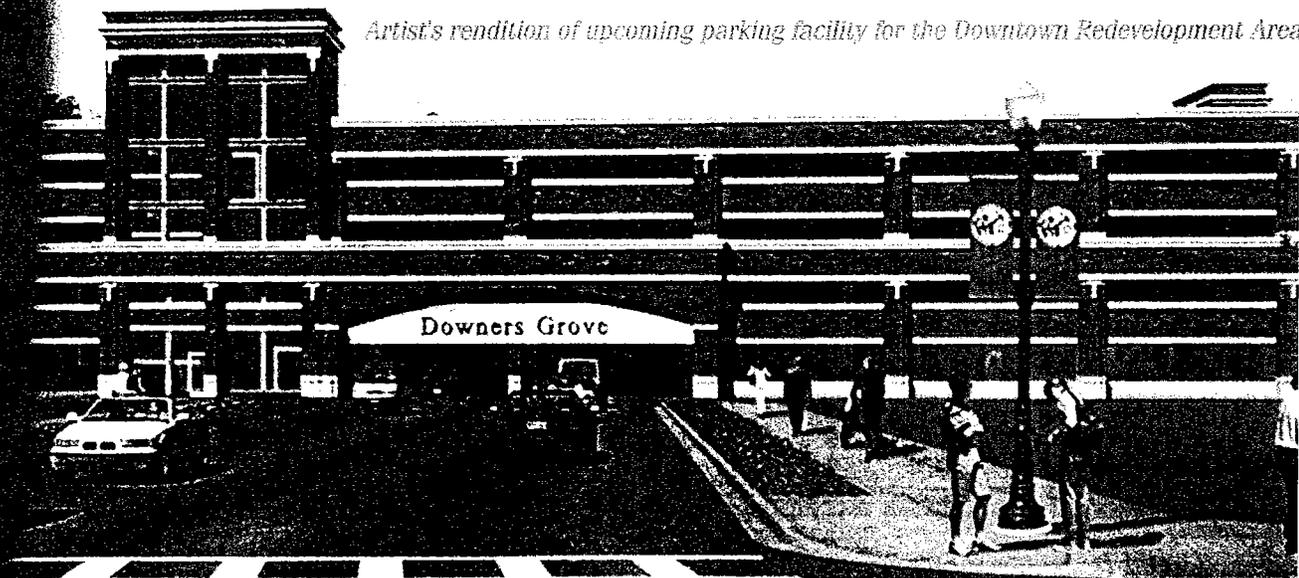


Comprehensive Annual Financial Report

Year Ending April 30, 2003



Artist's rendition of upcoming parking facility for the Downtown Redevelopment Area

Village of Downers Grove
Civic Center
801 Burlington Avenue
Downers Grove, Illinois 60515-4776
630-434-5500



Village of Downers Grove, Illinois
COMPREHENSIVE ANNUAL FINANCIAL STATEMENTS
Year Ended April 30, 2003

Prepared by Finance Department

David Van Vooren
Deputy Village Manager
and Village Treasurer

Village of Downers Grove, Illinois

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INTRODUCTORY SECTION

Village of Downers Grove, Illinois

Principal Officials

April 30, 2003

LEGISLATIVE

Brian J. Krajewski, Mayor

Commissioners

Michael Gilbert

Thomas J. Sisul

Susan A. McConnell

Marilyn J. Schnell

Martin Tully

Mark Zabloudil

ADMINISTRATIVE

Riccardo Ginex, Village Manager

David Van Vooren, Deputy Village Manager Administration / Finance Director / Treasurer

Brian Pabst, Deputy Village Manager Operations

Enza Petrarca, Acting Village Attorney

April Holden, Village Clerk

John Bajor, Director of Public Works

Philip Ruscetti, Chief of Fire

Robert Porter, Chief of Police

Village of Downers Grove Organizational Chart

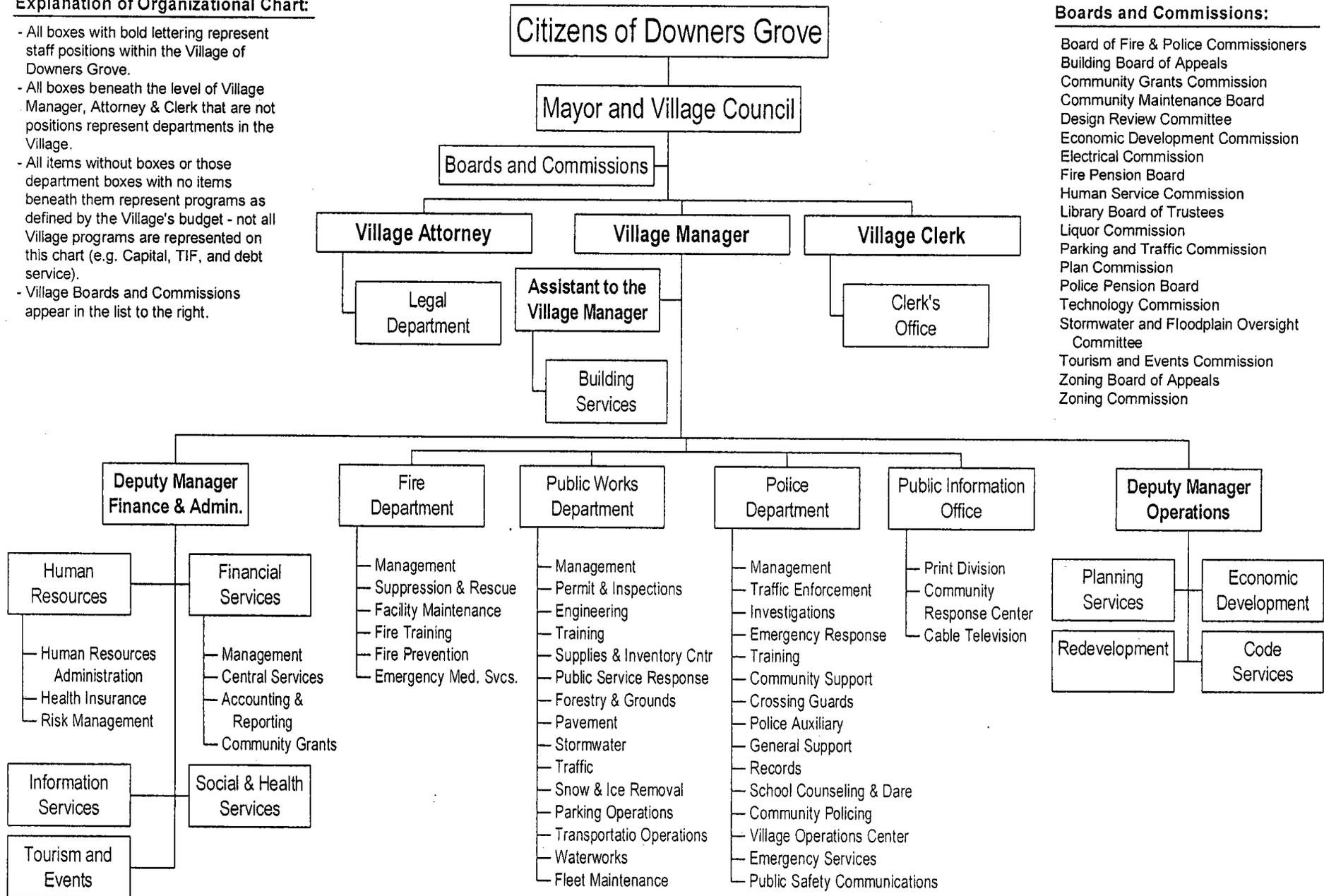
Effective April 30, 2003

Explanation of Organizational Chart:

- All boxes with bold lettering represent staff positions within the Village of Downers Grove.
- All boxes beneath the level of Village Manager, Attorney & Clerk that are not positions represent departments in the Village.
- All items without boxes or those department boxes with no items beneath them represent programs as defined by the Village's budget - not all Village programs are represented on this chart (e.g. Capital, TIF, and debt service).
- Village Boards and Commissions appear in the list to the right.

Boards and Commissions:

- Board of Fire & Police Commissioners
- Building Board of Appeals
- Community Grants Commission
- Community Maintenance Board
- Design Review Committee
- Economic Development Commission
- Electrical Commission
- Fire Pension Board
- Human Service Commission
- Library Board of Trustees
- Liquor Commission
- Parking and Traffic Commission
- Plan Commission
- Police Pension Board
- Technology Commission
- Stormwater and Floodplain Oversight Committee
- Tourism and Events Commission
- Zoning Board of Appeals
- Zoning Commission



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Downers Grove,
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2002

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



President

Executive Director

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October 7, 2003

<http://www.vil.downers-grove.il.us>

To The Honorable Mayor, Members of the Downers Grove Village Council, and
Citizens of Downers Grove

COMMUNITY RESPONSE
CENTER

Village of Downers Grove
801 Burlington
Downers Grove, IL 60515

630.434.CALL (2255)

CIVIC CENTER

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

The Comprehensive Annual Financial Report (CAFR) of the Village of Downers Grove, for the fiscal year ended April 30, 2003, is submitted herewith. Responsibility for both the accuracy of the presented 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, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Village as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial affairs have been included.

FIRE DEPARTMENT
ADMINISTRATION

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

This report is divided into three major sections:

POLICE DEPARTMENT

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

Introductory Section - This section is designed to introduce the reader to the report and to provide an understanding of the financial condition of the Village. It includes this letter of transmittal, a list of the Village's principal officials, the Village's organizational chart as of 4/30/03, and the Certificate of Achievement issued from the Government Finance Officers Association.

PUBLIC WORKS
DEPARTMENT

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

Financial Section - This section contains the report of the Village's independent certified public accountants, general-purpose financial statements, as well as the combining, individual fund, and account group financial statements and schedules. These reports provide information about the financial position of the Village.

