2014 - 2018	1,050,000	286,401	745,000	403,865
2019 - 2023	735,000	62,845	920,000	230,105
2024 - 2025	-	-	430,000	30,550
	<u>\$ 2,875,000</u>	<u>\$ 838,066</u>	<u>\$ 2,720,000</u>	<u>\$ 1,202,695</u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 9 - LONG-TERM DEBT (Continued)

B. Long-Term Debt - Terms and Maturities (Continued)

Annual debt service requirements to maturity for the note payable to a bank are as follows:

	Governmental Activities	
	Principal	Interest
2009	\$ 112,137	\$ 19,041
2010	115,131	14,285
2011	118,258	9,393
2012	82,739	5,131
2013	45,000	215
	\$ 473,265	\$ 48,065

NOTE 10 - INTERFUND BALANCES

A. Due From/To Other Funds (Internal Balances)

<u>Fund</u>	<u>Purpose</u>	<u>Due From</u>	<u>Due To</u>
General			
Proprietary - Water	Miscellaneous transactions	\$ 24,583	\$ -
Fiduciary - Police Pension	Share of property and personal property replacement taxes	-	3,119
Nonmajor governmental	Street rehabilitation projects	-	140,000
Nonmajor governmental - Motor Fuel Tax			
General	Street rehabilitation projects	140,000	
Total governmental funds		164,583	143,119
Proprietary - Water			
General	Miscellaneous transactions	-	24,583

(Continued)

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 10 - INTERFUND BALANCES (Continued)

A. Due From/To Other Funds (Internal Balances) (Continued)

<u>Fund</u>	<u>Purpose</u>	<u>Due From</u>	<u>Due To</u>
Fiduciary - Police Pension General	Share of property and personal property replacement taxes	\$ 3,119	\$ -
	Total internal balances	167,702	167,702
	Less amounts eliminated during GASB 34 and due to fiduciary fund	<u>(143,119)</u>	<u>(143,119)</u>
	Total internal balances, net of amount due to fiduciary fund	<u>\$ 24,583</u>	<u>\$ 24,583</u>

B. Due From Component Unit/Due to Primary Government

	<u>Due From</u>	<u>Due To</u>
Component Unit - Public Library Primary government - General Fund	\$ 14,150	\$ -
Primary government - General Fund Component Unit - Public Library	-	14,150
Total	<u>\$ 14,150</u>	<u>\$ 14,150</u>

C. Advances From/To Other Fund

<u>Fund</u>	<u>Advances To</u>	<u>Advances From</u>
Proprietary - Water Nonmajor governmental - Vehicle Replacement	\$ 231,130	\$ -
Nonmajor governmental - Vehicle Replacement Proprietary - Water	-	231,130
Total	<u>\$ 231,130</u>	<u>\$ 231,130</u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 11 - TRANSFERS

<u>Fund</u>	<u>Purpose</u>	<u>Transfer In</u>
Nonmajor governmental - Motor Fuel Tax		
General	To fund unsecured bank note for land purchase	\$ 140,000
Nonmajor governmental - Vehicle Replacement		
General	To fund replacement of vehicles	359,500
Nonmajor governmental - 2001 General Obligation Tax Certificate		
General	To fund non-property tax debt	291,775
Nonmajor governmental - 2006 General Obligation Bond		
General	To fund non-property tax debt	85,964
Nonmajor governmental - Illinois Municipal Retirement		
Proprietary - Water	To fund water salary MIR costs	18,749
Nonmajor governmental - Federal Social Security		
Proprietary - Water	To fund water salary FICA costs	<u>14,009</u>
Total primary government		909,997
Component Unit - Public Library		
Primary government - General Fund		<u>(11,447)</u>
Less amounts eliminated during GASB 34 adjustments		<u>(877,239)</u>
Total transfers in		<u>\$ 21,311</u>
<u>Fund</u>	<u>Purpose</u>	<u>Transfer Out</u>
General		
Nonmajor governmental - Vehicle Replacement	To fund replacement of vehicles	\$ 359,500
Nonmajor governmental - 2001 General Obligation Tax Certificate	To fund non-property tax debt	291,775
Nonmajor governmental - 2006 General Obligation Bond	To fund non-property tax debt	85,964
Nonmajor governmental - Motor Fuel Tax	To fund unsecured bank note for land purchase	<u>140,000</u>
Total General Fund		<u>877,239</u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 11 - TRANSFERS (Continued)

<u>Fund</u>	<u>Purpose</u>	<u>Transfer Out</u>
Proprietary - Water		
Nonmajor governmental - Illinois		
Municipal Retirement	To fund water salary IMRF costs	\$ 18,749
Nonmajor governmental - Federal		
Social Security	To fund water salary FICA costs	14,009
Total Water Fund		<u>32,758</u>
Total governmental funds		909,997
Primary government - General Fund		
Component Unit - Public Library		<u>(11,447)</u>
Less amount eliminated during GASB 34		<u>(877,239)</u>
Total transfers out		\$ <u><u>21,311</u></u>

NOTE 12 - UNRESTRICTED FUND BALANCE - DESIGNATED

The General Fund designated fund balance of \$300,000 represents amounts designated for future capital expenditures or land acquisitions.

NOTE 13 - RESTRICTIONS FOR ENABLING LEGISLATION

The government-wide statement of net assets reports \$1,614,494 of net assets restricted by enabling legislation, which consists of the following:

Street maintenance	\$	1,076,141
Drug forfeiture		2,885
Emergency phone		386,469
Foreign fire insurance tax		24,164
Employer portion of pension		<u>124,835</u>
	\$	<u><u>1,614,494</u></u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 14 - CONTINGENT LIABILITIES

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 management, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

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

NOTE 15 - JOINT VENTURES

A. Central Lake County Joint Action Water Agency (CLCJAWA)

The Village is a member of CLCJAWA, which consists of nine municipalities. CLCJAWA is a municipal corporation and public body politic and corporation established pursuant to the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). CLCJAWA is empowered under the Act to plan, construct, improve, extend, acquire, finance, operate, and maintain a joint water supply system to serve its members and other potential water purchasers.

The members of CLCJAWA as of April 30, 2008 are:

- Village of Grayslake
- Village of Gurnee
- Village of Lake Bluff
- Village of Libertyville
- Village of Mundelein
- Village of Round Lake
- Village of Round Lake Beach
- Round Lake Consortium (representing Village of Round Lake Heights and Village of Round Lake Park)
- County of Lake (servicing the Communities of Knollwood/Roundout, Wildwood, and Vernon Hills)

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 15 - JOINT VENTURES (Continued)

A. Central Lake County Joint Action Water Agency (CLCJAWA) (Continued)

CLCJAWA is governed by a Board of Directors, which consists of one elected official from each member municipality. Each Director has an equal vote. The officers of CLCJAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of CLCJAWA; makes all appropriations; approves contracts for sale or purchase of water; adopts resolutions providing for the issuance of bonds or notes by CLCJAWA; and adopts bylaws, rules, and regulations. The Village has no explicit and measurable equity interest in CLCJAWA, although there does exist a residual interest in CLCJAWA's assets upon dissolution of the joint venture. The Village has an ongoing financial responsibility for its share of CLCJAWA's liabilities. Each participant is liable for its share of any agency contracts entered into while bound by the intergovernmental agreement, until those contracts are paid off. Additionally, the Village has an ongoing financial responsibility to purchase water from CLCJAWA.

Summary of the financial position of CLCJAWA as of April 30, 2008:

	Assets		Liabilities and Net Assets
Current assets	\$ 9,805,330	Current liabilities	\$ 729,091
		Restricted liabilities	11,604,439
Restricted assets	24,480,788	Long-term debt	<u>138,393,488</u>
		Total liabilities	<u>150,727,018</u>
Capital assets, net	119,295,870	Investment in capital assets - net of related debt	(17,634,680)
Other assets	<u>1,487,858</u>	Restricted	13,353,015
	<u>\$ 155,069,846</u>	Unrestricted	<u>8,624,493</u>
		Net assets	<u>\$ 4,342,828</u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 15 - JOINT VENTURES (Continued)

A. Central Lake County Joint Action Water Agency (CLCJAWA) (Continued)

Summary of revenues, expenses, and changes in net assets for the year ended April 30, 2008:

Total revenues	\$ 15,789,868
Total expenses	<u>9,866,964</u>
Operating income	5,922,904
Nonoperating expenses	<u>4,201,726</u>
Net income	1,721,178
Net assets	
May 1, 2007	<u>2,621,650</u>
April 30, 2008	\$ <u><u>4,342,828</u></u>

Complete financial statements for CLCJAWA can be obtained from its administrative office at 200 Rockland Road, Lake Bluff, Illinois 60044.

Revenues of the system consist of (a) all receipts derived from water contracts or any other contracts for the consumption of water; (b) all income derived from the investment of monies; and (c) all income, fees, and service charges and all grants, rents, and receipts derived by CLCJAWA from the ownership and operation of the system.

CLCJAWA covenants to establish fees and charges sufficient to provide revenues to meet all of its requirements.

The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by CLCJAWA of its obligations under this contract.

The payments required to be made by the Village under this contract shall be required to be made solely from revenues to be derived by the Village from the operation of the Village's system. The Village is not prohibited by the contract from using any other available funds to make the payments required by the contract. The contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation. The Village remitted payments of \$554,366 to CLCJAWA for the year ended April 30, 2008.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 15 - JOINT VENTURES (Continued)

B. Solid Waste Agency of Lake County (SWALCO)

The Village is a member of the Solid Waste Agency of Lake County (SWALCO), which consists of 40 municipalities. SWALCO is a municipal corporation and public body politic and corporation established pursuant to the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWALCO is empowered under the Act to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members.

The members of SWALCO and their percentage shares are based on the formula contained in the Agency Agreement. As of April 30, 2008, the Village's percentage share is 1.61%

These percentage shares are subject to change in future years based on the combination of the population and equalized assessed valuation of the municipalities.

The members form a contiguous geographic service area, which is located in Lake County. Under the Agency Agreement, additional members may join SWALCO upon the approval of each member.

SWALCO is governed by a Board of Directors, which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWALCO are appointed by the Board of Directors. The Board of Directors determines the general policy of SWALCO; makes all appropriations; approves contracts; adopts resolutions providing for the issuance of bonds or notes by SWALCO; adopts by-laws, rules, and regulations; and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

Summary of the financial position of SWALCO as of November 30, 2007:

Assets		Liabilities and Net Assets	
Current assets	\$ 858,670	Current liabilities	\$ <u>495,348</u>
Capital assets	<u>1,686,704</u>	Net assets	
		Invested in capital assets	1,686,704
		Unrestricted	<u>363,322</u>
Total assets	<u>\$ 2,545,374</u>	Total net assets	<u>\$ 2,050,026</u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 15 - JOINT VENTURES (Continued)

B. Solid Waste Agency of Lake County (SWALCO) (Continued)

Summary of revenues, expenditures, and changes in fund equity for the year ended November 30, 2007:

Total revenues	\$ 2,753,601
Total expenses	<u>2,988,632</u>
Operating loss	(235,031)
Nonoperating income	<u>8,583</u>
Change in net assets	(226,448)
Net assets	
December 1, 2006	<u>2,276,474</u>
November 30, 2007	\$ <u><u>2,050,026</u></u>

Complete financial statements for SWALCO can be obtained from SWALCO's administrative office at 1311 N. Estes Street, Gurnee, Illinois 60031.

Revenues of SWALCO consist of (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, and service charges and all grants, rents, and receipts derived by SWALCO from the ownership and operation of the system. SWALCO has no power to levy taxes.

SWALCO covenants to establish fees and charges sufficient to provide revenues to meet all of its requirements.

SWALCO has entered into Solid Waste Disposal Contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided in the contract. Each member is obligated, on a "take or pay" basis, to purchase or, in any event, to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable without regard to performance or nonperformance by SWALCO of its obligations under this contract.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 15 - JOINT VENTURES (Continued)

B. Solid Waste Agency of Lake County (SWALCO) (Continued)

The payments required to be made by the Village under this contract shall be required to be made solely from revenues to be derived by the Village from the operation of the Village's system. The Village is not prohibited by the contract from using any other available funds to make the payments required by the contract. The contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

The Village remitted no payments to SWALCO for the year ended April 30, 2008.

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS

The Village maintains a single-employer retirement plan established by state statute for the Village's police officers. The Village also participates in the Illinois Municipal Retirement Fund (IMRF), a statewide agent, multiple-employer public employee defined benefit retirement system which acts as investment and administrative agent. The IMRF plan covers substantially all of the Village's employees other than police officers.

A. Plan Descriptions and Provisions

Illinois Municipal Retirement

The Village's defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. Library employees are eligible to participate in the IMRF through the Village. Information for the following disclosures is not separately available for the Village and the Library.

IMRF issues a separate financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for calendar year 2007 was 9.89% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on an open basis). The amortization period at December 31, 2007 was 25 years.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Descriptions and Provisions (Continued)

Illinois Municipal Retirement (Continued)

For December 31, 2007, the Village's annual pension cost of \$254,562 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2005 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.0% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3.0% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15.0% corridor. The assumptions used for the 2007 actuarial valuation were based on the 2002-2004 experience study.

Police Pension

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit, single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (Chapter 40, Article 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The Village's payroll for employees covered by the Police Pension Plan for the year ended April 30, 2008 was \$1,823,907, out of total payroll of \$4,511,993. At April 30, 2008, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	15
Current employees	
Vested	-
Nonvested	11
	11
Total	26

The Police Pension's financial report is included only in this report. No stand-alone report is issued.