DEPARTMENT OF
SOCIAL AND HEALTH SERVICES

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

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

This report includes all financial activity for the funds, account groups, and departments for which the Village is financial accountable. The criteria used to determine financial accountability is defined in Note 1 of the Financial Statements,



on page 13. The Police and Fire Pension Funds each have a separate Board that administers their respective fund resources and their uses. The Downers Grove Library has a separate Board that is appointed by the Mayor, with Council approval, and is included as a part of this report as a special revenue fund. Other local governments that serve the Downers Grove community do not qualify as entities for which the Village is accountable. These include the Downers Grove Park District, the Downers Grove Sanitary District, all school districts, and the Downers Grove Township. Therefore, the financial activities of these entities are not included in this report.

PROFILE OF THE VILLAGE OF DOWNERS GROVE

The Village, which has a land area of about 13.0 square miles, is located in DuPage County and is 25 miles west of Chicago. DuPage County is the second most populated county in Illinois, after Cook County, which includes the city of Chicago. The enterprise activity in DuPage County rivals the Chicago downtown area and the median household income in DuPage County, \$67,887, is the highest of all counties in Illinois. The median income for the Village is \$65,539. Along with several major arterial highways, three Burlington Northern commuter train stations are located in the Village, providing commuters about a 25-minute ride to and from Chicago and easy access to the entire metropolitan area.



The resident population is 49,788, with about 19,000 households; however, the Village's corporate business parks and shopping districts raise the daytime population and economic activity, providing the Village the benefit of a significant level of sales tax revenue. The effective buying income per capita for the Village is at 165% of the national level. The property tax base is 67% residential and 28% commercial. The ten leading commercial property tax payers are from a diverse economic base and account for only 12% of the total tax base.

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

and charter bus transportation system; a commuter and residential parking system; economic and community development services; visitor's bureau services; social services; the construction and maintenance of streets, stormwater, and other municipal infrastructure; and library services.

MAJOR INITIATIVES

Accomplishments

Along with the basic services outlined above, the major initiatives that were implemented in fiscal year 2003 include the following:

- A new CAD (Computer Aided Dispatch) system was installed for all public safety operations, including Police, Fire and Ambulance services. Police and fire rescue vehicles were equipped with laptop computers with Internet access, allowing immediate access to the Village database and connection to the emergency response center.
- The Downers Grove Ogden Corridor is a major east/west thoroughfare that is home to over 300 businesses and has an average daily traffic count of over 35,000 vehicles. Businesses on Ogden Avenue generate more than 1/3 of the Village sales tax revenue. The Village initiated a redevelopment plan to enhance the vitality of this district.
- The Building Services staff completed various remodeling projects designed to enhance the productivity and efficiency of the Economic Development and Redevelopment programs, the Fire Department, and the Police Evidence and Booking Rooms.
- The Information Services Department introduced an on-line E-permitting system, allowing the public the ability to request and process code enforcement permits over the Internet.
- The Public Works Department gained the full-waiver status for Stormwater administration, allowing the Village to assume responsibility from the County for local stormwater issues.
- The Village obtained the equipment and initiated the procedures required to join the Joint Utility Locating Information for Excavating (JULIE) program, a State mandated intergovernmental process for marking underground utilities prior to excavation activity.
- The Police Department consists of thirteen different services, including traffic control, school DARE programs, investigations and 911 dispatch services. In the spring of 2003, the Police Department successfully acquired full Accreditation status.
- The Fire Department obtained a state-of-the art rescue squad with funding received from the

Illinois First Grant Program.

- The planning phase of the downtown parking facility was completed a successful bid was awarded. This facility will provide more than 750 parking spaces to support the growing parking needs in the heart of the Village's downtown area.

For the Future

During the budgeting process for fiscal year 2004, the Council considered the impact of the national and state economies on the Village and enhanced some revenues and broadened the mix of revenue sources. For example, the Village initiated a home-rule sales tax and adopted a tax per-therm for natural gas. The change from a percent of Nicor sales to a per-therm basis will bring back revenues that were being avoided by commercial entities that chose an alternative provider. Having established a broader revenue base, the following items are included in the fiscal year 2004 plans:

- An additional prosecutor was added to the Legal Department, expanding the program to three attorneys to address Village legal and redevelopment issues.
- The alternative fueling station will be upgraded to allow it to function on generator power.
- The Human Resource Department will implement a new health insurance program, designed to better contain raising health insurance costs and providing employees more choice in the level of coverage.
- The telephone system will be replaced, taking advantage of new technological developments in this arena.
- The Information Services Department GIS capabilities will be focused on the strategic planning of community development, including the mapping of traffic flows.
- The construction phase of the downtown parking deck will be completed and new development options for the Ogden Avenue Corridor and Curtiss Block Area will be pursued.
- The investigation and implementation of an electronic records management system, providing on-line indexing and automated access to archived records.
- The implementation of GASB 34 reporting requirements, including the identification of program generated revenues, the depreciated value of general government infrastructure, and the reporting of the full cost of governmental services, including depreciation on program associated assets.

The strategic focus for the Village is on “preserving the balance between tradition and progress.” The goal is to ensure that residents, businesses and visitors experience a high quality of life.

FACTORS AFFECTING FINANCIAL CONDITION

The equalized assessed valuation (EAV) of property in Downers Grove continues to increase substantially faster than the consumer price index. The EAV for the Village was \$1,411,788,604 for the 2000 tax levy year, \$1,511,368,313 for 2001, and \$1,647,824,428 for the 2002 tax levy year. These represent a 7.05% and 8.28% increase in the 2001 and 2002 EAV's respectively.

The Village of Downers Grove's strategic redevelopment efforts are focused on “preserving the balance between tradition and progress” while ensuring that residents, businesses and visitors experience a high quality of life. The Village has invested resources in both Economic Development and Community Redevelopment programs that focus on enhancing economic growth and enriching the community.

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

The Village of Downers Grove maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the Village Council. Activities of all Village Funds are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established by fund; however, Village management uses stricter controls on transfers between functions, requiring the approval of the Village Manager's office for transfers between account types, such as Personnel, Supplies or Capital. The Village also uses an encumbrance system as another technique of accomplishing budgetary control. The encumbrance system prevents the use of funding that is already committed to particular projects or activities. All encumbrances are liquidated at the end of each fiscal year and are re-appropriated in the next year's budget.

General Government Activities

The Village's general government activities include those services that provide public safety, such as police, fire, code inspection and enforcement, along with community events, social services, public works, community development, and the administration and support services needed to

provide these community services. These activities are accounted for in the general fund, special revenue funds, debt service funds and capital projects funds. The purpose of taxes is to support those services that are for the general good of the community. Table 1 shows that the 52% of the funding for general government services is provided with taxes. Table 2 provides a breakdown of the tax sources.

Schedule of General Government Activity Revenue and Other Sources Fiscal Years 2002 and 2003					
	FY 2003 Amount	Percent of Total	FY 2002 Amount	Increase / (Decrease From 2002)	Percent of Increase / (Decrease)
<u>Revenues</u>					
Taxes	\$26,653	52.17%	\$25,060	\$1,593	26.45%
Licenses & Permits	1,882	3.68%	\$1,296	\$586	9.73%
Intergovernmental	6,143	12.02%	\$6,307	(\$164)	-2.72%
Charges for Services	4,346	8.51%	\$3,712	\$634	10.53%
Fines & Forfeits	751	1.47%	\$701	\$50	0.83%
Interest	268	0.52%	\$545	(\$277)	-4.60%
Sale of Capital Assets	-	0.00%	\$1,128	(\$1,128)	-18.73%
Miscellaneous	334	0.65%	\$188	\$146	2.42%
SUBTOTAL, Revenues:	\$ 40,377	79.03%	\$ 38,937	\$ 1,440	23.91%
<u>Other Financing Sources</u>					
Bond Proceeds	10,500	20.55%	\$6,000	\$4,500	74.73%
Operating Transfers, Net	215	0.42%	\$133	\$82	1.36%
SUBTOTAL, Other Financing Sources	\$ 10,715	20.97%	\$ 6,133	\$ 4,582	76.09%
TOTAL, ALL SOURCES	\$ 51,092	100.00%	\$ 45,070	\$ 6,022	100.00%

Table 1.

Table 1 outlines all of the resources that were acquired to support the general governmental activities. (Note that all figures are expressed in the thousands.) It shows that general revenues increased by only 3.6%, or \$1.440 million. However, the total amount of resources increased by 13%, or \$6.022 million. The bulk of the increase (74%, or \$4.5 million) was due to the receipt of the refinanced debt related to the Downtown Redevelopment TIF Area projects. This debt will be liquidated with the sale of land currently held for redevelopment.

As noted above, tax revenues provided 52% of the resources available for governmental activities. In fiscal year 2003, taxes increased by \$1.5 million and consist of not only property taxes, which are charged to the property owners in Downers Grove, but also taxes that are paid by non-residents as well, such as sales tax, personal property replacement tax, utility taxes and a hotel tax. These other taxing sources help the Village to maintain equity citizens and non-citizens for the cost of public safety and other services provided to all who come to the Village. The following table provides an outline of the tax sources collected for fiscal year 2003.

Schedule of Taxes Collected and Used for All Governmental Activities
Fiscal Year 2003

All numbers represent 1,000's

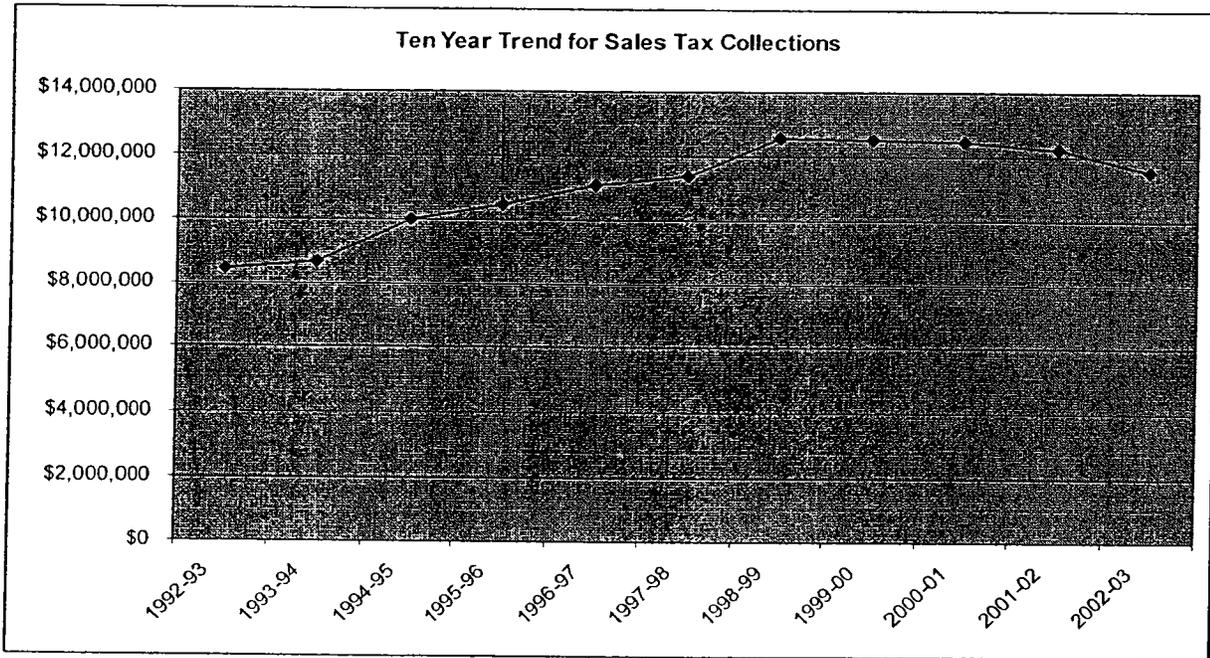
Type of Tax	General Fund	Public Library	Other Government Funds	Total Taxes Used
Property Taxes	4,832	2,773	698	8,303
Property Tax Increment			306	306
Sales Tax	11,533		-	11,533
Utility Taxes	3,695		1,733	5,428
Hotel Tax	727		-	727
Misc Taxes*	303		53	356
Total Taxes Used:	21,090	2,773	2,790	26,653
Percent of Use:	79.1%	10.4%	10.5%	

* Miscellaneous taxes include Personal Property Replacement tax, Pull-tab tax, Auto Rental tax, & Foreign Fire Insurance tax.

Table 2.

Sales Tax Revenue - Sales tax continues to be the largest single revenue item of the Village, providing 42.9% of the tax revenues used and 28.6% of all governmental revenues, before other financing sources. The following graph illustrates the ten-year trend in sales tax collections. Collections steadily increased 48% between fiscal year 1993 and 1999, growing from \$8.5 million

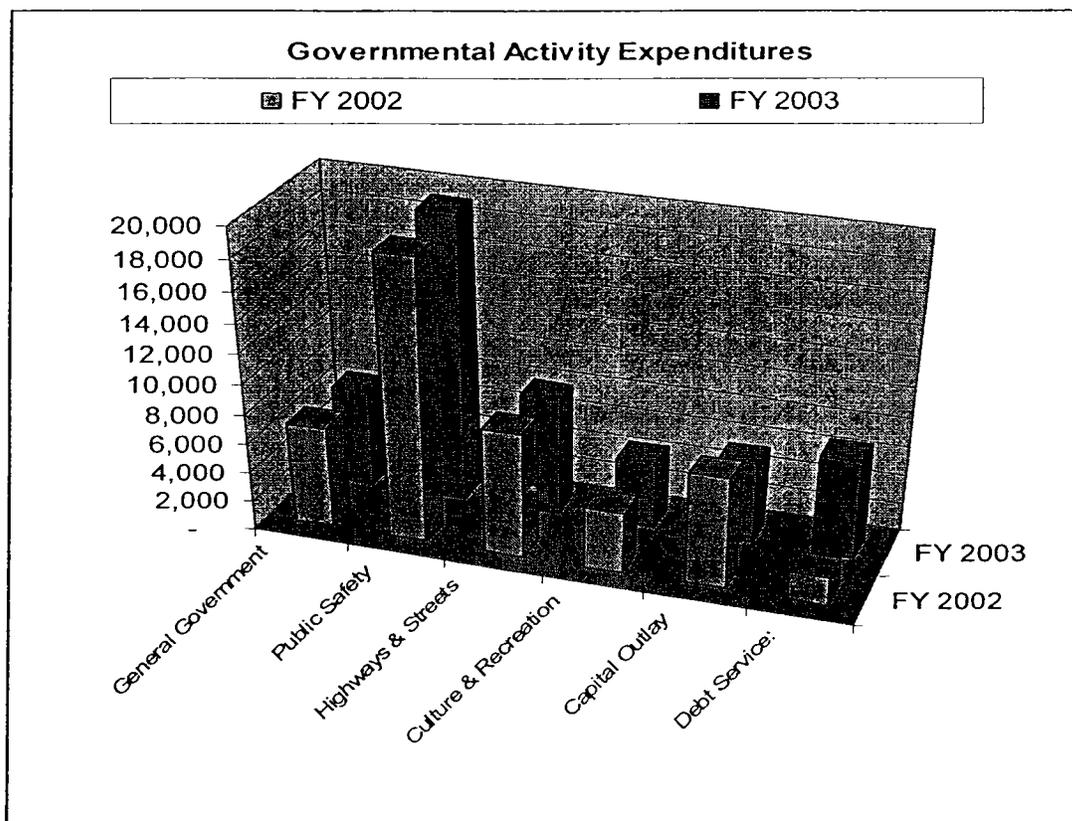
to \$12.5 million. In 1999 a decline in sales tax collections began, paralleling the slowdown in the general economy. The Village's current collections are about \$1 million below the 1999 high-collection point.



Sales tax revenue is based on the strength of sales in the local community. During budget preparation for the FY 2002-03 fiscal year, the Village anticipated the opening of a large retail establishment with estimated sales tax revenues over \$500,000 annually. Unfortunately, due to the downturn in the economy, general sales slowed down and some retail establishments have delayed expansion plans. The actual sales tax collections this year were \$1.7 million below budget. In response to the slow-down, the Village Council amended the FY 03 budget and made necessary capital and operational cuts to meet this challenge. Furthermore, the Council voted to enact a half-cent home rule sales tax, effective in July 2003, so that Downers Grove property tax payers will not need to absorb a higher proportion of the cost to provide governmental services.

Property Taxes - The Village of Downers Grove experiences an excellent collection rate for property taxes, as evidenced by annual tax collection rates consistently over 99% since 1995. Minimizing property taxes continued to be the goal for fiscal year 2003. Amounts levied for general obligation bonds were abated and funded through the use of transfers from the Capital Projects Fund. In 2001 the levy for the Police Pension increased by \$335,253, or 122%, but in 2002 it increased by only about \$28,000. The Village levy to support the Firefighters' Pension increased by about \$94,000. A ten-year trend of property tax levies and collections is provided in the Statistical Section of this report on page 133.

The following graph presents a summary of government expenditures by function for fiscal years 2002 and 2003. These activities were funded through the General, Special Revenue, Debt Service and Capital Project funds. Note that all amounts are expressed in thousands.



Generally, expenses were controlled to match the costs incurred in the prior year. The increase in Public Safety expenditures reflects the Council’s focus on enhancing public safety. The increase is due to the implementation of the new CAD system. This system provides the Fire and Police emergency responders with Internet connected laptop computers, able to access a single database housed at the Police Station. A ten-year trend for governmental expenditures is presented in the Statistical Section on page 132.

Enterprise Operations

The Village’s enterprise operations are comprised of three separate and distinct activities: the Water Fund, the Parking System Fund, and the Transportation Fund.

The Water Fund is the Village’s major enterprise fund, accounting for 85.7% of the enterprise financial activity. It accounts for the maintenance of the water distribution system and provision of

water services to the residents of the Village and certain contingent areas. The Village completed almost all of the installation of an automatic reading system by the end of fiscal year 2003. The improvements in the timeliness and accuracy of revenue collections are reflected in the reduced number of accrued receivables, from \$1.3 million as of April 30, 2002 to only \$870,103 at April 30, 2003. The Council-approved water rate increases, which will become effective June 2003, will address the operating loss of \$1.5 million.

The Village continues to maintain previously used water wells and pumping systems for emergency purposes, but has purchased and provided Lake Michigan water for several years. This year, the Village began coordinating efforts with the DuPage Water Commission, neighboring communities, and DuPage County to assist in the provision of uncontaminated water to both incorporated and unincorporated areas of the Village. The necessary agreements were completed recently and will involve capital loans from the DuPage County Water Commission. The Village's loans will be funded from a settlement agreement with the U.S. Environmental Protection Agency. The capital projects will involve the construction of water mains and resident connections to the Village's water system. While the Village coordinates the connections to its water supply system, DuPage County will coordinate the professional services needed to complete the connections.

The Parking Fund is a little less than 10% of the enterprise activity and 7% of the assets. This fund is used to account for the provision of parking services and the maintenance of the parking facilities. The Fund ended the year with an operating income of \$114,506.

The Transportation Fund accounts for 4.7% of the business-type activity operating revenues. Unique to the Chicago metropolitan area, the Village operates its own bus transportation system, providing commuter bus shuttle service to the local commuter railroad stations and various charter services. The Village can track the level of subsidy to the Transportation Fund by noting the deficit condition of this fund. This year, the decrease in retained earnings was \$356,311, after a prior period adjustment to recognize accrued payroll at April 30, 2003.