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

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Descriptions and Provisions (Continued)

Police Pension (Continued)

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, and 1 percent of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by three percent of the original pension and three percent compounded interest annually thereafter.

Covered employees are required to contribute 9.91 percent 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 plan as actuarially determined by an enrolled actuary. The Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded by the year 2033.

B. Summary of Significant Accounting Policies and Plan Asset Matters

1. Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds of defined benefit pension plans are recognized when due and payable in accordance with the terms of the plan. Costs of administering the plan are financed through employee and employer contributions.

2. 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.

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

C. Funding Status and Progress

	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>
Contribution rates		
Government	9.89%	36.17%
Members	4.50%	9.91%
Annual pension cost	\$ 254,562	\$ 362,845
Contributions made	\$ 254,562	\$ 286,515
Actuarial valuation date	12/31/07	5/1/2007
Actuarial method	Entry age	Entry age
Amortization method	Level percentage of pay, closed	Level percentage of pay, closed
Remaining amortization period	25 years	27 years
Asset valuation method	5-year smoothed market	3-year smoothed market
Actuarial assumptions		
Investment rate of return *	7.50%	7.50%
Projected salary increases *	0.4% to 10.0%	5.00%
* Includes inflation of	4.00%	3.50%

D. Net Pension Obligation

The Village's annual pension cost and net pension obligation to the Police Pension Fund for the current year were as follows:

Annual required contribution	\$ 361,565
Interest on net pension obligation	15,526
Adjustment to annual required contribution	<u>(14,246)</u>
Annual pension cost	362,845
Contributions made	<u>(286,515)</u>
Increase in net pension obligation	76,330
Net pension obligation - beginning of period	<u>207,010</u>
Net pension obligation - end of period	<u><u>\$ 283,340</u></u>

Village of Lake Bluff, Illinois
NOTES TO THE FINANCIAL STATEMENTS
April 30, 2008

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

E. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information may be found in the required supplemental section of the government's annual financial report.

	For Fiscal Year	Illinois Municipal Retirement	Police Pension
Annual required contribution (ARC)	2005	\$ 193,836	\$ 275,055
	2006	228,485	325,922
	2007	254,562	361,565
Employer contributions made	2005	\$ 193,836	\$ 240,274
	2006	228,485	253,971
	2007	254,562	286,515
Percentage of ARC contributed	2005	100%	87.35%
	2006	100%	77.92%
	2007	100%	79.24%
Annual pension cost (APC)	2005	\$ 193,836	\$ 276,280
	2006	228,485	327,196
	2007	254,562	362,845
Percentage of APC contributed	2005	100%	86.97%
	2006	100%	77.62%
	2007	100%	78.96%

The Statement of Plan Net Assets - Police Pension, Statement of Changes in Plan Net Assets - Police Pension, and Note 16 constitute the full report for the pension trust funds.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Village of Lake Bluff, Illinois
 Illinois Municipal Retirement Fund
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF FUNDING PROGRESS
 April 30, 2008

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	\$ 5,310,415	\$ 5,642,255	\$ 331,840	94.12	% \$ 2,573,934	12.89 %
12/31/06	4,509,585	4,914,202	404,617	91.77	2,284,848	17.71
12/31/05	3,839,501	4,416,242	576,741	86.94	2,228,003	25.89
12/31/04	3,926,503	4,442,725	516,222	88.38	2,254,384	22.90
12/31/03	3,956,627	3,991,830	35,203	99.12	2,044,984	1.72
12/31/02	3,660,894	3,537,178	(123,716)	103.50	2,023,488	-
12/31/01	4,015,101	3,472,826	(542,275)	115.61	1,906,225	-
12/31/00	3,521,945	2,945,119	(576,826)	119.59	1,746,535	-
12/31/99	2,981,173	2,576,996	(404,177)	115.68	1,583,761	-
12/31/98	2,447,578	2,385,753	(61,825)	102.59	1,493,103	-

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$5,670,545. On a market basis, the funded ratio would be 100.50%.

Village of Lake Bluff, Illinois
Illinois Municipal Retirement Fund
REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYER CONTRIBUTIONS
April 30, 2008

<u>Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
2007	\$ 254,562	\$ 254,562	100.00%
2006	228,485	228,485	100.00%
2005	193,836	193,836	100.00%
2004	189,368	189,368	100.00%
2003	116,769	116,769	100.00%
2002	101,984	101,984	100.00%
2001	101,602	101,602	100.00%
2000	137,452	137,452	100.00%
1999	138,262	138,262	100.00%
1998	142,741	142,741	100.00%

Village of Lake Bluff, Illinois
Police Pension Fund
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS
April 30, 2008

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Percentage of Covered Payroll ((b-a)/c)
05/01/07	\$ 6,526,131	\$ 9,656,803	\$ 3,130,672	67.58 %	\$ 1,068,313	293.05 %
05/01/06	6,167,438	9,704,057	3,536,619	63.56	1,009,132	350.46
05/01/05	5,885,255	9,048,636	3,163,381	65.04	1,014,132	311.93
05/01/04	5,706,065	8,375,460	2,669,395	68.13	921,733	289.61
05/01/03	5,599,060	7,977,104	2,378,044	70.19	807,519	294.49
05/01/02	5,684,633	7,949,346	2,264,713	71.51	707,676	320.02
05/01/01	5,612,237	6,788,026	1,175,789	82.68	851,211	138.13
05/01/00	5,336,798	6,127,938	791,140	87.09	808,715	97.83
05/01/99	4,897,956	5,484,299	586,343	89.31	704,590	83.22
05/01/98	4,483,270	5,465,523	982,253	82.03	717,266	136.94

Village of Lake Bluff, Illinois
Police Pension Fund
REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYER CONTRIBUTIONS
April 30, 2008

<u>Year Ended April 30,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
2007	\$ 286,515	\$ 361,565	79.24%
2006	253,971	325,922	77.92%
2005	240,274	275,055	87.35%
2004	165,311	238,311	69.37%
2003	154,079	238,465	64.61%
2002	151,029	168,171	89.81%
2001	144,625	142,113	101.77%
2000	135,227	113,107	119.56%
1999	117,141	110,153	106.34%
1998	106,816	101,230	105.52%

Village of Lake Bluff, Illinois

General Fund - Major Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2008

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 1,853,330	\$ 1,875,131	\$ 21,801
Other taxes	4,956,918	5,014,123	57,205
Licenses, permits, and fees	1,345,935	1,378,688	32,753
Intergovernmental grants and reimbursements	61,000	45,652	(15,348)
Charges for services	402,250	386,087	(16,163)
Fines and forfeitures	94,707	96,598	1,891
Interest earned on investments	114,950	204,839	89,889
Miscellaneous	20,000	84,580	64,580
Total revenues	<u>8,849,090</u>	<u>9,085,698</u>	<u>236,608</u>
Expenditures			
Current			
General government	2,507,772	2,116,967	390,805
Public safety	3,347,385	3,250,238	97,147
Public works	2,332,375	2,226,409	105,966
Debt service			
Principal	45,000	45,000	-
Interest	9,530	9,688	(158)
Total expenditures	<u>8,242,062</u>	<u>7,648,302</u>	<u>593,760</u>
Excess of revenues over expenditures	<u>607,028</u>	<u>1,437,396</u>	<u>830,368</u>
Other financing sources (uses)			
Sale of capital assets	826,000	827,022	1,022
Transfers out	(879,740)	(888,686)	(8,946)
Total other financing uses	<u>(53,740)</u>	<u>(61,664)</u>	<u>(7,924)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ 660,768</u>	1,375,732	<u>\$ 714,964</u>
Fund balance			
Fund balance at beginning of year		<u>3,420,488</u>	
Fund balance at end of year		<u>\$ 4,796,220</u>	

Village of Lake Bluff, Illinois
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2008

NOTE 1 - LEGAL COMPLIANCE AND ACCOUNTABILITY

A. Budgets

The Board of Trustees follows these procedures in establishing the budgetary data reflected in the financial statements.

1. At the Village Board finance committee meeting in March, the Village Administrator submits to the Board of Trustees a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means of financing them. The operating budget can be amended by the Village Board by a two-thirds majority of the corporate authorities, but no revision of the budget shall be made increasing the budget in the event that funds are not available.
2. Public hearings are conducted to obtain citizen comments.
3. The budget and appropriation ordinances are legally enacted through action of the Board of Trustees.
4. Expenditures cannot legally exceed the total appropriated amounts at the fund level. The Village Administrator is authorized to transfer budgeted amounts between departments within any fund; however, expenditures in excess of the budgeted amounts at the fund level must be approved by the Board of Trustees. No supplemental appropriations were required for the year ended April 30, 2008. There were no additional budget modifications.
5. Budgets have been adopted for the general, special revenue, debt service, capital projects, enterprise, and pension trust funds. The basis of the budget is the same as GAAP.

During the current year, a budget was not adopted for the following special revenue, debt service, and capital projects funds:

Special revenue

Train Station Wreath

Debt service

Special Service Area Bond

Capital projects

Special Service Capital Improvements

Village of Lake Bluff, Illinois
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2008

NOTE 1 - LEGAL COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Excess of Actual Expenditures Over Budget

No funds had an excess of actual expenditures/expenses (exclusive of depreciation and amortization) over budget for the fiscal year.

NOTE 2 - DEFINED BENEFIT PENSION PLAN - DIGEST OF CHANGES

Assumptions for the Illinois Municipal Retirement Fund

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

The principal changes were:

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

SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government and that cannot be diverted to other uses. The nonmajor special revenue funds maintained by the Village are as follows:

Illinois Municipal Retirement Fund - to account for revenues derived from a separate property tax levy and disbursement of these funds for the contribution to the state-sponsored Illinois Municipal Retirement Fund.

Motor Fuel Tax Fund - to account for maintenance and various street improvements in the Village. Financing is provided by the Village's share of the Motor Fuel Tax allotments. Compiled statutes require those allotments to be used to maintain streets.

Fire Department Special Fund - to account for revenues derived from the Foreign Fire Insurance Tax and disbursement of these funds for the benefit, use, and maintenance related to the Fire Department.

Federal Social Security Fund - to account for revenues derived from a separate property tax levy and disbursement of these funds for the cost of the Village's required contribution to FICA on behalf of the Village employees.

E-911 Fund - to account for the purchase and implementation of emergency dispatching equipment. Financing is provided by a monthly surcharge being assessed against telephone lines usage.

Train Station Wreath Fund - to account for the accumulation of resources to annually purchase a holiday wreath in perpetuity as specified by the donor.

DEBT SERVICE FUNDS

Debt service funds are used to account for monies accumulated to retire general long-term debt. The nonmajor debt service funds maintained by the Village are as follows:

2001 General Obligation Tax Certificate Fund - to account for the accumulation of resources for the payment of principal and interest on the 2001 General Obligation Limited Tax Certificates. Financing is provided by a transfer from the General Fund.

2006 General Obligation Bond Fund - to account for the accumulation of resources for the payment of principal and interest on the 2006 General Obligation Bonds. Financing is provided by a transfer from the General Fund.

(Continued)

NONMAJOR GOVERNMENTAL FUNDS (Continued)

DEBT SERVICE FUNDS (Continued)

Special Service Area Bond Fund - to account for the accumulation of resources for and the payment of principal and interest on the Special Service Area Ad Valorem Tax Bonds. Financing is provided by a property tax levy on the affected properties.

CAPITAL PROJECTS FUNDS

Capital projects funds account for the resources used by the Village for the acquisition and/or construction of capital facilities. The nonmajor capital projects funds maintained by the Village are as follows:

Redevelopment Program Fund - to account for the accumulation of resources for the redevelopment of the Village's commercial and industrial business districts and areas as designated by the Village Board.

Special Service Area Capital Improvements Fund - to account for the proceeds of special service area bonds used for capital improvements in a special service district within the Village.

Vehicle Replacement Fund - to account for the accumulation of resources for the replacement of vehicles and equipment. Financing is provided by transfers from the General Fund and advances from the Water Fund.