Risk Management

The Village has been self-insured for property and casualty claims, including Workers compensation, since January 1, 1989. Financing is provided through interfund transfers from the operating departments in accordance with loss experience and exposure. For fiscal year 2002-03 loss premiums charged to operating departments were adjusted to reflect greater than anticipated claims in prior years and additional increases in the fee transferred from Village operating departments will over next year to amortize the negative fund balance.

The Village began a self-insurance program for its employee health insurance benefit plan on October 1, 1981. Village departments, employees, and outside agencies contribute to this fund, based on the number of employees within the department and their type of coverage. Health insurance claims, as well as other administrative services, are then paid out of this fund. The fund posted net income of \$208,407 in 2002-03.

Pension Trust Fund Operations

Beginning with levy year 1994, the Village reestablished a property tax levy to pay for employer costs in these two funds. The Council adopted the levies recommended by each Pension Board, who base their recommendations on an independent actuarial evaluation of such factors as the demographics of the participants, their salaries, and anticipated returns on investments. Further details on the Village's pension funds can be found in Note 15, pages 37 to 40, and in the Required Supplementary Information, pages 41 to 46, in the Financial Section of this report.

Debt Administration

At April 30, 2003, the Village had seven general obligation (G.O.) debt issues outstanding totaling \$41.79 million. One of these debt issues, for \$3.775 million, was for the installation of an Automated Meter Reading system and will be funded with water sales revenue in the Water Fund. The 1998 G.O. bond, used to finance the Fairview Avenue reconstruction project, has a balance of \$2.42 million and is primarily funded by a local gasoline tax. The debt related to the Library Building addition, \$6.55 million, was refunded to take advantage of lower interest rates in the beginning of FY 04 and is funded with property taxes. The balance of the G.O. debt, \$29.045 million, represents the investment in the Downtown Redevelopment TIF area and is anticipated to be funded with the tax increment generated by the economic growth in this area. Total outstanding debt at April 30, 2002 represents \$839 per capita. During the past year, \$645,000 of general obligation debt was retired. Total debt service expenditures, (including principal and interest), is 4.30% of the total general governmental expenditures.

Cash Management

Cash investments were invested in Time Deposits, Treasury Bills, insured Certificates of Deposits, A1P1 Commercial Paper, and United States agency issues, with typical maturities ranging from one day to one year. Pension funds, indicative of their cash management objectives, were invested in accordance to the Pension Board investment decisions, generally in longer-term instruments such as Treasury Bonds, Treasury Strip Coupons, Government National Mortgage Association Bonds, Mutual funds, and separate account annuities.

OTHER INFORMATION

Independent Audit

The Village has complied with the requirement established by Chapter 65, Section 8-8-3, of the Illinois Compiled Statutes. This Statute requires an annual audit of accounts, financial records and transactions of all departments of the Village by independent certified public accountants that have been selected by the Village Council. The Auditor's Report on the general-purpose financial statements, combining and individual fund statements, and schedules are included in the Financial Section of this report.

Awards

Fiscal Accountability: The Village of Downers Grove continues to submit its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada (GFOA) for participation in the program for *Certificate of Achievement for Excellence in Financial Reporting*. The Village's submission again earned an award for the fiscal year ended April 30, 2002; a *Certificate of Achievement* is valid for a period of one year only.

Economic Development: The Village earned three awards from the International Economic Development Council for the Village's 'Come Home' campaign, including *Best in Class* for overall marketing programs for a community of this size.

Volunteer Involvement: The State of Illinois awarded Downers Grove the *2003 Governor's Home Town Award* for the Chamber/Kiwanis Bone Marrow Drive. \$22,500 was raised to fund the bone marrow testing of 1,070 people and all tests are placed in the national Bone Marrow Registry.

ACKNOWLEDGEMENTS

In closing, I wish to express my gratitude to all of the Financial Services staff, including the four who chose the early retirement option in May 2003, for their contributions to the preparation of this Comprehensive Annual Financial Report. Also, the support and guidance given by the Deputy Village Manager, having assumed the responsibilities of Treasurer in the absence of a Finance Director/Treasurer, was essential to the successful management of the Finance Department during this period of transition. And finally, I wish to express my special appreciation of the policies and decisions provided by the Mayor and Council members, as reflected in this report.

Submitted by:



Trisha G. Steele
Assistant Director of Financial Services

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying general-purpose financial statements and the combining, individual fund, and account group financial statements of the Village of Downers Grove, Illinois, as of and for the year ended April 30, 2003, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Village of Downers Grove, Illinois management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Downers Grove, Illinois, as of April 30, 2003, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the combining, individual fund, and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Village of Downers Grove, Illinois as of April 30, 2003 and the results of operations of such funds and cash flows of individual proprietary funds for the year then ended, in conformity with accounting principals generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2003 on our consideration of the Village of Downers Grove's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Audit Standards* and should be read in conjunction with this report in considering the results of our audit.

The Firefighters' Pension, Police Pension and Illinois Municipal Retirement Fund supplemental schedules of funding progress and employee contributions information on pages 41 - 46 are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements and on the combining, individual fund, and account group financial statements taken as a whole. The accompanying financial information listed as supplemental and schedules in the accompanying table of contents is presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Village of Downers Grove, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund, and account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements and each of the combining, individual fund, and account group financial statements taken as a whole.

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

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Northbrook, Illinois
August 18, 2003

GENERAL PURPOSE FINANCIAL STATEMENTS

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Village of Downers Grove, Illinois

Combined Balance Sheet
All Fund Types and Account Groups
April 30, 2003

ASSETS AND OTHER DEBITS	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	(Memorandum Only)
Assets										
Cash and cash equivalents	\$ 726,918	\$ 3,731,081	\$ 135,804	\$ 608,409	\$ 825,431	\$ 118,046	\$ 9,675,005	\$ -	\$ -	\$ 15,820,694
Investments	727,904	3,243,365	-	200,000	2,786,133	200,000	31,566,120	-	-	38,723,522
Receivables (net of allowances for uncollectibles, where applicable)										
Property taxes	4,905,049	3,632,585	2,018,251	8,759	-	-	-	-	-	10,564,644
Sales taxes	2,894,222	-	-	-	-	-	-	-	-	2,894,222
Income taxes	666,929	-	-	-	-	-	-	-	-	666,929
Accounts receivable	1,150,705	-	-	489,249	882,851	41,401	-	-	-	2,564,206
Accrued interest	10,069	17,706	-	6,713	34,813	4,375	15,423	-	-	89,099
Hotel taxes	79,458	-	-	-	-	-	-	-	-	79,458
Other	91,443	146,915	15,039	-	5,217	-	500,000	-	-	758,614
Due from other funds	1,578,330	-	-	-	-	-	-	-	-	1,578,330
Advances to other funds	-	-	-	1,893,606	75,000	-	-	-	-	1,968,606
Inventory	-	-	-	-	15,137	84,168	-	-	-	99,305
Note receivable	122,917	-	-	-	-	-	-	-	-	122,917
Fixed assets (net of accumulated depreciation)	-	-	-	-	31,187,827	4,354,486	-	46,511,358	-	82,053,671
Other debits										
Amount available for debt service	-	-	-	-	-	-	-	-	81,209	81,209
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	42,096,918	42,096,918
Total assets and other debits	\$ 12,953,944	\$ 10,771,652	\$ 2,169,094	\$ 3,206,736	\$ 35,812,409	\$ 4,802,476	41,756,548	\$ 46,511,358	\$ 42,178,127	\$ 200,162,344

The accompanying notes are an integral part of this statement.

LIABILITIES AND EQUITY AND OTHER CREDITS	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
	Liabilities									
Vouchers and accounts payable	\$ 520,243	\$ 312,353	\$ -	\$ 152,766	\$ 1,403,907	\$ 112,068	\$ 5,707	\$ -	\$ -	\$ 2,507,044.
Accrued payroll	1,279,575	99,375	-	10,407	62,608	24,463	-	-	-	1,476,428
Due to other funds	-	-	69,634	137,486	433,069	937,981	160	-	-	1,578,330
Advances from other funds	-	1,968,606	-	-	-	-	-	-	-	1,968,606
Compensated absences payable	526,191	32,276	-	2,039	199,146	120,003	-	-	3,673,398	4,553,053
Deposits payable	-	-	-	34,695	69,806	-	1,682,157	-	-	1,786,658
Other payable	109,591	-	-	-	50,818	-	-	-	-	160,409
Claims payable	-	-	-	-	-	1,551,536	-	-	-	1,551,536
Deferred revenue	4,905,049	3,632,585	2,018,251	8,759	-	-	-	-	-	10,564,644
Pension contributions payable	-	-	-	-	-	-	-	-	489,729	489,729
General obligation bonds payable	-	-	-	-	3,775,000	-	-	-	38,015,000	41,790,000
Total liabilities	7,340,649	6,045,195	2,087,885	346,152	5,994,354	2,746,051	1,688,024	-	42,178,127	68,426,437
Equity and other credits										
Investment in general fixed assets	-	-	-	-	-	-	-	46,511,358	-	46,511,358
Contributed capital	-	-	-	-	1,117,945	1,478,850	-	-	-	2,596,795
Retained earnings										
Reserved										
Fuel system replacement	-	-	-	-	-	77,180	-	-	-	77,180
Unreserved	-	-	-	-	28,700,110	500,395	-	-	-	29,200,505
Fund balances										
Reserved										
Long-term receivables	122,917	-	-	-	-	-	-	-	-	122,917
Debt service	-	-	81,209	-	-	-	-	-	-	81,209
Employees' retirement	-	-	-	-	-	-	40,068,524	-	-	40,068,524
Drug forfeitures	4,385	-	-	-	-	-	-	-	-	4,385
Unreserved - designated										
Historical society	3,860	-	-	-	-	-	-	-	-	3,860
Private contributions	-	206,625	-	-	-	-	-	-	-	206,625
Site-run offs	-	-	-	544,242	-	-	-	-	-	544,242
Unreserved - undesignated	5,482,133	4,519,832	-	2,316,342	-	-	-	-	-	12,318,307
Total equity and other credits	5,613,295	4,726,457	81,209	2,860,584	29,818,055	2,056,425	40,068,524	46,511,358	-	131,735,907
Total liabilities and equity and other credits	\$ 12,953,944	\$ 10,771,652	\$ 2,169,094	\$ 3,206,736	\$ 35,812,409	\$ 4,802,476	\$ 41,756,548	\$ 46,511,358	\$ 42,178,127	\$ 200,162,344

Village of Downers Grove, Illinois

Combined Statement of Revenues, Expenditures and Changes in Fund Balances All Governmental Fund Types Year ended April 30, 2003

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Revenues					
Taxes	\$ 21,088,860	\$ 3,133,145	\$ 689,227	\$ 1,741,651	\$ 26,652,883
Licenses and permits	1,881,984	-	-	-	1,881,984
Intergovernmental	4,257,778	1,553,778	188,450	142,941	6,142,947
Charges for services	3,449,575	388,910	-	507,840	4,346,325
Fines and forfeits	654,907	96,084	-	-	750,991
Interest	112,317	103,265	6,422	45,673	267,677
Miscellaneous	308,421	25,257	-	400	334,078
Total revenues	31,753,842	5,300,439	884,099	2,438,505	40,376,885
Expenditures					
Current					
General government	5,418,357	664,226	-	516,431	6,599,014
Public safety	19,232,812	-	-	-	19,232,812
Highways and streets	6,665,228	1,300,847	-	-	7,966,075
Culture and recreation	1,598,292	3,066,315	-	-	4,664,607
Capital outlay	-	2,683,574	-	2,881,791	5,565,365
Debt service					
Principal retirement	-	4,500,000	645,000	-	5,145,000
Interest and fiscal charges	-	-	1,542,854	111,603	1,654,457
Total expenditures	32,914,689	12,214,962	2,187,854	3,509,825	50,827,330
Deficiency of revenues over expenditures	(1,160,847)	(6,914,523)	(1,303,755)	(1,071,320)	(10,450,445)
Other financing sources (uses)					
Bond proceeds	-	10,500,000	-	-	10,500,000
Operating transfers in	139,970	75,000	1,294,711	-	1,509,681
Operating transfers out	(60,000)	(1,234,711)	-	-	(1,294,711)
Total other financing sources	79,970	9,340,289	1,294,711	-	10,714,970
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,080,877)	2,425,766	(9,044)	(1,071,320)	264,525
Fund balances					
May 1, as previously reported	7,393,455	2,876,687	90,253	3,942,311	14,302,706
Prior period adjustment (see note 16)	(1,279,575)	4,296	-	(10,407)	(1,285,686)
May 1, as restated	6,113,880	2,880,983	90,253	3,931,904	13,017,020
Residual equity transfer	580,292	(580,292)	-	-	-
April 30	\$ 5,613,295	\$ 4,726,457	\$ 81,209	\$ 2,860,584	\$ 13,281,545

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
All Governmental Fund Types
Year ended April 30, 2003

	General			Special Revenue		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Taxes	\$ 24,374,799	\$ 21,088,860	\$ (3,285,939)	\$ 3,127,184	\$ 3,133,145	\$ 5,961
Licenses and permits	1,546,000	1,881,984	335,984	-	-	-
Intergovernmental	5,455,334	4,257,778	(1,197,556)	1,457,245	1,553,778	96,533
Charges for services	3,718,229	3,449,575	(268,654)	348,160	388,910	40,750
Fines and forfeits	922,500	654,907	(267,593)	80,000	96,084	16,084
Interest	170,000	112,317	(57,683)	188,000	103,265	(84,735)
Sale of fixed assets	-	-	-	4,000,000	-	(4,000,000)
Miscellaneous	112,500	308,421	195,921	20,405	25,257	4,852
Total revenues	<u>36,299,362</u>	<u>31,753,842</u>	<u>(4,545,520)</u>	<u>9,220,994</u>	<u>5,300,439</u>	<u>(3,920,555)</u>
Expenditures						
Current						
General government	5,850,271	5,418,357	431,915	5,694,101	664,226	5,029,875
Public safety	20,215,046	19,232,812	982,234	-	-	-
Highways and streets	6,814,099	6,665,228	148,871	1,470,740	1,300,847	169,893
Culture and recreation	1,666,764	1,598,292	68,472	3,108,306	3,066,315	41,991
Capital outlay	-	-	-	16,100,302	2,683,574	13,416,728
Debt service	-	-	-	-	-	-
Principal retirement	-	-	-	4,500,000	4,500,000	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>34,546,180</u>	<u>32,914,689</u>	<u>1,631,491</u>	<u>30,873,449</u>	<u>12,214,962</u>	<u>18,658,487</u>
Excess (deficiency) of revenues over expenditures	<u>1,753,182</u>	<u>(1,160,847)</u>	<u>(2,914,029)</u>	<u>(21,652,455)</u>	<u>(6,914,523)</u>	<u>14,737,932</u>
Other financing sources (uses)						
Bond proceeds	-	-	-	16,400,000	10,500,000	(5,900,000)
Operating transfers in	194,970	139,970	(55,000)	1,109,343	75,000	(1,034,343)
Operating transfers out	(194,799)	(60,000)	134,799	(1,471,857)	(1,234,711)	237,146
Total other financing sources (uses)	<u>171</u>	<u>79,970</u>	<u>79,799</u>	<u>16,037,486</u>	<u>9,340,289</u>	<u>(6,697,197)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 1,753,353</u>	<u>(1,080,877)</u>	<u>\$ (2,834,230)</u>	<u>\$ (5,614,969)</u>	<u>2,425,766</u>	<u>\$ 8,040,735</u>
Fund balances						
May 1, as previously reported		7,393,455			2,876,687	
Prior period adjustment (see note 16)		(1,279,575)			4,296	
May 1, as restated		<u>6,113,880</u>			<u>2,880,983</u>	
Residual equity transfer		<u>580,292</u>			<u>(580,292)</u>	
April 30		<u>\$ 5,613,295</u>			<u>\$ 4,726,457</u>	

The accompanying notes are an integral part of this statement.

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Debt Service			Capital Projects			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 683,113	\$ 689,227	\$ 6,114	\$ 2,801,416	\$ 1,741,651	\$ (1,059,765)	\$ 30,986,512	\$ 26,652,883	\$ (4,333,629)
-	-	-	-	-	-	1,546,000	1,881,984	335,984
225,000	188,450	(36,550)	587,095	142,941	(444,154)	7,724,674	6,142,947	(1,581,727)
-	-	-	172,200	507,840	335,640	4,238,589	4,346,325	107,736
-	-	-	-	-	-	1,002,500	750,991	(251,509)
15,500	6,422	(9,078)	45,000	45,673	673	418,500	267,677	(150,823)
-	-	-	-	-	-	4,000,000	-	(4,000,000)
-	-	-	-	400	400	132,905	334,078	201,173
<u>923,613</u>	<u>884,099</u>	<u>(39,514)</u>	<u>3,605,711</u>	<u>2,438,505</u>	<u>(1,167,206)</u>	<u>50,049,680</u>	<u>40,376,885</u>	<u>(9,672,795)</u>
-	-	-	770,380	516,431	253,949	12,314,752	6,599,014	5,715,739
-	-	-	-	-	-	20,215,046	19,232,812	982,234
-	-	-	-	-	-	8,284,839	7,966,075	318,764
-	-	-	-	-	-	4,775,070	4,664,607	110,463
-	-	-	3,197,620	2,881,791	315,829	19,297,922	5,565,365	13,732,557
645,000	645,000	-	-	-	-	5,145,000	5,145,000	-
<u>1,779,966</u>	<u>1,542,854</u>	<u>237,112</u>	<u>175,000</u>	<u>111,603</u>	<u>63,397</u>	<u>1,954,966</u>	<u>1,654,457</u>	<u>300,509</u>
<u>2,424,966</u>	<u>2,187,854</u>	<u>237,112</u>	<u>4,143,000</u>	<u>3,509,825</u>	<u>633,175</u>	<u>71,987,595</u>	<u>50,827,330</u>	<u>21,160,266</u>
<u>(1,501,353)</u>	<u>(1,303,755)</u>	<u>197,598</u>	<u>(537,289)</u>	<u>(1,071,320)</u>	<u>(534,031)</u>	<u>(21,937,915)</u>	<u>(10,450,445)</u>	<u>11,487,471</u>
-	-	-	-	-	-	16,400,000	10,500,000	(5,900,000)
1,531,858	1,294,711	(237,147)	-	-	-	518,569	1,509,681	991,112
-	-	-	(997,579)	-	997,579	(2,664,235)	(1,294,711)	1,369,524
<u>1,531,858</u>	<u>1,294,711</u>	<u>(237,147)</u>	<u>(997,579)</u>	<u>-</u>	<u>997,579</u>	<u>14,254,334</u>	<u>10,714,970</u>	<u>(3,539,364)</u>
<u>\$ 30,505</u>	<u>(9,044)</u>	<u>\$ (39,549)</u>	<u>\$ (1,534,868)</u>	<u>(1,071,320)</u>	<u>\$ 463,548</u>	<u>\$ (5,365,979)</u>	<u>264,525</u>	<u>\$ 5,630,504</u>
	90,253			3,942,311			14,302,706	
	-			(10,407)			(1,285,686)	
	90,253			3,931,904			13,017,020	
	-			-			-	
	<u>\$ 81,209</u>			<u>\$ 2,860,584</u>			<u>\$ 13,281,546</u>	