(Concluded)

Village of Lake Bluff, Illinois

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2008

	<u>Special Revenue Funds</u>		
	<u>Illinois Municipal Retirement</u>	<u>Motor Fuel Tax</u>	<u>Fire Department Special</u>
ASSETS			
Cash and investments	\$ 45,495	\$ 923,620	\$ 24,164
Receivables, net			
Property taxes	244,829	-	-
Other taxes	-	13,557	-
Accounts	614	-	-
Accrued interest	3	-	-
Due from other funds	-	140,000	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ <u>290,941</u>	\$ <u>1,077,177</u>	\$ <u>24,164</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$ 15,114	\$ 1,036	\$ -
Unearned property taxes	244,829	-	-
Advance to other fund	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>259,943</u>	<u>1,036</u>	<u>-</u>
Fund balance			
Unreserved	<u>30,998</u>	<u>1,076,141</u>	<u>24,164</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	\$ <u>290,941</u>	\$ <u>1,077,177</u>	\$ <u>24,164</u>

Special Revenue Funds (Continued)

Federal Social Security	E - 911	Train Station Wreath	Total Nonmajor Special Revenue Funds
\$ 93,828	\$ 380,672	\$ 4,044	\$ 1,471,823
276,217	-	-	521,046
-	-	-	13,557
-	5,797	-	6,411
9	-	-	12
-	-	-	140,000
<u>\$ 370,054</u>	<u>\$ 386,469</u>	<u>\$ 4,044</u>	<u>\$ 2,152,849</u>
\$ -	\$ -	\$ -	\$ 16,150
276,217	-	-	521,046
-	-	-	-
<u>276,217</u>	<u>-</u>	<u>-</u>	<u>537,196</u>
<u>93,837</u>	<u>386,469</u>	<u>4,044</u>	<u>1,615,653</u>
<u>\$ 370,054</u>	<u>\$ 386,469</u>	<u>\$ 4,044</u>	<u>\$ 2,152,849</u>

(Continued)

Village of Lake Bluff, Illinois

Nonmajor Governmental Funds
 Combining Balance Sheet (Continued)
April 30, 2008

	<u>Debt Service Funds</u>			Total Nonmajor Debt Service Funds
	2001 General Obligation Tax Certificate	2006 General Obligation Bond	Special Service Area Bond	
ASSETS				
Cash and investments	\$ (880)	\$ 5,925	\$ 13,168	\$ 18,213
Receivables, net				
Property taxes	-	-	-	-
Other taxes	-	-	-	-
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u>\$ (880)</u>	<u>\$ 5,925</u>	<u>\$ 13,168</u>	<u>\$ 18,213</u>
LIABILITIES AND FUND BALANCE (DEFICIT)				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Unearned property taxes	-	-	-	-
Advance to other fund	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit)				
Unreserved	<u>(880)</u>	<u>5,925</u>	<u>13,168</u>	<u>18,213</u>
Total liabilities and fund balance (deficit)	<u>\$ (880)</u>	<u>\$ 5,925</u>	<u>\$ 13,168</u>	<u>\$ 18,213</u>

<u>Capital Projects Funds</u>				<u>Total</u>
<u>Redevelopment Program</u>	<u>Special Service Area Capital Improvements</u>	<u>Vehicle Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>	<u>Nonmajor Governmental Funds</u>
\$ 742,252	\$ 13,491	\$ 627,797	\$ 1,383,540	\$ 2,873,576
-	-	-	-	521,046
-	-	-	-	13,557
-	-	-	-	6,411
1,031	-	510	1,541	1,553
-	-	-	-	140,000
<u>\$ 743,283</u>	<u>\$ 13,491</u>	<u>\$ 628,307</u>	<u>\$ 1,385,081</u>	<u>\$ 3,556,143</u>
\$ 24,490	\$ -	\$ 40,518	\$ 65,008	\$ 81,158
-	-	-	-	521,046
-	-	231,130	231,130	231,130
<u>24,490</u>	<u>-</u>	<u>271,648</u>	<u>296,138</u>	<u>833,334</u>
<u>718,793</u>	<u>13,491</u>	<u>356,659</u>	<u>1,088,943</u>	<u>2,722,809</u>
<u>\$ 743,283</u>	<u>\$ 13,491</u>	<u>\$ 628,307</u>	<u>\$ 1,385,081</u>	<u>\$ 3,556,143</u>

(Concluded)

Village of Lake Bluff, Illinois

Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficits)

Year Ended April 30, 2008

	Special Revenue Funds		
	Illinois Municipal Retirement	Motor Fuel Tax	Fire Department Special
Revenues			
Property taxes	\$ 234,405	\$ -	\$ -
Other taxes	4,846	-	-
Intergovernmental	-	172,307	22,569
Interest earned on investments	825	45,817	371
Total revenues	240,076	218,124	22,940
Expenditures			
General government	223,405	-	-
Public safety	-	-	21,026
Public works	-	-	-
Capital outlay	-	402,165	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	223,405	402,165	21,026
Excess (deficiency) of revenues over expenditures	16,671	(184,041)	1,914
Other financing sources			
Sale of capital assets	-	-	-
Transfers in	18,749	140,000	-
Total other financing sources	18,749	140,000	-
Excess (deficiency) of revenues and other financing sources over expenditures	35,420	(44,041)	1,914
Fund balance (deficit) - beginning of year	(4,422)	1,120,182	22,250
Fund balance (deficit) - end of year	\$ 30,998	\$ 1,076,141	\$ 24,164

Special Revenue Funds (Continued)

Federal Social Security	E-911	Train Station Wreath	Total Nonmajor Special Revenue Funds
\$ 280,141	\$ -	\$ -	\$ 514,546
5,816	91,513	-	102,175
-	-	-	194,876
9,176	12,252	175	68,616
<u>295,133</u>	<u>103,765</u>	<u>175</u>	<u>880,213</u>
285,659	-	265	509,329
-	7,191	-	28,217
-	-	-	-
-	5,000	-	407,165
-	-	-	-
-	-	-	-
<u>285,659</u>	<u>12,191</u>	<u>265</u>	<u>944,711</u>
9,474	91,574	(90)	(64,498)
-	-	-	-
<u>14,009</u>	<u>-</u>	<u>-</u>	<u>172,758</u>
<u>14,009</u>	<u>-</u>	<u>-</u>	<u>172,758</u>
23,483	91,574	(90)	108,260
<u>70,354</u>	<u>294,895</u>	<u>4,134</u>	<u>1,507,393</u>
\$ <u><u>93,837</u></u>	\$ <u><u>386,469</u></u>	\$ <u><u>4,044</u></u>	\$ <u><u>1,615,653</u></u>

(Continued)

Village of Lake Bluff, Illinois

Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficits) (Continued)

Year Ended April 30, 2008

	Debt Service Funds			Total Nonmajor Debt Service Funds
	2001 General Obligation Tax Certificate	2006 General Obligation Bond	Special Service Area Bond	
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental	-	-	-	-
Interest earned on investments	-	-	523	523
Total revenues	-	-	523	523
Expenditures				
General government	600	500	-	1,100
Public safety	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	250,000	-	-	250,000
Interest	41,775	85,964	-	127,739
Total expenditures	292,375	86,464	-	378,839
Excess (deficiency) of revenues over expenditures	(292,375)	(86,464)	523	(378,316)
Other financing sources				
Sale of capital assets	-	-	-	-
Transfers in	291,775	85,964	-	377,739
Total other financing sources	291,775	85,964	-	377,739
Excess of revenues and other financing sources over expenditures	(600)	(500)	523	(577)
Fund balance (deficit) - beginning of year	(280)	6,425	12,645	18,790
Fund balance (deficit) - end of year	\$ (880)	\$ 5,925	\$ 13,168	\$ 18,213

<u>Capital Projects Funds</u>				<u>Total</u>
<u>Redevelopment Program</u>	<u>Special Service Area Capital Improvements</u>	<u>Vehicle Replacement</u>	<u>Total Nonmajor Capital Project Funds</u>	<u>Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 514,546
-	-	-	-	102,175
-	-	-	-	194,876
<u>49,756</u>	<u>537</u>	<u>15,467</u>	<u>65,760</u>	<u>134,899</u>
<u>49,756</u>	<u>537</u>	<u>15,467</u>	<u>65,760</u>	<u>946,496</u>
-	-	17,921	17,921	528,350
-	-	40,518	40,518	68,735
-	-	149,787	149,787	149,787
<u>847,907</u>	<u>-</u>	<u>-</u>	<u>847,907</u>	<u>1,255,072</u>
-	-	63,989	63,989	313,989
-	-	13,372	13,372	141,111
<u>847,907</u>	<u>-</u>	<u>285,587</u>	<u>1,133,494</u>	<u>2,457,044</u>
<u>(798,151)</u>	<u>537</u>	<u>(270,120)</u>	<u>(1,067,734)</u>	<u>(1,510,548)</u>
-	-	38,470	38,470	38,470
-	-	359,500	359,500	909,997
-	-	397,970	397,970	948,467
<u>(798,151)</u>	<u>537</u>	<u>127,850</u>	<u>(669,764)</u>	<u>(562,081)</u>
<u>1,516,944</u>	<u>12,954</u>	<u>228,809</u>	<u>1,758,707</u>	<u>3,284,890</u>
<u>\$ 718,793</u>	<u>\$ 13,491</u>	<u>\$ 356,659</u>	<u>\$ 1,088,943</u>	<u>\$ 2,722,809</u>

(Concluded)

Village of Lake Bluff, Illinois

General Fund

Schedule of Detailed Revenues and Comparison with Budget

Year Ended April 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Taxes			
Property taxes			
General	\$ 449,640	\$ 451,716	\$ 2,076
Waste disposal	355,560	360,200	4,640
Police protection	271,900	274,437	2,537
Crossing guards	6,250	11,438	5,188
Fire protection	244,750	245,645	895
Audit	26,100	28,587	2,487
Unemployment	10,450	11,434	984
Police pension	337,000	337,305	305
Liability insurance	151,680	154,369	2,689
Total property taxes	<u>1,853,330</u>	<u>1,875,131</u>	<u>21,801</u>
Other taxes			
Home rule sales tax	713,343	703,811	(9,532)
Prepared food and beverage tax	48,430	48,880	450
Utility tax - natural gas	236,581	236,959	378
Utility tax - electricity	350,000	354,642	4,642
Telecommunications tax	396,000	398,650	2,650
Demolition tax	20,000	50,000	30,000
Intergovernmental taxes			
Road and bridge	61,510	58,181	(3,329)
Personal property replacement tax	40,320	46,848	6,528
Replacement tax - police pension	6,920	7,108	188
Sales tax	2,547,654	2,526,580	(21,074)
Sales tax - auto rental	10,000	11,890	1,890
State income tax	526,160	570,574	44,414
Total other taxes	<u>4,956,918</u>	<u>5,014,123</u>	<u>57,205</u>
Total taxes	<u>6,810,248</u>	<u>6,889,254</u>	<u>79,006</u>
Licenses, permits, and fees			
Beverage license	12,500	10,803	(1,697)
Farmers' market permit	4,985	3,770	(1,215)
Vehicle license fees	123,750	122,359	(1,391)
Vehicle licenses - late fees	1,200	2,098	898

(Continued)

Village of Lake Bluff, Illinois

General Fund

Schedule of Detailed Revenues and Comparison with Budget (Continued)

Year Ended April 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Licenses, permits, and fees (continued)			
Village lot parking fees	\$ 8,500	\$ 9,025	\$ 525
Central business district (CBD) parking permits	2,250	-	(2,250)
Commuter lot parking fees	45,000	56,466	11,466
Peddler permits	100	200	100
Contractor's business license	50,000	46,955	(3,045)
Business license	1,600	2,950	1,350
Building permits	935,000	857,343	(77,657)
Demolition permits	29,400	87,362	57,962
Electrical, plumbing, heating, and air conditioning	5,000	9,383	4,383
Plan review fees - fire and building	500	1,941	1,441
Plan review fees - sprinkler	5,000	1,100	(3,900)
Occupancy permits	3,000	10,750	7,750
Business occupancy permits	500	1,150	650
Street opening permits	8,000	26,775	18,775
Sewer permits	23,250	10,250	(13,000)
Alarm system license	8,000	8,850	850
Ameritech franchise fees	17,000	17,040	40
Cable franchise fees	61,200	82,225	21,025
Other permits and fees	200	9,893	9,693
Total licenses, permits, and fees	<u>1,345,935</u>	<u>1,378,688</u>	<u>32,753</u>
Intergovernmental grants and reimbursements			
State grants	60,000	45,652	(14,348)
Police training reimbursements	1,000	-	(1,000)
Total intergovernmental grants and reimbursements	<u>61,000</u>	<u>45,652</u>	<u>(15,348)</u>
Charges for services			
Public works			
Sewer charge	212,000	206,140	(5,860)
Stormwater ordinance review	1,000	8,401	7,401
Yardwaste tipping fees	6,500	6,333	(167)
Leaf bag sales	25,000	-	(25,000)
Public safety			
Fire protection district and police services	15,500	25,859	10,359

(Continued)

Village of Lake Bluff, Illinois

General Fund

Schedule of Detailed Revenues and Comparison with Budget (Continued)

Year Ended April 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Charges for services (continued)			
General government			
Photo copy sales	\$ 950	\$ 1,158	\$ 208
Maps and publications	800	135	(665)
Other services	10,500	3,525	(6,975)
Zoning application fees	15,000	17,084	2,084
Rental income	115,000	117,452	2,452
Total charges for services	<u>402,250</u>	<u>386,087</u>	<u>(16,163)</u>
Fines and forfeitures			
Public safety			
Court fines	69,707	57,465	(12,242)
Alarm system fines	2,500	2,000	(500)
Parking fines	15,000	18,232	3,232
Vehicle sticker fines	500	1,350	850
Miscellaneous penalties	1,000	-	(1,000)
Nuisances fines	500	1,615	1,115
Animal impoundment fee	500	525	25
Other fines/building code fines	5,000	15,411	10,411
Total fines and forfeitures	<u>94,707</u>	<u>96,598</u>	<u>1,891</u>
Interest earned on investments	<u>114,950</u>	<u>204,839</u>	<u>89,889</u>
Miscellaneous			
Tree Sharing Program	-	888	888
Contributions	-	2,305	2,305
Recycling rebates	-	8,637	8,637
IRMA rebate	-	40,102	40,102
Miscellaneous income	20,000	32,648	12,648
Total miscellaneous	<u>20,000</u>	<u>84,580</u>	<u>64,580</u>
Total revenues	<u>\$ 8,849,090</u>	<u>\$ 9,085,698</u>	<u>\$ 236,608</u>

(Concluded)

Village of Lake Bluff, Illinois
 General Fund
 Schedule of Detailed Expenditures and Comparison with Budget
Year Ended April 30, 2008