Village of Downers Grove, Illinois

Combined Statement of Revenues, Expenses and Changes in Retained Earnings All Proprietary Fund Types Year ended April 30, 2003

	Enterprise	Internal Service	Totals (Memorandum Only)
Operating revenues			
Charges for services	\$ 7,425,041	\$ 6,653,820	\$ 14,078,861
Operating expenses			
Personnel services	1,443,461	695,355	2,138,816
Supplies	4,046,326	403,041	4,449,367
Contractual services	293,257	1,124,227	1,417,484
Other charges and services	1,718,924	4,532,633	6,251,557
Capital outlay	147,176	-	147,176
Depreciation	1,392,638	617,999	2,010,637
Total operating expenses	9,041,782	7,373,255	16,415,037
Operating loss	(1,616,741)	(719,435)	(2,336,176)
Nonoperating revenues (expenses)			
Interest income	117,588	7,121	124,709
Interest expense	(211,223)	-	(211,223)
Loss on sale of fixed assets	(22,363)	(14,328)	(36,691)
Total nonoperating revenues (expenses)	(115,998)	(7,207)	(123,205)
Loss before operating transfers	(1,732,739)	(726,642)	(2,459,381)
Other financing uses			
Operating transfers out	214,970	-	214,970
NET LOSS	(1,947,709)	(726,642)	(2,674,351)
Other changes in retained earnings			
Add back depreciation on contributed assets	135,968	112,967	248,935
Decrease in retained earnings	(1,811,741)	(613,675)	(2,425,416)
Retained earnings			
May 1, as previously reported	30,574,459	1,150,616	31,725,075
Prior period adjustment (see note 16)	(62,608)	40,634	(21,974)
May 1, as restated	30,511,851	1,191,250	31,703,101
April 30	\$ 28,700,110	\$ 577,575	\$ 29,277,685

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Combined Statement of Cash Flows All Proprietary Fund Types Year ended April 30, 2003

	Proprietary Fund Types		Totals (Memorandum Only)
	Enterprise	Internal Service	
Cash flows from operating activities			
Operating loss	\$ (1,616,741)	\$ (719,435)	\$ (2,336,176)
Adjustments to reconcile operating loss to net cash provided by operating activities			
Depreciation	1,392,638	617,999	2,010,637
Change in assets and liabilities			
Accounts receivable	471,468	53,209	524,677
Due from other funds	1,325,622	1,378	1,327,000
Inventory	8,064	(4,527)	3,537
Vouchers and accounts payable	(196,278)	(93,932)	(290,210)
Due to other funds	-	45,428	45,428
Compensated absences payable	1,822	11,277	13,099
Deposits payable	3,281	-	3,281
Claims payable	-	159,117	159,117
Total adjustments	3,006,617	789,949	3,796,566
Net cash provided by operating activities	1,389,876	70,514	1,460,390
Cash flows from noncapital financing activities			
Change in cash overdraft	(245,835)	-	(245,835)
Operating transfers out	(214,970)	-	(214,970)
Net cash used for noncapital financing activities	(460,805)	-	(460,805)
Cash flows from capital and related financing activities			
Proceeds from sale of fixed assets	-	17,900	17,900
Fixed assets purchased	(3,964,044)	(168,154)	(4,132,198)
Principal paid on general obligation bonds	(225,000)	-	(225,000)
Interest paid on general obligation bonds	(171,863)	-	(171,863)
Net cash used for capital and related financing activities	(4,360,907)	(150,254)	(4,511,161)
Cash flows from investing activities			
Sale of investments	3,159,867	100,000	3,259,867
Purchase of investments	(75,000)	-	(75,000)
Interest	148,656	12,777	161,433
Net cash provided by investing activities	3,233,523	112,777	3,346,300
Net increase (decrease) in cash and cash equivalents	(198,313)	33,037	(165,276)
Cash and cash equivalents			
May 1	1,023,744	85,009	1,108,753
April 30	\$ 825,431	\$ 118,046	\$ 943,477

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Combined Statement of Changes in Plan Net Assets Pension Trust Funds Year ended April 30, 2003

Additions	
Contributions	
Employer's	\$ 1,686,978
Employees'	899,522
Investment income	
Net depreciation in fair value of investments	(314,934)
Interest earned on investments	684,390
Miscellaneous revenue	<u>2,523</u>
Total additions	<u>2,958,479</u>
Deductions	
Other charges and services	38,288
Benefits and refunds	<u>2,220,648</u>
Total deductions	<u>2,258,936</u>
Net increase	699,543
Plan net assets held in trust for pension benefits	
May 1	<u>39,368,981</u>
April 30	<u>\$ 40,068,524</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois
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April 30, 2003

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Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Downers Grove, Illinois (Village) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to Village units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

Reporting Entity

The Village is a municipal corporation governed by an elected board. The Village operates under a Council-Manager 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 administrative services. As required by GAAP, these financial statements present the Village (the primary Village) and its component units. As of the date of this report, there were no component units.

The Village's financial statements include the following pension trust funds:

Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership, constitute the pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations.

The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. The PPERS is reported as a pension trust fund.

Firefighters' Pension Employees Retirement System

The Village's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a nine-member pension board. The Village's Mayor, Treasurer, Clerk, Attorney, and Fire Chief; one pension beneficiary elected by the membership; and three fire employees elected by the membership constitute the pension board. The Village and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System (Continued)

The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the FPERs is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's firefighters and because of the fiduciary nature of such activities. The FPERs is reported as a pension trust fund.

Fund Accounting

The Village uses funds and account groups to report on its financial position and the results of its operations and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources of specific funds.

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund, or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

The general fixed assets account group is used for fixed assets not accounted for in proprietary or trust funds. The general long-term debt account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The Village has elected, to apply all applicable GASB pronouncements and all Financial Accounting Standard Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue, and charges for services. Sales, income, and motor fuel taxes collected and held by the state at year end on behalf of the Village are also accrued and recognized as revenue. Fines' and permits' revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

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.

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

Budgets

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the general, special revenue, debt service, capital projects, enterprise, internal service, and pension trust funds. All annual appropriations lapse at fiscal year end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the governmental funds. Material encumbrances outstanding at year end are reported as reservations of fund balances and, on a GAAP basis, do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Cash Equivalents

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

Investments

All investments are stated at fair value.

Short-Term Interfund Receivables/Payables

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

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables

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

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

Inventory

Inventory is valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The cost of governmental fund-type inventory is recorded as an expenditure when consumed rather than when purchased.

Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair value on the date received.

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.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment, water/sewer systems, and vehicles in the proprietary fund types is computed using the straight-line method.

Depreciation of fixed assets acquired through intergovernmental grants, entitlements, or shared revenues externally restricted to capital acquisitions is used to reduce contributed capital.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized, as these assets are immovable and of value only to the Village.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets (Continued)

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

Compensated Absences

Vested or accumulated vacation leave 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 reported in the general long-term debt account group. No expenditure is reported for these amounts. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds. Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources by the Board.

Bond Discounts/Issuance Costs

In governmental fund types, bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable whereas issuance costs are recorded as deferred charges.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. 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. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with GAAP. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Comparative Data

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of changes in the Village's financial position, results of operations, and cash flows.

Use of Estimates

The preparation of financial statements requires management 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 - LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets

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

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 2 - LEGAL COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgets (Continued)

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

The manager is authorized to transfer budgeted amounts between programs within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. No supplementary budgetary appropriations were made in the current year.

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

Deficit Fund Balances/Retained Earnings of Individual Funds

The following funds had a deficit in fund balances/retained earnings as of the date of this report.

<u>Fund</u>	<u>Deficit</u>
G.O. Bond Series of 1998 Fairview Avenue	\$ (54,595)
Transportation System	(215,030)
Risk Management	(1,163,906)
Health Insurance	(1,352,593)

Excess of Actual Expenditures/Expenses Over Budget in Individual Funds

The following funds had an excess of actual expenditures/expenses (exclusive of depreciation and amortization) over budget:

<u>Fund</u>	<u>Excess</u>
Foreign Fire Insurance	\$ 15,270
Fleet Services	5,345
Risk Management	513,363
Equipment Replacement	179,035

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 3 - DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments

Statutes authorize the Village to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts. The Village's investment policy is the same as the State's.

Deposits

At year end, the carrying amount of the Village's deposits totaled \$10,185,956 and the bank balances totaled \$10,644,966.

	<u>Bank Balances</u>
Category 1	
Deposits covered by federal depository insurance, or by collateral held by the Village, or its agent, in the Village's name.	\$ 8,552,341
Category 2	
Deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the Village's name.	-
Category 3	
Deposits covered by collateral held by the pledging financial institution, or its trust department, or its agent, but not in the Village's name, and deposits which are uninsured and uncollateralized.	<u>2,092,625</u>
Total Deposits	<u>\$ 10,644,966</u>

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

For pension trust funds, the types of deposits authorized and the mix of credit risk categories do not differ significantly from the other funds of the Village.

Investments

The Village's investments are categorized to give an indication of the level of risk assumed by the entity at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Village or its agent in the Village's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Village's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Village's name, and uninsured, unregistered investments.

	Carrying Amount/Fair Value			Totals
	Category			
	1	2	3	
U.S. government securities	\$ -	\$ -	\$ 17,351,560	\$ 17,351,560
Mortgage-GNMAs and FNMA's	1,407,722	-	-	1,407,722
Foreign government securities	-	-	1,272,330	1,272,330
	<u>\$ 1,407,722</u>	<u>\$ -</u>	<u>\$ 18,623,890</u>	20,031,612
Not subject to risk categories				
Insurance Contracts				5,319,502
Illinois Funds *				9,091,345
Mutual Funds (Village) *				9,915,801
Total Investments				\$ 44,358,260

* The fair value of the Illinois Funds and Mutual Funds are the same as the ownership interest in the fund. Illinois Funds is sponsored by the State Treasurer in accordance with State law.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The pension trust funds own 100% of the investments in Category 1 and Category 3.