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures			
General government			
Administrator's office			
Personnel	\$ 367,690	\$ 293,459	\$ 74,231
Contractual services / commodities	602,710	608,467	(5,757)
Contingency	200,000	-	200,000
Total administrator's office	<u>1,170,400</u>	<u>901,926</u>	<u>268,474</u>
Finance department			
Personnel	246,960	220,429	26,531
Contractual services / commodities	96,500	121,530	(25,030)
Capital outlay	40,000	-	40,000
Total finance department	<u>383,460</u>	<u>341,959</u>	<u>41,501</u>
Boards and commissions			
Contractual services / commodities	<u>288,000</u>	<u>268,790</u>	<u>19,210</u>
Engineering, zoning, and building			
Personnel	373,300	332,389	40,911
Contractual services / commodities	210,175	190,384	19,791
Total engineering, zoning, and building	<u>583,475</u>	<u>522,773</u>	<u>60,702</u>
Village hall			
Personnel	21,537	21,787	(250)
Contractual services / commodities	9,900	12,494	(2,594)
Capital outlay	32,000	25,307	6,693
Total Village hall	<u>63,437</u>	<u>59,588</u>	<u>3,849</u>
Village properties			
Contractual services / commodities	<u>19,000</u>	<u>21,931</u>	<u>(2,931)</u>
Total general government	<u>2,507,772</u>	<u>2,116,967</u>	<u>390,805</u>

(Continued)

Village of Lake Bluff, Illinois

General Fund

Schedule of Detailed Expenditures and Comparison with Budget (Continued)

Year Ended April 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued)			
Public safety			
Police protection			
Personnel	\$ 1,752,370	\$ 1,823,907	\$ (71,537)
Police pension contribution	343,300	344,413	(1,113)
Contractual services / commodities	218,280	218,863	(583)
Capital outlay	6,000	14,775	(8,775)
Total public safety	<u>2,319,950</u>	<u>2,401,958</u>	<u>(82,008)</u>
Police dispatch and operations			
Personnel	430,920	401,153	29,767
Contractual services / commodities	45,350	48,256	(2,906)
Capital outlay	4,000	-	4,000
Total police dispatch operations	<u>480,270</u>	<u>449,409</u>	<u>30,861</u>
Crossing guards			
Personnel	8,000	7,378	622
Contractual services / commodities	650	-	650
Total crossing guards	<u>8,650</u>	<u>7,378</u>	<u>1,272</u>
Fire protection			
Personnel	171,355	148,880	22,475
Contractual services / commodities	200,140	138,902	61,238
Capital outlay	52,810	24,766	28,044
Total fire protection	<u>424,305</u>	<u>312,548</u>	<u>111,757</u>
Public safety buildings			
Personnel	21,110	21,772	(662)
Contractual services / commodities	36,100	36,937	(837)
Capital outlay	57,000	20,236	36,764
Total public safety buildings	<u>114,210</u>	<u>78,945</u>	<u>35,265</u>
Total public safety	<u>3,347,385</u>	<u>3,250,238</u>	<u>97,147</u>

(Continued)

Village of Lake Bluff, Illinois

General Fund

Schedule of Detailed Expenditures and Comparison with Budget (Continued)

Year Ended April 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued)			
Public works			
Streets and bridges			
Personnel	\$ 460,515	\$ 472,681	\$ (12,166)
Contractual services / commodities	77,100	94,988	(17,888)
Capital outlay	11,000	227,664	(216,664)
Total streets and bridges	<u>548,615</u>	<u>795,333</u>	<u>(246,718)</u>
Sanitation			
Personnel	358,035	376,843	(18,808)
Contractual services / commodities	334,800	327,015	7,785
Total sanitation	<u>692,835</u>	<u>703,858</u>	<u>(11,023)</u>
Forestry			
Personnel	87,100	85,279	1,821
Contractual services / commodities	40,950	36,444	4,506
Capital outlay	15,000	10,703	4,297
Total forestry	<u>143,050</u>	<u>132,426</u>	<u>10,624</u>
Parks and parkways			
Personnel	43,895	42,346	1,549
Contractual services / commodities	29,700	27,951	1,749
Capital outlay	25,000	1,600	23,400
Total parks and parkways	<u>98,595</u>	<u>71,897</u>	<u>26,698</u>
Street lighting			
Personnel	18,000	19,195	(1,195)
Contractual services / commodities	63,950	66,772	(2,822)
Total street lighting	<u>81,950</u>	<u>85,967</u>	<u>(4,017)</u>
Sewers			
Personnel	209,750	175,213	34,537
Contractual services / commodities	35,350	31,029	4,321
Capital outlay	363,000	86,241	276,759
Total sewers	<u>608,100</u>	<u>292,483</u>	<u>315,617</u>

(Continued)

Village of Lake Bluff, Illinois

General Fund

Schedule of Detailed Expenditures and Comparison with Budget (Continued)

Year Ended April 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued)			
Public works (continued)			
Public works facility			
Personnel	\$ 50,375	\$ 51,522	\$ (1,147)
Contractual services / commodities	26,450	32,815	(6,365)
Capital outlay	28,000	20,852	7,148
Total public works facility	<u>104,825</u>	<u>105,189</u>	<u>(364)</u>
Commuter station building and lot			
Personnel	24,205	16,732	7,473
Contractual services / commodities	22,200	22,524	(324)
Capital outlay	8,000	-	8,000
Total commuter station building and lot	<u>54,405</u>	<u>39,256</u>	<u>15,149</u>
Total public works	<u>2,332,375</u>	<u>2,226,409</u>	<u>105,966</u>
Debt service			
Principal	45,000	45,000	-
Interest	9,530	9,688	(158)
Total debt service	<u>54,530</u>	<u>54,688</u>	<u>(158)</u>
Total expenditures	<u>\$ 8,242,062</u>	<u>\$ 7,648,302</u>	<u>\$ 593,760</u>

(Concluded)

Village of Lake Bluff, Illinois

Nonmajor Special Revenue Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Year Ended April 30, 2008

	Illinois Municipal Retirement Fund		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 230,000	\$ 234,405	\$ 4,405
Other taxes			
Replacement taxes	4,500	4,846	346
Telephone surcharge	-	-	-
Intergovernmental			
Allotments earned			
Foreign fire insurance tax	-	-	-
Interest earned on investments	1,000	825	(175)
Total revenues	235,500	240,076	4,576
Expenditures			
General government			
Employer contributions	260,000	223,405	36,595
Public safety			
Volunteer recognition	-	-	-
Training and meetings	-	-	-
Clothing and badges	-	-	-
Community programs	-	-	-
Minor equipment	-	-	-
Miscellaneous	-	-	-
Capital outlay	-	-	-
Total expenditures	260,000	223,405	36,595
Excess (deficiency) of revenues over expenditures	(24,500)	16,671	41,171
Other financing sources			
Transfers in	21,800	18,749	(3,051)
Excess (deficiency) of revenues and other financing sources over expenditures	\$ (2,700)	35,420	\$ 38,120
Fund balance (deficit) at beginning of year		(4,422)	
Fund balance at end of year		\$ 30,998	

Motor Fuel Tax Fund			Fire Department Special Fund		
Original and Final Budget	Actual	Variance Positive (Negative)	Original and Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
182,000	172,307	(9,693)			
-	-	-	24,000	22,569	(1,431)
20,000	45,817	25,817	500	371	(129)
<u>202,000</u>	<u>218,124</u>	<u>16,124</u>	<u>24,500</u>	<u>22,940</u>	<u>(1,560)</u>
-	-	-	-	-	-
-	-	-	8,500	10,353	(1,853)
-	-	-	4,000	3,466	534
-	-	-	5,000	5,712	(712)
-	-	-	3,500	1,470	2,030
-	-	-	3,000	-	3,000
-	-	-	2,500	25	2,475
<u>1,450,000</u>	<u>402,165</u>	<u>1,047,835</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,450,000</u>	<u>402,165</u>	<u>1,047,835</u>	<u>26,500</u>	<u>21,026</u>	<u>5,474</u>
(1,248,000)	(184,041)	1,063,959	(2,000)	1,914	3,914
<u>140,000</u>	<u>140,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>(1,108,000)</u>	(44,041)	\$ <u>1,063,959</u>	\$ <u>(2,000)</u>	1,914	\$ <u>3,914</u>
	<u>1,120,182</u>			<u>22,250</u>	
	\$ <u>1,076,141</u>			\$ <u>24,164</u>	

Village of Lake Bluff, Illinois

Nonmajor Special Revenue Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)
Year Ended April 30, 2008

	Federal Social Security Fund		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 275,000	\$ 280,141	\$ 5,141
Other taxes			
Replacement taxes	7,500	5,816	(1,684)
Telephone surcharge	-	-	-
Intergovernmental			
Allotments earned			
Fire tax rebate	-	-	-
Interest earned on investments	8,000	9,176	1,176
Total revenues	290,500	295,133	4,633
Expenditures			
General government			
Employer contributions	315,000	285,659	29,341
Public safety			
Volunteer recognition	-	-	-
Training and meetings	-	-	-
Clothing and badges	-	-	-
Community programs	-	-	-
Minor equipment	-	-	-
Miscellaneous	-	-	-
Capital outlay	-	-	-
Total expenditures	315,000	285,659	29,341
Excess (deficiency) of revenues over expenditures	(24,500)	9,474	33,974
Other financing sources			
Transfers in	16,700	14,009	(2,691)
Excess (deficiency) of revenues and other financing sources over expenditures	\$ (7,800)	23,483	\$ 31,283
Fund balance (deficit) at beginning of year		70,354	
Fund balance at end of year		\$ 93,837	

E-911 Fund			Total Nonmajor Special Revenue Funds (1)		
Original and Final Budget	Actual	Variance Positive (Negative)	Original and Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ 505,000	\$ 514,546	\$ 9,546
-	-	-	12,000	10,662	(1,338)
85,000	91,513	6,513	85,000	91,513	6,513
-	-	-	182,000	172,307	(9,693)
-	-	-	24,000	22,569	(1,431)
8,250	12,252	4,002	37,750	68,441	30,691
93,250	103,765	10,515	845,750	880,038	34,288
-	-	-	575,000	509,064	65,936
-	-	-	8,500	10,353	(1,853)
-	-	-	4,000	3,466	534
-	-	-	5,000	5,712	(712)
-	-	-	3,500	1,470	2,030
-	-	-	3,000	-	3,000
22,880	7,191	15,689	25,380	7,216	18,164
160,000	5,000	155,000	1,610,000	407,165	1,202,835
182,880	12,191	170,689	2,234,380	944,446	1,289,934
(89,630)	91,574	181,204	(1,388,630)	(64,408)	1,324,222
-	-	-	178,500	172,758	(5,742)
\$ <u>(89,630)</u>	91,574	\$ <u>181,204</u>	\$ <u>(1,210,130)</u>	108,350	\$ <u>1,318,480</u>
	<u>294,895</u>			<u>1,503,259</u>	
	\$ <u>386,469</u>			\$ <u>1,611,609</u>	

(1) The Train Station Wreath Fund is not budgeted and, therefore, is excluded from this schedule.

Village of Lake Bluff, Illinois

Nonmajor Debt Service Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficit) - Budget and Actual
Year Ended April 30, 2008

	2001 General Obligation Tax Certificate Fund		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
None	\$ -	\$ -	\$ -
Expenditures			
General government - financing costs	600	600	-
Debt service			
Principal	250,000	250,000	-
Interest	<u>41,775</u>	<u>41,775</u>	<u>-</u>
Total expenditures	<u>292,375</u>	<u>292,375</u>	<u>-</u>
Deficiency of revenues over expenditures	(292,375)	(292,375)	-
Other financing sources			
Transfers in from General Fund	<u>291,775</u>	<u>291,775</u>	<u>-</u>
Deficiency of revenues and other financing sources over expenditures	<u>\$ (600)</u>	(600)	<u>\$ -</u>
Fund balance (deficit) at beginning of year		<u>(280)</u>	
Fund balance (deficit) at end of year		<u>\$ (880)</u>	

2006 General Obligation Bond			Total Nonmajor Debt Service Funds (1)		
Original and Final Budget	Actual	Variance Positive (Negative)	Original and Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
500	500	-	1,100	1,100	-
-	-	-	250,000	250,000	-
<u>85,964</u>	<u>85,964</u>	<u>-</u>	<u>127,739</u>	<u>127,739</u>	<u>-</u>
<u>86,464</u>	<u>86,464</u>	<u>-</u>	<u>378,839</u>	<u>378,839</u>	<u>-</u>
(86,464)	(86,464)	-	(378,839)	(378,839)	-
<u>85,965</u>	<u>85,964</u>	<u>(1)</u>	<u>377,740</u>	<u>377,739</u>	<u>(1)</u>
\$ <u>(499)</u>	(500)	\$ <u>(1)</u>	\$ <u>(1,099)</u>	(1,100)	\$ <u>(1)</u>
	<u>6,425</u>			<u>6,145</u>	
	\$ <u>5,925</u>			\$ <u>5,045</u>	

(1) The Special Service Area Bond Fund is not budgeted and, therefore, is excluded from this schedule.

Village of Lake Bluff, Illinois

Capital Projects Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended April 30, 2008

	Redevelopment Program Fund		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental - state grants	\$ 290,000	\$ -	\$ (290,000)
Interest earned on investments	25,000	49,756	24,756
Developer contributions	100,000	-	(100,000)
Total revenues	415,000	49,756	(365,244)
Expenditures			
Capital outlay			
Computer equipment	-	-	-
Infrastructure improvements	2,362,000	847,907	1,514,093
Vehicles			
Public safety	-	-	-
Public works	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	2,362,000	847,907	1,514,093
Deficiency of revenues over expenditures	(1,947,000)	(798,151)	1,148,849
Other financing sources			
Sale of capital assets	-	-	-
Transfers in from			
General Fund	-	-	-
Water Fund	-	-	-
Total other financing sources	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures	\$ (1,947,000)	(798,151)	\$ 1,148,849
Fund balance at beginning of year		1,516,944	
Fund balance at end of year		\$ 718,793	

Vehicle/Equipment Replacement Fund			Total Capital Project Funds (1)		
Original and Final Budget	Actual	Variance Positive (Negative)	Original and Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ 290,000	\$ -	\$ (290,000)
9,000	15,467	6,467	34,000	65,223	31,223
-	-	-	100,000	-	(100,000)
<u>9,000</u>	<u>15,467</u>	<u>6,467</u>	<u>424,000</u>	<u>65,223</u>	<u>(358,777)</u>
25,000	17,921	7,079	25,000	17,921	7,079
-	-	-	2,362,000	847,907	1,514,093
75,000	40,518	34,482	75,000	40,518	34,482
148,500	149,787	(1,287)	148,500	149,787	(1,287)
67,266	63,989	3,277	67,266	63,989	3,277
6,385	13,372	(6,987)	6,385	13,372	(6,987)
<u>322,151</u>	<u>285,587</u>	<u>36,564</u>	<u>2,684,151</u>	<u>1,133,494</u>	<u>1,550,657</u>
<u>(313,151)</u>	<u>(270,120)</u>	<u>43,031</u>	<u>(2,260,151)</u>	<u>(1,068,271)</u>	<u>1,191,880</u>
12,000	38,470	26,470	12,000	38,470	26,470
359,500	359,500	-	359,500	359,500	-
15,000	-	(15,000)	15,000	-	(15,000)
<u>386,500</u>	<u>397,970</u>	<u>11,470</u>	<u>386,500</u>	<u>397,970</u>	<u>11,470</u>
<u>\$ 73,349</u>	127,850	<u>\$ 54,501</u>	<u>\$ (1,873,651)</u>	(670,301)	<u>\$ 1,203,350</u>
	<u>228,809</u>			<u>1,745,753</u>	
	<u>\$ 356,659</u>			<u>\$ 1,075,452</u>	

(1) The Special Service Area Capital Improvements Fund is not budgeted and, therefore, is excluded from this schedule.

Village of Lake Bluff, Illinois

Enterprise Fund - Water

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

Year Ended April 30, 2008

	Original and Final Budget	Actual	Variance Positive (Negative)
Operating revenues			
Water sales	\$ 1,286,675	\$ 1,197,433	\$ (89,242)
Meter sales	12,000	15,663	3,663
Tap-on fees	2,000	475	(1,525)
Water connection fees	136,000	112,265	(23,735)
Miscellaneous	500	446	(54)
Total operating revenues	<u>1,437,175</u>	<u>1,326,282</u>	<u>(110,893)</u>
Operating expenses			
Administration and finance			
Personnel services	275,325	256,438	18,887
Contractual services / commodities	105,250	92,923	12,327
Supplies	1,000	39	961
Contingency	50,000	-	50,000
Water purchases	626,725	554,366	72,359
Capital outlay			
Equipment	3,000	-	3,000
Water infrastructure	450,000	-	450,000
Total operating expenses	<u>1,511,300</u>	<u>903,766</u>	<u>607,534</u>
Operating income (loss) before depreciation	(74,125)	422,516	496,641
Depreciation	-	237,748	(237,748)
Operating income (loss)	<u>(74,125)</u>	<u>184,768</u>	<u>258,893</u>
Nonoperating revenues (expenses)			
Interest earned	49,000	55,149	6,149
Interest expense	(121,995)	(121,079)	916
Principal expense	(115,000)	-	115,000
Miscellaneous expense	(500)	(3,640)	(3,140)
Total nonoperating expense	<u>(188,495)</u>	<u>(69,570)</u>	<u>118,925</u>

(Continued)

Village of Lake Bluff, Illinois

Enterprise Fund - Water

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual (Continued)

Year Ended April 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Net income (loss) before transfers	\$ <u>(262,620)</u>	\$ <u>115,198</u>	\$ <u>377,818</u>
Operating transfers			
Interfund transfers out	<u>(53,500)</u>	<u>(32,758)</u>	<u>20,742</u>
Total operating transfers	<u>(53,500)</u>	<u>(32,758)</u>	<u>20,742</u>
Changes in net assets	\$ <u><u>(316,120)</u></u>	82,440	\$ <u><u>398,560</u></u>
Net assets at beginning of year		<u>6,441,778</u>	
Net assets at end of year		\$ <u><u>6,524,218</u></u>	

(Concluded)

Village of Lake Bluff, Illinois
 Police Pension Fund
 Schedule of Changes in Fiduciary Net Assets - Budget and Actual
Year Ended April 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Additions			
Contributions			
Employer	\$ 343,300	\$ 344,413	\$ 1,113
Plan members	<u>122,775</u>	<u>118,243</u>	<u>(4,532)</u>
Total contributions	<u>466,075</u>	<u>462,656</u>	<u>(3,419)</u>
Investment income			
Net depreciation in fair value of investments	-	(174,032)	(174,032)
Interest earned on investments	<u>207,000</u>	<u>350,747</u>	<u>143,747</u>
Total investment income	207,000	176,715	(30,285)
Less investment expense	<u>7,500</u>	<u>5,499</u>	<u>2,001</u>
Net investment income	<u>199,500</u>	<u>171,216</u>	<u>394,221</u>
Total additions	<u>665,575</u>	<u>633,872</u>	<u>390,802</u>
Deductions			
Administration			
Fees	2,200	1,163	1,037
Miscellaneous	3,000	2,390	610
Disability and benefit payments	<u>455,000</u>	<u>453,890</u>	<u>1,110</u>
Total deductions	<u>460,200</u>	<u>457,443</u>	<u>2,757</u>
Net increase	<u>\$ 205,375</u>	176,429	<u>\$ (28,946)</u>
Plan net assets held in trust for pension benefits			
Net assets at beginning of year		<u>6,326,813</u>	
Net assets at end of year		<u>\$ 6,503,242</u>	

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

Village of Lake Bluff, Illinois
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
Schedule by Source
April 30, 2008

Governmental funds capital assets	
Land and improvements	\$ 2,194,127
Buildings and improvements	5,503,071
Infrastructure	14,678,635
Equipment	<u>5,176,931</u>
Total governmental funds capital assets	<u>\$ 27,552,764</u>
Investments in governmental funds capital assets by source	
General revenues	\$ 22,892,157
Special revenues	150,000
State funds	2,157,719
Capital projects funds	<u>2,352,888</u>
Total governmental funds capital assets	<u>\$ 27,552,764</u>

Village of Lake Bluff, Illinois
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 Schedule by Function and Activity
April 30, 2008

FUNCTION AND ACTIVITY	<u>Land and Improvements</u>	<u>Buildings and Improvements</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Total</u>
General government	\$ 2,006,234	\$ 1,017,899	\$ -	\$ 282,743	\$ 3,306,876
Public safety	17,166	2,368,124	-	2,666,255	5,051,545
Public works	<u>170,727</u>	<u>2,117,048</u>	<u>14,678,635</u>	<u>2,227,933</u>	<u>19,194,343</u>
Total governmental funds capital assets	<u>\$ 2,194,127</u>	<u>\$ 5,503,071</u>	<u>\$ 14,678,635</u>	<u>\$ 5,176,931</u>	<u>\$ 27,552,764</u>

Village of Lake Bluff, Illinois
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
Schedule of Changes by Function and Activity
Year Ended April 30, 2008

FUNCTION AND ACTIVITY	Capital Assets May 1, 2007	Additions	Deletions	Capital Assets April 30, 2008
General government	\$ 3,774,151	\$ 13,880	\$ 481,155	\$ 3,306,876
Public safety	5,042,061	65,656	56,172	5,051,545
Public works	<u>18,780,800</u>	<u>645,999</u>	<u>232,456</u>	<u>19,194,343</u>
Total governmental funds capital assets	<u>\$ 27,597,012</u>	<u>\$ 725,535</u>	<u>\$ 769,783</u>	<u>\$ 27,552,764</u>

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
(Unaudited)

Village of Lake Bluff, Illinois
SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
 2001 General Obligation Limited Tax Certificates
April 30, 2008

Paying Agent: JP Morgan Chase

Tax Year	Fiscal Year	Principal Payment	Interest Payment	Total Payment	Payment Date	Interest Rate
Payments made:						
2000	2001 - 02	\$ -	\$ 38,987	\$ 38,987	09/01/01	
	2001 - 02	70,000	38,988	108,988	03/01/02	4.00 %
2001	2002 - 03	-	37,588	37,588	09/01/02	
	2002 - 03	85,000	37,587	122,587	03/01/03	4.00
2002	2003 - 04	-	35,887	35,887	09/01/03	
	2003 - 04	125,000	35,888	160,888	03/01/04	4.00
2003	2004 - 05	-	33,388	33,388	09/01/04	
	2004 - 05	175,000	33,387	208,387	03/01/05	4.00
2004	2005 - 06	-	29,887	29,887	09/01/05	
	2005 - 06	215,000	29,888	244,888	03/01/06	4.00
2005	2006 - 07	-	25,587	25,587	09/01/06	
	2006 - 07	235,000	25,588	260,588	03/01/07	4.00
2006	2007 - 08	-	20,888	20,888	09/01/07	
	2007 - 08	<u>250,000</u>	<u>20,887</u>	<u>270,887</u>	03/01/08	4.00
Total payments made		<u>1,155,000</u>	<u>444,425</u>	<u>1,599,425</u>		
Current outstanding:						
2007	2008 - 09	-	15,888	15,888	09/01/08	
	2008 - 09	260,000	15,887	275,887	03/01/09	4.00
2008	2009 - 10	-	10,688	10,688	09/01/09	
	2009 - 10	255,000	10,687	265,687	03/01/10	4.10
2009	2010 - 11	-	5,460	5,460	09/01/10	
	2010 - 11	<u>260,000</u>	<u>5,460</u>	<u>265,460</u>	03/01/11	4.20
Total current outstanding		<u>775,000</u>	<u>64,070</u>	<u>839,070</u>		
Original issue		<u>\$ 1,930,000</u>	<u>\$ 508,495</u>	<u>\$ 2,438,495</u>		

Village of Lake Bluff, Illinois
SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
2004 General Obligation Bonds
April 30, 2008

Paying Agent: JP Morgan Chase

Fiscal Year	Principal Payment	Interest Payment	Total Payment	Payment Date	Interest Rate
Payments made:					
2004 - 05	\$ -	\$ 59,676	\$ 59,676	12/15/04	4.00 %
2005 - 06	-	65,498	65,498	06/15/05	
2005 - 06	110,000	65,497	175,497	12/15/05	4.00
2006 - 07	-	63,298	63,298	06/15/06	
2006 - 07	115,000	63,297	178,297	12/15/06	4.00
2007 - 08	-	60,998	60,998	06/15/07	
2007 - 08	<u>115,000</u>	<u>60,997</u>	<u>175,997</u>	12/15/07	4.00
Total payments made	<u>340,000</u>	<u>439,261</u>	<u>779,261</u>		
Current outstanding:					
2008 - 09	-	58,698	58,698	06/15/08	
2008 - 09	120,000	58,697	178,697	12/15/08	4.00
2009 - 10	-	56,298	56,298	06/15/09	
2009 - 10	120,000	56,297	176,297	12/15/09	4.00
2010 - 11	-	53,898	53,898	06/15/10	
2010 - 11	125,000	53,897	178,897	12/15/10	4.00
2011 - 12	-	51,398	51,398	06/15/11	
2011 - 12	130,000	51,397	181,397	12/15/11	4.00
2012 - 13	-	48,798	48,798	06/15/12	
2012 - 13	130,000	48,797	178,797	12/15/12	4.00
2014 - 2018	745,000	403,865	1,148,865	Various	4.00 - 4.20
2019 - 2023	920,000	230,105	1,150,105	Various	4.40 - 4.70
2024 - 2025	<u>430,000</u>	<u>30,550</u>	<u>460,550</u>	Various	4.70
Total current outstanding	<u>2,720,000</u>	<u>1,202,695</u>	<u>3,922,695</u>		
Original issue	<u>\$ 3,060,000</u>	<u>\$ 1,641,956</u>	<u>\$ 4,701,956</u>		

Village of Lake Bluff, Illinois
SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
2006 General Obligation Bonds
April 30, 2008

Paying Agent: JP Morgan Chase

Tax Year	Fiscal Year	Principal Payment	Interest Payment	Total Payment	Payment Date	Interest Rate
Payments made:						
2005	2006 - 07	\$ -	\$ 31,998	\$ 31,998	12/15/06	3.90 %
2006	2007 - 08	<u>-</u>	<u>85,964</u>	<u>85,964</u>	12/15/07	3.90
Total payments made		<u>-</u>	<u>117,962</u>	<u>117,962</u>		
Current outstanding:						
2007	2008 - 09	-	85,964	85,964	12/15/08	3.90
2008	2009 - 10	-	85,964	85,964	12/15/09	3.90
2009	2010 - 11	-	85,964	85,964	12/15/10	3.90
2010	2011 - 12	130,000	85,964	215,964	12/15/11	3.90
2011	2012 - 13	185,000	80,894	265,894	12/15/11	3.95
2012 - 16	2013 - 18	1,050,000	286,401	1,336,401	Various	4.00 - 4.13
2017 - 19	2018 - 21	<u>735,000</u>	<u>62,845</u>	<u>797,845</u>	Various	4.15 - 4.25
Total current outstanding		<u>2,100,000</u>	<u>773,996</u>	<u>2,873,996</u>		
Original issue		<u>\$ 2,100,000</u>	<u>\$ 891,958</u>	<u>\$ 2,991,958</u>		