The police pension trust funds have a fair market value of approximately \$23,705,000 and own approximately 43% of the total cash and investments.

The firefighter's pension trust funds have a fair market value of approximately \$15,869,000 and own approximately 29% of the total cash and investments.

Investments classified as U.S. government securities in Category 3 are composed of U.S. securities which are backed by the full faith and credit of the U.S. government and held in the counterparty's account at the Depository Trust Corporation.

Reconciliation

A reconciliation of deposits and investments to cash and cash equivalents and investments as shown on the Combined Balance Sheet follows:

Carrying amount of deposits	\$ 10,185,956
Carrying amount of investments	<u>44,358,260</u>
Total deposits and investments	<u>\$ 54,544,216</u>
Cash and cash equivalents	\$ 15,820,694
Investments	<u>38,723,522</u>
Total	<u>\$ 54,544,216</u>

NOTE 4 - RECEIVABLES - TAXES

Property taxes for 2002 attach as an enforceable lien on January 1, 2002, 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 (DuPage) and issued on or about April 1, 2003 and are payable in two installments, on or about June 1, 2003 and September 1, 2003. The County (DuPage) collects such taxes and remits them periodically.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 5 - FIXED ASSETS

General Fixed Assets Account Group

The following is a summary of changes in the general fixed assets account group of the primary Village during the fiscal year:

	Balances May 1	Additions	Retirements	Balances April 30
Land	\$ 10,728,210	\$ 3,251,658	\$ 73,148	\$ 13,906,720
Building and improvements	21,209,719	1,311,410	-	22,521,129
Automotive equipment	1,822,620	-	-	1,822,620
Machinery and equipment	4,595,007	114,984	85,000	4,624,991
Office equipment	2,284,696	1,351,202	-	3,635,898
	\$ 40,640,252	\$ 6,029,254	\$ 158,148	\$ 46,511,358

Proprietary Fixed Assets

The following is a summary of proprietary fund-type fixed assets as of the date of this report:

	Enterprise Funds			Totals
	Waterworks	Parking System	Trans- portation System	
Land	\$ 2,029,747	\$ 1,450,400	\$ -	\$ 3,480,147
Buildings and improvements	40,006,966	2,671,325	-	42,678,291
Equipment and vehicles	449,259	184,764	1,524,798	2,158,821
Construction in progress	95,063	32,214	-	127,277
Totals	42,581,035	4,338,703	1,524,798	48,444,536
Accumulated depreciation	13,616,818	2,340,230	1,299,661	17,256,709
	\$ 28,964,217	\$ 1,998,473	\$ 225,137	\$ 31,187,827

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 5 - FIXED ASSETS (Continued)

Proprietary Fixed Assets (Continued)

	Internal Service Funds		
	Garage	Equipment Replacement	Totals
Buildings	\$ 642,703	\$ -	\$ 642,703
Improvements other than buildings	314,698	-	314,698
Equipment and vehicles	338,258	6,783,399	7,121,657
Totals	1,295,659	6,783,399	8,079,058
Accumulated depreciation	617,864	3,106,708	3,724,572
	\$ 677,795	\$ 3,676,691	\$ 4,354,486

In proprietary funds, the following estimated useful lives are used to compute depreciation:

Buildings	5-50 years
Equipment and vehicles	3-10 years
Improvements other than buildings	8-40 years

NOTE 6 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. The Village is self-insured for all risks and has established a risk financing fund, Risk Management Internal Service Fund ("Fund"), for all risks. It is accounted for as an internal service fund where assets are set aside for claim settlements. Under this program, the Fund provides coverage up to a maximum of \$1,000,000 for each general liability claim, \$300,000 for each workers' compensation claim, \$1,000,000 for each property damage claim, and \$65,000 for each health claim. The Village purchases commercial insurance for claims in excess of the coverages provided by the Fund up to \$50,000,000. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 6 - RISK MANAGEMENT (Continued)

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

	Fiscal Year Ended	
	April 30,	
	2003	2002
Unpaid claims - beginning	\$ 1,392,419	\$ 1,226,378
Incurred claims (including IBNR)	4,555,212	1,011,023
Claim payments	(4,396,095)	(844,982)
Unpaid claims - ending	\$ 1,551,536	\$ 1,392,419

NOTE 7 - LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding for fiscal 2003 are as follows:

Issue	Balances May 1	Additions	Retirements	Balances April 30
\$8,175,000 General Obligation Bonds, Series of 1996 dated October 1, 1996, due in installments of \$335,000 to \$640,000 plus interest at 4.75% to 5.60% due January 1, 2017.	\$ 6,870,000	\$ -	\$ 320,000	\$ 6,550,000

(Continued)

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 7 - LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

<u>Issue</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
\$3,000,000 General Obligation Bonds, Series of 1998 dated October 1, 1998, due in installments of \$175,000 to \$275,000 plus interest at 3.70% to 4.00% due January 1, 2014.	\$ 2,590,000	\$ -	\$ 170,000	\$ 2,420,000
\$6,500,000 General Obligation Bonds, Series of 1999 dated July 1, 1999 due in installments of \$50,000 to \$1,000,000 plus interest at 4.70% to 5.50% due January 1, 2019.	6,500,000	-	70,000	6,430,000
\$6,200,000 General Obligation Bonds, Series 2000 dated May 1, 2000, due in installments of \$35,000 to \$905,000 plus interest ranging from 5.38% to 6.00% due January 1, 2020.	6,200,000	-	85,000	6,115,000
\$4,500,000 Taxable General Obligation Variable Rate Bonds, Series 2001 dated March 9, 2001 due in one installment of \$4,500,000 plus interest of six months LIBOR plus .65%, maturing in February, 2003.	4,500,000	-	4,500,000	-

(Continued)

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 7 - LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

<u>Issue</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
\$6,000,000 General Obligation Bonds, Series 2001 dated August 1, 2001, due in installments of \$20,000 to \$2,690,000 plus interest ranging from 4.5% to 5.125% due January 1, 2021.	\$ 6,000,000	\$ -	\$ -	\$ 6,000,000
\$4,000,000 General Obligation Bonds, Series 2001A dated December 27, 2001, due in installments of \$365,000 to \$485,000 plus interest ranging from 2.75% to 4.60% due January 1, 2012. This bond is paid out of the Waterworks Fund.	4,000,000	-	225,000	3,775,000
\$6,000,000 General Obligation Bonds, Series 2002 dated August 1, 2002, due in installments of \$105,000 to \$1,205,000 plus interest ranging from 3.5% to 4.75% due January 1, 2021.	-	6,000,000	-	6,000,000
\$4,500,000 Taxable General Obligation Variable Refunding Rate Bonds, Series 2003 dated January 21, 2003, due in one payment of \$4,500,000 plus interest of six months LIBOR plus .65% (1.94% at April 30, 2003) due February 1, 2005.	-	4,500,000	-	4,500,000
	<u>\$ 36,660,000</u>	<u>\$ 10,500,000</u>	<u>\$ 5,370,000</u>	<u>\$ 41,790,000</u>

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 7 - LONG-TERM DEBT (Continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30	General Obligation Bonds
2004	\$ 2,475,966
2005	7,013,712
2006	2,482,639
2007	2,636,189
2008	2,834,345
Thereafter	<u>46,562,108</u>
Total principal and interest	<u>\$ 64,004,959</u>
Interest portion	<u>\$ 22,214,959</u>

Changes in Long-Term Liabilities

During the fiscal year the following changes occurred in liabilities reported as long-term:

	Balances May 1	Additions	Reductions	Balances April 30
Compensated absences	\$ 3,312,850	\$ 360,548	\$ -	\$ 3,673,398
Pension contributions	480,560	9,169	-	489,729
General obligation bonds	<u>36,660,000</u>	<u>10,500,000</u>	<u>5,370,000</u>	<u>41,790,000</u>
Total	<u>\$ 40,453,410</u>	<u>\$ 10,869,717</u>	<u>\$ 5,370,000</u>	<u>\$ 45,953,127</u>

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 7 - LONG-TERM DEBT (Continued)

Legal Debt Margin

The Village is a home rule municipality.