Village of Lake Bluff, Illinois
SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
2005 Note Payable to Bank
April 30, 2008

Paying Agent: The Northern Trust Company

Fiscal Year	Principal Payment	Interest Payment	Total Payment	Payment Date	Interest Rate
Payments made:					
2006 - 07	\$ -	\$ 6,131	\$ 6,131	04/24/07	
2006 - 07	45,000	6,131	51,131	10/24/07	3.85 %
2007 - 08	-	5,290	5,290	04/24/08	
2007 - 08	<u>45,000</u>	<u>5,290</u>	<u>50,290</u>	10/24/08	3.85
Total payments made	<u>90,000</u>	<u>22,842</u>	<u>112,842</u>		
Current outstanding:					
2008 - 09	-	4,408	4,408	04/24/09	
2008 - 09	45,000	4,409	49,409	10/24/09	3.85
2009 - 10	-	3,527	3,527	04/24/10	
2009 - 10	45,000	3,527	48,527	10/24/10	3.85
2010 - 11	-	2,645	2,645	04/24/11	
2010 - 11	45,000	2,645	47,645	10/24/11	3.85
2011 - 12	-	2,146	2,146	04/24/12	
2011 - 12	45,000	2,146	47,146	10/24/12	3.85
2012 - 13	<u>45,000</u>	<u>215</u>	<u>45,215</u>	10/24/13	3.85
Total current outstanding	<u>225,000</u>	<u>25,668</u>	<u>250,668</u>		
Original issue	<u>\$ 315,000</u>	<u>\$ 48,510</u>	<u>\$ 363,510</u>		

Village of Lake Bluff, Illinois
SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
 2007 Note Payable to Bank
April 30, 2008

Paying Agent: The Northern Trust Company

Fiscal Year	Principal Payment	Interest Payment	Total Payment	Payment Date	Interest Rate
Payments made:					
2006 - 07	\$ 37,496	\$ 1,184	\$ 38,680	03/15/07	4.35 %
2007 - 08	31,733	6,948	38,681	09/15/07	
2007 - 08	<u>32,506</u>	<u>6,175</u>	<u>38,681</u>	03/15/08	4.35
Total payments made	<u>101,735</u>	<u>14,307</u>	<u>116,042</u>		
Current outstanding:					
2008 - 09	33,161	5,520	38,681	09/15/08	
2008 - 09	33,976	4,704	38,680	03/15/09	4.35
2009 - 10	34,654	4,027	38,681	09/15/09	
2009 - 10	35,477	3,204	38,681	03/15/10	4.35
2010 - 11	36,213	2,468	38,681	09/15/10	
2010 - 11	37,045	1,635	38,680	03/15/11	4.35
2011 - 12	<u>37,739</u>	<u>839</u>	<u>38,578</u>	09/15/11	4.35
Total current outstanding	<u>248,265</u>	<u>22,397</u>	<u>270,662</u>		
Original issue	<u>\$ 350,000</u>	<u>\$ 36,704</u>	<u>\$ 386,704</u>		

STATISTICAL SECTION
(Unaudited)

Statistical Section

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

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village implemented GASB Statement 34 in FY2003-04; schedules presenting government-wide information include information beginning in that year.

Village of Lake Bluff, Illinois
SCHEDULE OF NET ASSETS
Last Five Fiscal Years

	Fiscal Year April 30,				
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
Governmental activities	\$	\$	\$	\$	\$
Invested in capital assets, net of related debt	15,744,333	15,467,624	16,311,231	14,636,441	15,098,822
Restricted	2,215,227	2,566,599	2,231,129	3,675,276	4,337,303
Unrestricted	<u>1,854,856</u>	<u>1,907,507</u>	<u>2,244,238</u>	<u>2,490,696</u>	<u>1,982,938</u>
Total governmental activities net assets	<u>\$ 19,814,416</u>	<u>\$ 19,941,730</u>	<u>\$ 20,786,598</u>	<u>\$ 20,802,413</u>	<u>\$ 21,419,063</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 5,475,398	\$ 3,294,752	\$ 3,937,709	\$ 4,812,471	\$ 4,689,723
Unrestricted	<u>569,271</u>	<u>2,824,049</u>	<u>2,393,782</u>	<u>1,629,307</u>	<u>1,834,495</u>
Total business-type activities net assets	<u>\$ 6,044,669</u>	<u>\$ 6,118,801</u>	<u>\$ 6,331,491</u>	<u>\$ 6,441,778</u>	<u>\$ 6,524,218</u>
Total government					
Invested in capital assets, net of related debt	\$ 21,219,731	\$ 18,762,376	\$ 20,248,940	\$ 19,448,912	\$ 19,788,545
Restricted	2,215,227	2,566,599	2,231,129	3,675,276	4,337,303
Restricted for enabling legislation*	-	-	-	-	-
Unrestricted	<u>2,424,127</u>	<u>4,731,556</u>	<u>4,638,020</u>	<u>4,120,003</u>	<u>3,817,433</u>
Total government net assets	<u>\$ 25,859,085</u>	<u>\$ 26,060,531</u>	<u>\$ 27,118,089</u>	<u>\$ 27,244,191</u>	<u>\$ 27,943,281</u>

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report.

* GASB No. 46 (effective for periods beginning after June 15, 2005) requires governments to disclose the portion of net assets that is restricted for enabling legislation.

Village of Lake Bluff, Illinois
SCHEDULE OF CHANGES IN NET ASSETS
Last Five Fiscal Years

	Fiscal Year April 30,				
	2003-04	2004-05	2005-06	2006-07	2007-08
Expenses					
Governmental activities:	\$	\$	\$	\$	\$
General government	2,177,082	2,429,940	2,356,150	2,814,923	2,708,645
Police & Fire	2,763,140	2,986,276	3,024,058	3,229,925	3,589,680
Public works	2,425,725	2,562,975	2,416,710	3,214,011	2,116,890
Interest on long-term debt	72,375	67,075	66,506	88,851	150,799
Total governmental activities expenses	<u>7,438,322</u>	<u>8,046,266</u>	<u>7,863,424</u>	<u>9,347,710</u>	<u>8,566,014</u>
Business-type activities:					
Water and sewer	1,059,494	1,291,039	1,371,289	1,160,630	1,266,233
Total business-type activities expenses	<u>1,059,494</u>	<u>1,291,039</u>	<u>1,371,289</u>	<u>1,160,630</u>	<u>1,266,233</u>
Total primary government expenses	<u>\$ 8,497,816</u>	<u>\$ 9,337,305</u>	<u>\$ 9,234,713</u>	<u>\$ 10,508,340</u>	<u>\$ 9,832,247</u>
 Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 1,028,039	\$ 1,162,232	\$ 1,004,652	\$ 1,007,518	\$ 262,970
Police & Fire	90,724	108,208	124,571	196,406	122,457
Public works	182,679	216,492	235,237	212,161	220,874
Operating grants and contributions	180,929	301,527	241,541	185,442	240,528
Capital grants and contributions	-	-	-	-	-
Total governmental activities program revenues	<u>1,482,371</u>	<u>1,788,459</u>	<u>1,606,001</u>	<u>1,601,527</u>	<u>846,829</u>
Business-type activities:					
Charges for services - water and sewer	1,096,081	1,331,893	1,523,294	1,227,045	1,326,282
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>1,096,081</u>	<u>1,331,893</u>	<u>1,523,294</u>	<u>1,227,045</u>	<u>1,326,282</u>
Total primary government program revenues	<u>\$ 2,578,452</u>	<u>\$ 3,120,352</u>	<u>\$ 3,129,295</u>	<u>\$ 2,828,572</u>	<u>\$ 2,173,111</u>

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report.

(Continued)

Village of Lake Bluff, Illinois
SCHEDULE OF CHANGES IN NET ASSETS (Continued)
Last Five Fiscal Years

	Fiscal Year April 30,				
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
Net (Expense)/Revenue					
Governmental activities	\$ (5,955,951)	\$ (6,257,807)	\$ (6,257,423)	\$ (7,746,183)	\$ (7,719,185)
Business-type activities	36,587	40,854	152,005	66,415	60,049
Total government net expense	<u>\$ (5,919,364)</u>	<u>\$ (6,216,953)</u>	<u>\$ (6,105,418)</u>	<u>\$ (7,679,768)</u>	<u>\$ (7,659,136)</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	\$ 2,070,250	\$ 2,147,483	\$ 2,208,571	\$ 2,244,225	\$ 2,389,677
Intergovernmental	466,955	556,345	608,005	668,708	726,705
Utility tax	530,847	544,142	610,065	599,742	591,601
Telecommunications tax	470,283	462,820	409,802	406,537	398,650
Hotel occupancy tax (Note 1)	66,427	71,464	93,756	72,036	-
Sales Tax	2,263,155	2,191,314	2,601,830	3,218,327	3,242,281
Other taxes	26,824	26,954	60,532	90,593	157,061
Gain/(loss) on sale of capital assets	-	79,738	-	5,127	384,231
Investment earnings	48,404	90,000	188,497	319,950	339,738
Miscellaneous	243,295	194,254	291,228	110,102	84,580
Transfers	4,432	223,635	27,704	26,651	21,311
Total governmental activities	<u>6,190,872</u>	<u>6,588,149</u>	<u>7,099,990</u>	<u>7,761,998</u>	<u>8,335,835</u>
Business-type activities:					
Investment earnings	3,006	55,896	80,071	70,523	55,149
Transfers	(23,752)	(22,618)	(27,704)	(26,651)	(32,758)
Miscellaneous	-	-	8,318	-	-
Total business-type activities	<u>(20,746)</u>	<u>33,278</u>	<u>60,685</u>	<u>43,872</u>	<u>22,391</u>
Total primary government	<u>\$ (6,170,126)</u>	<u>\$ (6,621,427)</u>	<u>\$ (7,160,675)</u>	<u>\$ (7,805,870)</u>	<u>\$ (8,358,226)</u>
Change in Net Assets					
Governmental activities	\$ 234,921	\$ 330,342	\$ 842,567	\$ 15,815	\$ 616,650
Business-type activities	15,841	74,132	212,690	110,287	82,440
Total primary government	<u>\$ 250,762</u>	<u>\$ 404,474</u>	<u>\$ 1,055,257</u>	<u>\$ 126,102</u>	<u>\$ 699,090</u>

Note 1: The only hotel occupancy generating facility in Lake Bluff closed December 31, 2006.

(Concluded)

Village of Lake Bluff, Illinois
PROGRAM REVENUES BY FUNCTION / PROGRAM
Last Five Fiscal Years

Function/Program	Fiscal Year April 30,				
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
Governmental activities:					
General government	\$ 1,032,801	\$ 1,283,074	\$ 1,068,130	\$ 1,008,618	\$ 308,622
Police & Fire	90,724	108,208	124,571	201,674	145,026
Public works	<u>358,846</u>	<u>397,177</u>	<u>413,300</u>	<u>391,235</u>	<u>393,181</u>
Subtotal governmental activities	<u>1,482,371</u>	<u>1,788,459</u>	<u>1,606,001</u>	<u>1,601,527</u>	<u>846,829</u>
Business-type activities:					
Water and sewer	<u>1,096,081</u>	<u>1,331,893</u>	<u>1,523,294</u>	<u>1,227,045</u>	<u>1,326,282</u>
Subtotal business-type activities	<u>1,096,081</u>	<u>1,331,893</u>	<u>1,523,294</u>	<u>1,227,045</u>	<u>1,326,282</u>
Total primary government	<u>\$ 2,578,452</u>	<u>\$ 3,120,352</u>	<u>\$ 3,129,295</u>	<u>\$ 2,828,572</u>	<u>\$ 2,173,111</u>

Note: The Statement of Activities provides a breakdown of charges for services, grants, and contributions.

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report.

Village of Lake Bluff, Illinois
FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
General Fund										
Reserved	\$ 6,911	\$ 9,454	\$ 5,865	\$ 8,862	\$ 9,730	\$ 6,439	\$ 12,912	\$ 8,496	\$ 7,950	\$ 24,022
Unreserved	1,855,742	2,310,627	2,769,933	1,766,160	1,946,773	1,963,556	2,090,882	2,713,249	3,412,538	4,772,198
Total General Fund	1,862,653	2,320,081	2,775,798	1,775,022	1,956,503	1,969,995	2,103,794	2,721,745	3,420,488	4,796,220
All other governmental funds										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	730,046	440,518	866,749	864,828	1,167,264	1,184,856	1,364,654	1,666,081	3,024,337	1,615,653
Capital projects funds	391,112	428,114	2,509,778	2,533,052	1,336,371	1,231,267	1,410,409	553,791	241,763	1,088,943
Debt service funds	12,389	13,310	13,666	12,541	11,588	11,103	11,035	11,257	18,790	18,213
Total all other governmental funds	1,133,547	881,942	3,390,193	3,410,421	2,515,223	2,427,226	2,786,098	2,231,129	3,284,890	2,722,809
Total	\$ 2,996,200	\$ 3,202,023	\$ 6,165,991	\$ 5,185,443	\$ 4,471,726	\$ 4,397,221	\$ 4,889,892	\$ 4,952,874	\$ 6,705,378	\$ 7,519,029

Source: The Village of Lake Bluffs Comprehensive Annual Financial Report.

Table 5

Village of Lake Bluff, Illinois
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Revenues										
Property taxes	\$ 1,783,717	\$ 1,877,514	\$ 1,917,288	\$ 1,941,389	\$ 1,984,067	\$ 2,070,250	\$ 2,147,483	\$ 2,208,571	\$ 2,244,225	\$ 2,389,677
Other taxes ¹	2,482,902	2,640,449	3,042,152	3,547,900	3,667,423	3,797,667	3,826,085	4,383,990	5,032,731	5,116,298
Licenses, fees, and permits	561,753	682,977	657,771	702,445	964,869	1,028,039	1,162,232	1,004,652	864,760	1,378,688
Fines and penalties	83,507	113,831	101,711	71,678	67,748	90,724	93,112	101,137	182,500	96,598
Intergovernmental	296,415	162,586	173,353	182,629	201,904	202,991	207,639	201,497	208,654	240,528
Sewer and other charge for service	170,647	212,373	177,694	183,184	173,660	237,329	208,994	237,329	368,825	386,087
Interest earnings	197,775	206,747	298,695	243,798	143,926	48,404	90,000	190,798	319,950	339,738
Grants, donations				605,865	20,785	-	-	63,478	-	-
Proceeds from sale of capital assets	239,311	230,000	203,165	299,596	366,410	430,736	79,351	-	59,285	-
Miscellaneous				7,778,484	7,590,792	7,668,811	374,429	289,136	50,817	84,580
Total revenues	5,816,027	6,126,477	6,571,829	7,778,484	7,590,792	7,668,811	8,189,325	8,680,588	9,331,747	10,032,194
Expenditures										
General government	2,113,612	1,496,059	1,534,826	1,965,439	2,126,873	1,944,378	1,793,133	1,925,081	2,593,866	2,645,317
Public safety	1,617,145	1,829,923	1,970,077	2,295,587	2,271,225	2,344,251	2,601,782	2,773,384	3,524,775	3,318,973
Public works	1,450,716	1,618,216	1,536,759	3,673,677	1,965,050	2,066,087	2,122,450	2,049,407	2,249,691	2,376,196
IMRF/FICA Pension ²	117,141	135,227	144,625	-	-	-	-	-	-	-
Capital outlay	368,950	631,579	143,930	328,859	1,572,082	1,195,657	957,821	1,930,932	1,293,364	1,255,072
Debt service										
Interest	74,816	35,111	27,237	95,683	84,880	72,375	67,075	66,506	88,851	150,799
Principal	1,162,000	204,000	210,000	275,000	295,000	125,000	175,000	215,000	317,497	358,989
Total expenditures	6,004,380	5,950,115	5,567,454	8,634,245	8,315,110	7,747,748	7,717,261	8,960,310	10,068,044	10,105,346
Excess of revenues over (under) expenditures	(1,088,353)	176,362	1,004,375	(855,761)	(724,318)	(78,937)	472,064	(279,722)	(736,297)	(73,152)
Other Financing Sources (Uses)										
Proceeds from borrowing	975,105	-	1,930,000	-	-	-	-	315,000	2,435,930	-
Gain on sale of capital assets	-	-	-	-	-	-	-	-	26,220	865,492
Transfers in	605,894	437,625	789,493	973,402	665,705	492,532	657,907	663,908	754,769	909,997
Transfers out	(619,824)	(428,164)	(759,900)	(1,098,187)	(658,931)	(488,100)	(434,272)	(636,204)	(728,118)	(888,686)
Total other financing sources (uses)	961,175	29,461	1,959,593	(124,785)	6,774	4,432	223,635	342,704	2,488,801	886,803
Net change in fund balances	\$ (127,178)	\$ 205,823	\$ 2,963,968	\$ (980,546)	\$ (717,544)	\$ (74,505)	\$ 695,699	\$ 62,982	\$ 1,752,504	\$ 813,651
Debt service as a percent of noncapital³ expenditures	18.9%	4.5%	4.4%	4.5%	5.6%	3.0%	3.2%	3.8%	4.5%	5.4%

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report.

¹From FY1998-FY2001 Sales tax revenues were net of the Knausz auto rebates. From FY2002 Sales tax revenue was shown gross with rebates expensed.

²IMRF/FICA Pension costs are included in the functions from FY2002 forward.

³Non-capital expenditures comprise "Total expenditures" less assets capitalized pursuant to the implementation of GASB Statement 34 in FY2004-05. This amount may be less than the capital outlay amount shown.

Village of Lake Bluff, Illinois
TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
Last Ten Fiscal Years

Fiscal Year	Property	Sales ¹	Home Rule Sales ²	Utility	Telecomm	Income	Other	Total
1998-99	\$ 1,783,717	\$ 1,434,805	\$ -	\$ 385,574	\$ 285,053	\$ 385,823	\$ 195,205	\$ 4,470,177
1999-00	1,877,514	1,611,762	-	427,806	303,431	405,602	222,648	4,848,763
2000-01	1,917,288	1,871,618	-	538,164	341,484	434,227	215,659	5,318,440
2001-02	1,941,389	2,143,838	-	457,524	303,442	415,028	228,068	5,489,289
2002-03	1,984,067	2,165,379	-	517,122	338,334	393,927	252,661	5,651,490
2003-04	2,070,250	2,263,155	-	519,973	481,157	365,325	168,057	5,867,917
2004-05	2,147,483	2,191,314	-	544,142	462,820	421,987	205,822	5,973,568
2005-06	2,208,571	2,432,006	169,824	610,065	409,802	468,441	293,852	6,592,561
2006-07	2,244,225	2,462,463	679,808	599,742	406,537	522,333	361,848	7,276,956
2007-08	2,389,677	2,538,470	703,811	591,601	398,650	570,574	313,192	7,505,975

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report & Village records.

¹ Sales Tax revenue is shown as gross amount. In FY1998-FY2001 CAFR's sales tax is reflected net of rebates.

²Home Rule sales tax was implemented effective January 1, 2006.

Village of Lake Bluff, Illinois
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Farm Property</u>	<u>RailRoad Property</u>	<u>Total Taxable Assessed Value (a)</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>
1998-99	1997	246,560,956	12,687,714	26,904,474	1,703,294	246,572	288,103,010	0.601	865,174,204
1999-00	1998	265,668,269	16,177,766	25,026,054	1,795,832	227,978	308,895,899	0.593	927,615,312
2000-01	1999	285,475,408	17,623,226	25,531,436	1,836,984	222,673	330,689,727	0.565	993,062,243
2001-02	2000	307,162,672	18,446,901	26,792,316	1,017,387	232,036	353,651,312	0.540	1,062,015,952
2002-03	2001	330,106,479	19,759,841	29,388,203	1,073,303	241,726	380,569,552	0.512	1,142,851,508
2003-04	2002	369,934,524	22,060,332	25,241,256	1,128,556	286,227	418,650,895	0.476	1,257,209,895
2004-05	2003	404,683,142	22,315,948	26,119,005	1,115,035	310,391	454,543,521	0.461	1,364,995,559
2005-06	2004	426,238,157	22,616,770	29,531,198	1,618,719	349,150	480,353,994	0.454	1,442,504,486
2006-07	2005	463,425,285	23,536,180	30,084,621	1,894,814	328,991	519,269,891	0.435	1,559,369,042
2007-08	2006	512,941,384	26,093,053	30,311,216	2,014,942	333,595	571,694,190	0.420	1,716,799,369

Source: Lake County Tax Extension Office, Report PTAX-251.

Note: Property in the Village of Lake Bluff is reassessed each year. Property is assessed at 33.33% of estimated actual value. Tax rates are per \$100 of equalized assessed value.

^a County deducts the tax-exempt property from each property category before reporting this data.

Village of Lake Bluff, Illinois
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years

(rate per \$100 of assessed value)

Fiscal/ Tax Year	Village Direct Rates			Component Unit			Overlapping Rates ¹						Overlapping Rates	
	Village Overall Rate	Village Sanctuary Rate	Lake Bluff Public Library	School District 65	High School District 115	College of Lake Co 532 District	Lake County	Forest Preserve	North Shore Sanitary	Shield's Township	Park District	Mosquito Abatement	² Central LC Water Agency	Rockland ³ Fire Protection
1998-99 1997	0.601	n/a	0.120	1.977	1.255	0.222	0.531	0.155	0.186	0.085	0.414	0.021	0.085	n/a
1999-00 1998	0.593	0.521	0.121	1.992	1.251	0.221	0.531	0.157	0.181	0.086	0.415	0.022	0.082	0.304
2000-01 1999	0.565	0.497	0.117	1.924	1.219	0.213	0.521	0.187	0.172	0.085	0.400	0.022	0.077	0.301
2001-02 2000	0.540	0.476	0.115	1.885	1.201	0.235	0.521	0.231	0.167	0.084	0.392	0.022	0.072	0.418
2002-03 2001	0.512	0.450	0.112	1.881	1.157	0.211	0.516	0.221	0.160	0.083	0.383	0.022	0.066	0.411
2003-04 2002	0.476	0.419	0.106	2.079	1.092	0.208	0.502	0.232	0.152	0.098	0.358	0.021	0.064	0.387
2004-05 2003	0.461	0.408	0.102	2.068	1.045	0.201	0.490	0.225	0.144	0.083	0.356	0.020	0.058	0.371
2005-06 2004	0.454	0.403	0.100	2.099	1.003	0.200	0.465	0.219	0.139	0.070	0.353	0.014	0.054	0.371
2006-07 2005	0.435	0.386	0.128	2.096	0.965	0.197	0.454	0.210	0.122	0.069	0.344	0.013	0.049	0.340
2007-08 2006	0.435	0.375	0.122	2.059	0.961	0.195	0.445	0.204	0.125	0.070	0.336	0.012	0.046	0.326

Source: Lake County Tax Extension Office.

¹The total tax rate is the Village overall rate or the Sanctuary rate plus the applicable overlapping rates. Overlapping rates that apply to all properties within the Village.

²Overlapping rate that does not apply to residents of the Sanctuary Subdivision.

³Overlapping rate that applies only to the properties within the Sanctuary Subdivision which was annexed to the Village in 1998.

Village of Lake Bluff, Illinois

PROPERTY TAX LEVIES AND COLLECTIONS (1)

Last Ten Fiscal Years

Tax levy year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General corporate	\$ 526,024	\$ 535,021	\$ 512,914	\$ 475,214	\$ 501,568	\$ 448,822	\$ 450,440	\$ 445,933	\$ 451,608	\$ -
Street and bridge	-	-	-	-	-	-	-	-	-	-
School crossing guard	14,776	23,118	21,224	22,810	12,539	9,067	9,584	10,370	11,433	-
Police protection	203,908	219,971	233,464	243,309	246,604	253,879	263,555	269,634	274,395	-
Fire protection	202,960	212,011	212,898	225,330	227,850	229,512	233,543	242,712	245,601	-
Sanitation	277,788	293,931	318,360	323,145	326,019	330,950	335,434	352,598	360,143	-
Auditing	17,731	19,816	21,224	15,207	16,719	22,668	23,960	25,926	28,583	-
Liability insurance	115,253	115,591	120,269	117,853	121,212	131,473	153,341	150,373	154,347	-
Illinois municipal retirement	109,342	132,104	91,971	95,043	100,314	136,007	162,925	191,855	234,379	-
Debt service	-	-	-	-	-	-	-	-	-	-
Police pension	127,073	142,012	148,568	152,068	163,009	240,278	253,971	280,004	337,277	-
Public library	357,578	386,404	406,794	425,791	443,051	462,423	479,191	663,714	697,420	-
Social security	141,849	155,222	212,240	258,516	254,964	272,013	273,139	264,448	280,112	-
Unemployment insurance	5,910	6,605	3,537	7,603	8,359	4,534	4,792	10,371	11,433	-
Special services area #1	21,957	21,771	-	-	-	-	-	-	-	-
Total:	\$ 2,122,149	\$ 2,263,577	\$ 2,303,463	\$ 2,361,889	\$ 2,422,208	\$ 2,541,626	\$ 2,643,875	\$ 2,907,938	\$ 3,086,731	\$ -
Levy as extended:	\$ 2,217,288	\$ 2,266,743	\$ 2,306,290	\$ 2,364,567	\$ 2,426,137	\$ 2,548,286	\$ 2,650,290	\$ 2,912,108	\$ 3,086,938	\$ 3,253,214
Percent collected:	95.71%	99.86%	99.88%	99.90%	99.84%	99.74%	99.76%	99.86%	99.99%	0.00%

Source: Village records.

Village of Lake Bluff, Illinois

SALES TAX BY CATEGORY

Last Ten Years: January 1 through December 31

Vendor Category	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
General merchandise	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 392	\$ 249	\$ 182	\$ 925
Food	108,744	108,131	84,158	143,687	164,408	164,650	158,553	155,743	161,941	159,180
Drink, eat, rooms	28,137	29,228	30,575	28,123	18,659	13,405	15,692	28,679	34,138	33,842
Apparel	331	445	-	-	-	-	-	-	-	-
Furniture	5,754	8,146	7,426	6,717	5,561	9,530	6,424	6,196	9,883	5,396
Lumber, hardware	22,606	25,154	19,421	30,007	24,145	22,604	23,345	26,251	34,742	121,171
Auto, filling stations	763,964	1,003,393	1,180,475	1,337,665	1,488,401	1,658,046	1,695,614	1,559,423	1,718,851	1,772,387
Drugs, retail	141,951	124,815	94,875	102,488	71,453	78,015	92,425	102,498	100,124	127,718
Agricultural and all others	55,001	66,577	68,816	65,757	52,660	54,547	130,978	176,280	174,440	158,573
Manufacturing	27,590	21,282	14,570	34,455	44,550	46,492	31,972	35,790	40,019	43,895
Total	\$1,154,078	\$1,387,171	\$1,500,316	\$1,748,899	\$1,869,837	\$2,047,289	\$2,155,395	\$2,091,109	\$2,274,320	\$ 2,423,087

Village sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
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Source: Illinois Department of Revenue.

Notes: Retail sales tax information is not available on a Village fiscal-year basis.

^a Sales tax is administered by the State of Illinois.

Village of Lake Bluff, Illinois
DIRECT AND OVERLAPPING SALES TAX RATES
Last Ten Years

Year	Village Direct Rate	Village Home Rule Rate ¹	State of Illinois Rate	Lake County & RTA Rate	Total Sales Tax Rate
1999	1.00%	0.00%	5.00%	0.50%	6.50%
2000	1.00	-	5.00	0.50	6.50
2001	1.00	-	5.00	0.50	6.50
2002	1.00	-	5.00	0.50	6.50
2003	1.00	-	5.00	0.50	6.50
2004	1.00	-	5.00	0.50	6.50
2005	1.00	-	5.00	0.50	6.50
2006	1.00	1.00	5.00	0.50	7.50
2007	1.00	1.00	5.00	0.50	7.50
2008	1.00%	1.00%	5.00%	1.00%	8.00%

Source: Illinois Department of Revenue.

¹The Village enacted a home rule sales tax effective January 1, 2006.

Table 13

Village of Lake Bluff, Illinois
RATIOS OF OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years^a

Fiscal Year	Governmental Activities				Business-Type Activities		Total Village	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Special Service Area Bonds	Bank Notes Payable	Alternate Revenue Water Bonds	Total Village	Percentage of Personal Income ^a			
1998-99	\$ 790,000	\$ 39,000	\$ -	\$ -	\$ 829,000	0.4%	\$ 146		
1999-00	605,000	20,000	-	-	625,000	0.3%	110		
2000-01	2,345,000	-	-	-	2,345,000	1.0%	387		
2001-02	2,070,000	-	-	-	2,070,000	0.6%	342		
2002-03	1,775,000	-	-	-	1,775,000	0.5%	293		
2003-04	1,650,000	-	-	-	1,650,000	0.5%	272		
2004-05	1,475,000	-	-	3,060,000	4,535,000	1.4%	749		
2005-06	1,260,000	-	315,000	2,950,000	4,525,000	1.4%	747		
2006-07	3,125,000	-	582,503	2,835,000	6,542,503	2.0%	1,080		
2007-08	2,875,000	-	473,265	2,720,000	6,068,265	1.8%	1,002		

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report.

^a Additional demographic information is available in the schedule of *Demographic and Economic Statistics*, Table 17.

Village of Lake Bluff, Illinois
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

General Bonded Debt Outstanding						
Fiscal Year	General Obligation Bonds	Special Service Area Bonds	Total	Percentage of Taxable Assessed Value ^a of Property	Per Capita ^b	
1998-99	\$ 790,000	\$ 39,000	\$ 829,000	0.29%	\$ 146.21	
1999-00	605,000	20,000	625,000	0.20	103.20	
2000-01	2,345,000	-	2,345,000	0.71	387.22	
2001-02	2,070,000	-	2,070,000	0.59	341.81	
2002-03	1,775,000	-	1,775,000	0.47	293.10	
2003-04	1,650,000	-	1,650,000	0.39	272.46	
2004-05	1,475,000	-	1,475,000	0.32	243.56	
2005-06	1,260,000	-	1,260,000	0.84	208.06	
2006-07	4,385,000	-	4,385,000	0.84	724.08	
2007-08	2,875,000	-	2,875,000	0.50	474.74	

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

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report.

^a See Table 7, *Assessed Value and Actual Value of Taxable Property*, for more property value information.

^b Population data can be found in Table 17, *Demographic and Economic Statistics*.

Village of Lake Bluff, Illinois
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 As of April 30, 2008

(dollars in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable^o</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping debt ^a			
Debt repaid with property taxes			
Park District	\$ 1,960	88.06%	\$ 1,726
Lake Bluff School District 65	1,510	85.78%	1,295
Lake Forest-Lake Bluff High School District 115	10,745	18.15%	1,950
Central Lake County Joint Action Water Agency (CLCJAWA)	29,170	7.56%	2,205
North Shore Sanitary District	8,334	6.35%	529
Lake County Community College District 532	11,926	2.17%	259
Lake County	5,480	2.25%	123
Lake County Forest Preserve	245,896	2.14%	5,262
Other debt			-
Lake County Capital Leases	-	2.25%	-
Lake County - other debt	-	2.25%	-
Subtotal, overlapping debt			13,350
Village of Lake Bluff direct debt	2,875	100.00%	2,875
Total direct and overlapping debt			<u>\$ 16,225</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Lake County Board of Equalization and Assessment. Debt outstanding data provided by Lake County Tax Extension Office.

The Village of Lake Bluff has general obligation (tax-supported) debt of \$2.875 million; however the debt levies have been abated each year.

^a Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village of Lake Bluff. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Lake Bluff. This process recognizes that, when considering the Village's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

^b For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the Village's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used for Lake County's capital lease, loan, and other debt.

Village of Lake Bluff, Illinois
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

(dollars in thousands)

	Fiscal Years									
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Assessed Value	\$ 330,690	\$353,651	\$353,651	\$380,570	\$418,651	\$454,544	\$480,354	\$519,270	\$571,694	\$ 627,766
Debt limit	28,522	30,502	30,502	32,824	36,109	39,204	41,431	44,787	-	-
Total net debt applicable to limit	829	625	2,345	2,070	1,775	1,650	1,475	1,260	-	-
Legal debt margin	\$ 27,693	\$ 29,877	\$ 28,157	\$ 30,754	\$ 34,334	\$ 37,554	\$ 39,956	\$ 43,527	\$ -	\$ -
Total net debt applicable to the limit as a percentage of debt limit	2.91%	2.05%	7.69%	6.31%	4.92%	4.21%	3.56%	2.81%	-	-

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report.

Note: Under state finance law, the Village's outstanding general obligation debt should not exceed 8.625 percent of total assessed property value. However, the Village became a home-rule community effective January 1, 2006 and is not required to compute a legal debt margin. Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 50,000 an aggregate one percent...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum....shall not be included in the foregoing amounts."

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

Village of Lake Bluff, Illinois
PLEDGED-REVENUE COVERAGE
Last Four Fiscal Years

Fiscal Year	2004 Alternate Water Revenue Bonds					Coverage Required	Actual Coverage
	Water Operating Revenues	Debt Service		Coverage Required	Actual Coverage		
		Principal	Interest				
2004-05	\$ 1,096,081	\$ -	\$ 60,350	\$ 296,744	3.69		
2005-06	1,331,893	110,000	130,995	296,744	4.49		
2006-07	1,523,294	115,000	126,595	296,744	5.13		
2007-08	1,326,282	115,000	121,995	296,744	4.47		

Source: The Village of Lake Bluff's Comprehensive Annual Financial Report.

Notes:

This schedule presents all nongeneral obligation long-term debt backed by pledged revenues. The coverage required pursuant to Ordinance 2004-20 is 1.25 times maximum debt service payment on the bonds.

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

Village of Lake Bluff, Illinois
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	Unemployment Rate
1998	5,670	\$ 216,027	\$ 38,100	3.3%
1999	6,056	230,734	38,100	2.9
2000	6,056	332,014	54,824	1.5
2001	6,056	348,615	57,565	1.9
2002	6,056	366,045	60,443	2.3
2003	6,056	384,348	63,466	2.5
2004	6,056	403,565	66,639	2.3
2005	6,056	423,743	69,971	1.9
2006	6,056	444,931	73,469	n/a
2007	6,056	467,177	77,143	n/a

Sources:

Population and per capita information provided by the U.S. Census Bureau

Unemployment data provided by Illinois Department of Employment Security (IDES)

Village of Lake Bluff, Illinois
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

<u>Employer</u>	Business/Service	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 2007-08</u>	
		<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Liquid Controls Corp	Manufacturer - Liquid flow meters	175	1	160	2
Buehler, Inc	Metallurgical Equipment	150	2	137	5
Chelsea & Scott, Ltd	Catalog Sales - children's products	127	3	150	3
Knauz Motors Inc	BMW, Mercedes, Chrysler, Buick LandRover & Mini auto dealerships	126	4	298	1
Lake Bluff School District 65	Elementary school district	<u>120</u>	5	<u>140</u>	4
Total		<u><u>698</u></u>		<u><u>885</u></u>	

Note:

Data to determine each principal employer's percentage of total employment is not available.

Sources:

2006 Illinois Manufacturers Directory, 2006 Illinois Services Directory and a 2007 selective telephone survey. 1998 from a telephone canvass of employers in April 1998. See 1998 G.O. Bonds Official Statement.

Village of Lake Bluff, Illinois
FULL-TIME EQUIVALENT VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM
Last Ten Fiscal Years

<u>Function/Program</u>	Fiscal Year Ending April 30,									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General government										
Administrator's Office	3.00	4.50	4.50	4.50	4.50	3.50	4.00	4.00	4.00	4.00
Finance	3.00	3.50	3.50	3.50	3.50	3.50	3.50	4.00	4.00	4.00
Engineering, Bldg, & Zoning	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Fire										
Secretary	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Police										
Police Sworn	15.00	15.00	15.00	15.00	16.00	16.00	16.00	17.00	17.00	17.00
Telecommunications Dispatchers ¹	2.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Public works										
Administration, Street, Sewer	9.00	9.00	9.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00
Water	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sanitation	4.00	4.00	4.00	4.00	4.00	3.50	3.50	4.00	4.00	4.00
Vehicle maintenance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	41.00	47.00	47.00	48.00	50.00	48.50	49.00	51.00	51.00	51.00

Source: Village budget.

¹In FY1999 the Village went to full time dispatching.

These represent the authorized positions. Some positions were vacant at the end of the year due to resignations.

Village of Lake Bluff, Illinois
OPERATING INDICATORS BY FUNCTION / PROGRAM
Last Six Fiscal Years

<u>Function/Program</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
General government						
Village Board meetings	21	20	21	22	22	23
Other Board & commission meetings	34	31	46	46	46	49
Village newsletter mailings	6	4	2	5	5	5
Lake Bluff List Serve Subscribers	n/a	n/a	92	214	293	438
Finance						
Accounts Payable (in thousands)	\$ 6,800	\$ 5,000	\$ 4,800	\$ 5,790	\$ 7,650	\$ 8,000
Water & Sewer invoices prepared	7956	7915	8175	8232	8225	8185
Police						
Number of calls	7,972	10,737	9,286	10,078	11,703	10,282
Felony offenses	39	56	71	77	49	52
Misdemeanor offenses	215	266	304	406	311	336
Auto Accident investigations	199	169	183	203	203	177
Fire						
Fire calls	33	24	35	52	48	37
Rescue/Medical transported	171	181	208	174	217	211
Rescue/Medical not transported	38	45	56	70	50	61
Engineering, Building & Zoning						
Residential building permits issued	488	463	491	523	464	447
Commercial building permits issued	34	32	17	25	23	14
Zoning petitions	22	24	8	22	7	9
Public works - general						
Streets patching (in tons)	75	47	61	57	71	118
Street cleaned-miles	1388	1187	1360	975	1134	1562
Compacted household refuse collected	2481	2542	2704	2620	2678	2223
Curbside recycling collections (tons)	801	710	790	715	758	1148
Cubic yards of						
leaves/yard waste collected	3,023	3,512	2,498	2,500	2,512	2,658
Parkway trees planted	79	79	81	76	67	52
Parkway grass trimmed (in acres)	392	414	387	276	301	926
Sanitary sewers cleaned (in linear feet)	49896	37120	17679	16679	44178	65925
Storm sewers cleaned (in linear feet)	9686	7476	4257	4158	2358	2111
Public works - Water						
Main break repairs	5	8	12	18	9	16
JULIE utility locates	700	1409	1273	1227	1368	1210

Sources: Various Village departments.

Village of Lake Bluff, Illinois
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
Last Ten Fiscal Years

Function/Program	Fiscal Years									
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Police										
Patrol units	5	5	5	5	5	6	6	6	7	8
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Engines ^a	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Stations	1	1	1	1	1	1	1	1	1	1
Public works										
Streets (miles)	27.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0
Sidewalks (miles)	20.0	20.0	20.0	20.0	20.0	20.0	20.3	20.3	20.3	20.3
Building facilities maintained	5	5	5	6	6	6	6	6	6	6
Sanitary sewers (miles)	32.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0
Storm sewers (miles)	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0
Sanitary sewer lift stations	5	5	5	5	5	5	6	6	6	6
Water - sanitary sewer										
Fire hydrants	400	400	400	405	425	425	435	460	476	488
Storage capacity (thousands of gallons)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

^a An aerial ladder truck was purchased and is shared pursuant to an Intergovernmental agreement with The City of Lake Forest accounting for the .5 of an engine.

Sources: Village budgets.