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

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

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

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

Noncommitment Debt – Industrial Development Revenue Bonds

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

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

The Village has authorized the issuance of three bonds with a current balance of approximately \$5,000,000.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 8 - INTERFUND ASSETS/LIABILITIES

At April 30, 2003, interfund receivables and payables consist of the following:

Funds	Due from Other Funds	Due to Other Funds
General Fund		
Capital Improvements	\$ 137,486	\$ -
G.O. Bond Series of 1998 Fairview Avenue	69,634	-
Transportation System	433,069	-
Health Insurance	937,981	-
Police Pension	8	-
Firefighters' Pension	152	-
	1,578,330	-
Total General Fund	1,578,330	-
Capital Projects Funds:		
Capital Improvements		
General	-	137,486
	-	137,486
Debt Service Funds:		
G.O. Bond Series of 1998 Fairview Avenue		
General	-	69,634
	-	69,634
Enterprise Funds:		
Transportation System		
General	-	433,069
	-	433,069
Internal Service Funds:		
Health Insurance		
General	-	937,981
	-	937,981
Trust Funds:		
Police Pension		
General	-	8
	-	8
Firefighters' Pension		
General	-	152
	-	152
Total Trust Funds	-	160
	\$ 1,578,330	\$ 1,578,330

(Continued)

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 8 - INTERFUND ASSETS/LIABILITIES (Continued)

Funds	Advances to Other Funds	Advances from Other Funds
Special Revenue Funds:		
Downtown Redevelopment TIF		
Capital Improvements	\$ -	\$ 1,692,213
Real Estate	-	201,393
Parking System	-	75,000
	-	75,000
Total Special Revenue Funds	-	1,968,606
Capital Projects Funds:		
Capital Improvements		
Downtown Redevelopment TIF	1,692,213	-
Real Estate		
Downtown Redevelopment TIF	201,393	-
	201,393	-
Total Capital Project Funds	1,893,606	-
Enterprise Funds:		
Parking System		
Downtown	75,000	-
	75,000	-
	\$ 1,968,606	\$ 1,968,606

NOTE 9 - INTERFUND TRANSFERS

At April 30, 2003 interfund transfers consist of the following:

Funds	Transfer In	Transfer Out
General Fund		
G.O. Bond Series of 1998 Fairview Ave.	\$ -	\$ 60,000
Parking System	139,970	-
	139,970	-
Total General Fund	139,970	60,000

(Continued)

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 9 - INTERFUND TRANSFERS (Continued)

Funds	Transfer In	Transfer Out
Special Revenue Funds:		
Downtown Redevelopment TIF		
G.O. Bond Series of 1999 Downtown Redevelopment TIF	\$ -	\$ 403,265
G.O. Bond Series of 2000 Downtown Redevelopment TIF	-	433,649
G.O. Bond Series of 2001 Downtown Redevelopment TIF	-	300,763
G.O. Bond Series of 2002 Downtown Redevelopment TIF	-	97,034
Parking System	75,000	-
Total Special Revenue Funds	75,000	1,234,711
Debt Service Funds:		
G.O. Bond Series of 1998 Fairview Ave. General	60,000	-
G.O. Bond Series of 1999 Downtown Redevelopment TIF Downtown Redevelopment TIF	403,265	-
G.O. Bond Series of 2000 Downtown Redevelopment TIF Downtown Redevelopment TIF	433,649	-
G.O. Bond Series of 2001 Downtown Redevelopment TIF Downtown Redevelopment TIF	300,763	-
G.O. Bond Series of 2002 Downtown Redevelopment TIF Downtown Redevelopment TIF	97,034	-
Total Debt Service Funds	1,294,711	-
Enterprise Funds:		
Parking System General Fund	-	139,970
Downtown Redevelopment TIF	-	75,000
Total Enterprise Funds	-	214,970
	\$ 1,509,681	\$ 1,509,681

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 10 - COMMITMENTS

DuPage Water Commission (DWC)

The Village has committed to purchase water from the DuPage Water Commission. The Village expects to pay the following minimum amounts:

Fiscal Year Ending April 30	Amount
2004	\$ 985,650
2005	985,650
2006	985,650

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

NOTE 11 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The Village maintains the following enterprise funds which are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of the date of this report and for the fiscal year is as follows:

	Waterworks	Parking System	Transportation System	Totals
Operating Revenue	\$ 6,356,352	\$ 720,287	\$ 348,402	\$ 7,425,041
Depreciation expense	1,140,344	128,869	123,425	1,392,638
Operating income (loss)	(1,387,937)	114,506	(343,310)	(1,616,741)
Operating transfers out	-	214,970	-	214,970
Net loss	(1,492,274)	(112,125)	(343,310)	(1,947,709)
Plant, property, and equipment				
Additions	3,964,044	-	-	3,964,044
Deletions	-	30,635	-	30,635
Total assets	32,938,325	2,632,199	241,885	35,812,409
Net working capital	2,246,577	613,012	(430,743)	2,428,846
Bonds and other long-term liabilities	3,782,324	6,870	9,424	3,798,618
Total fund equity	27,428,470	2,604,615	(215,030)	29,818,055

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 12 - CONTRIBUTED CAPITAL

During the fiscal year, contributed capital decreased by the following amounts:

	<u>Enterprise</u>	<u>Internal Service</u>	
	<u>Waterworks</u>	<u>Fleet Services</u>	<u>Equipment Replacement</u>
Increases	\$ -	\$ -	\$ -
Decreases	135,968	20,518	92,449
Net Increase (Decrease)	<u>(135,968)</u>	<u>(20,518)</u>	<u>(92,449)</u>
Contributed Capital			
May 1	<u>1,253,913</u>	<u>297,532</u>	<u>1,294,285</u>
April 30	<u>\$ 1,117,945</u>	<u>\$ 277,014</u>	<u>\$ 1,201,836</u>

NOTE 13 - CONTINGENT LIABILITIES

Litigation

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

DuPage Water Commission (DWC)

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

Grants

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

NOTE 14 - POST EMPLOYMENT HEALTH CARE BENEFITS

In addition to providing pension benefits, the Village provides post employment health care and life insurance benefits, in accordance with the personnel policy manual, to all employees who meet the eligibility requirements under the applicable retirement system. Currently, 89 retirees meet those eligibility requirements. The employee pays 100% of the cost of the health and life insurance premiums for the post employment benefits. Expenditures, if any, for post employment health care and life insurance benefits are recognized as insurance premiums as paid.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS

Plan Descriptions and Provisions

Illinois Municipal Retirement Fund

The Village contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit multiple-employer public employee retirement system that acts as a common investment and administrative agent for local Villages and school districts in Illinois. The Village's total payroll for the year ended December 31, 2002 was \$23,520,471. Of this amount, \$11,473,696 in payroll earnings were reported to and covered by the IMRF system.

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

Funding Policy – Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the coverage of its own employees in the system, using the actuarial basis specified by state statute (entry age normal); for 2002 the rate was 8.34%.

IMRF issues a separate financial report which 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.

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 contributions levels are governed by Illinois Compiled Statutes (Chapter 40-Article 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The Village's base payroll for employees covered by the Police Pension Plan for the year ended April 30, 2003 was \$4,865,306 out of a total payroll of \$23,520,471.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police Pension (Continued)

At April 30, 2003, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees to benefits but not yet receiving them	44
Current employees	
Vested	49
Nonvested	34
	<hr/>
Total	127
	<hr/> <hr/>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

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

No separate Police Pension Fund annual financial report is issued.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Firefighters' Pension

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (Chapter 40-Article 5/4) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The Village's payroll for employees covered by the Firefighters' Pension Plan for the year ended April 30, 2003 was \$4,977,241 out of a total payroll of \$23,520,471.

At April 30, 2003, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	21
Current employees	
Vested	58
Nonvested	<u>22</u>
Total	<u><u>101</u></u>

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

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

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

Funding Policy – Covered employees are required to contribute 8.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded by the year 2033.

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Firefighters' Pension (Continued)

No separate Firefighters' Pension Fund annual financial report is issued.

Funding Policy and Annual Pension Cost

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution rates			
Village	8.34%	12.56%	21.62%
Members	4.50%	9.91%	8.46%
Annual Pension cost	\$ 956,906	\$ 578,859	\$ 1,085,232
Contributions made	956,906	610,985	1,075,993
Actuarial valuation date	12/31/2002	4/30/2003	4/30/2003
Actuarial method	Entry age	Entry age	Entry age
Amortization method	Level per- centage of pay, closed	Level per- centage of pay, closed	Level per- centage of pay, closed
Remaining amortization period	10 years	30 years	30 years
Asset valuation method	5-year smoothed market	3-year smoothed market	3-year smoothed market
Actuarial assumptions			
Investment rate of return*	7.50%	8.50%	8.50%
Projected salary increases	.40% to 11.60%	5.00%	6.00%
*Includes inflation of	3.00%	3.00%	3.00%

Net Pension Obligation

The Village's annual pension cost and net pension obligation to the pension funds for the April 30, 2003 valuation (most recent data available) were as follows:

Village of Downers Grove, Illinois

NOTES TO FINANCIAL STATEMENTS

April 30, 2003

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Net Pension Obligation (Continued)

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 604,699	\$ 1,066,412
Interest on net pension obligation	(67,036)	40,848
Adjustment to annual required contribution	41,196	(22,028)
Annual Pension cost	578,859	1,085,232
Contributions made	610,985	1,075,993
Increase (decrease) in net pension obligation	(32,126)	9,239
Net pension obligation (asset) - beginning of period	(788,656)	480,560
Net pension obligation (asset) - end of period	\$ (820,782)	\$ 489,799

NOTE 16 - PRIOR PERIOD ADJUSTMENT

In prior years the Village had not recorded supplies inventory for Fleet Services. The effect of the adjustment to record the supplies inventory balance resulted in an increase of fund balance in the Fleet Service of \$65,097. Had the error not been made, net income for 2002 would have been increased by \$65,097.

In addition, in the prior year the Village had accrued for various retainages that did not have to be paid back. The effect of this adjustment to write-off remaining retainages resulted in an increase of fund balance in the Downtown Redevelopment TIF Fund of \$103,671. Had the error not been made, net income for 2002 would have been increased by \$103,671.

In addition, in prior years the Village had not recorded accrued payroll. The effect of this adjustment resulted in decreased fund balances in 2003 and had the error not been made, net income for 2002 would have been decreased by the following funds amounts:

General	\$ 1,279,575	Parking System	8,127
Downtown Redevelopment		Fleet Services	18,025
TIF	1,024	Risk Management	6,438
Capital Improvement	10,407	Waterworks	41,480
Transportation System	13,001	Public Library	98,351

NOTE 17 - SUBSEQUENT EVENT

On June 19, 2003, the Village issued \$6,650,000 of General Obligation Refunding Bonds, Series of 2003, for the refunding of the General Obligation Bonds, Series of 1996.

NOTE 18 - RECLASSIFICATION

Reclassifications have been made to certain 2002 balances to conform to 2003 presentation. These reclassifications have no impact on the financial position, net income or net cash flows of the Village.

REQUIRED SUPPLEMENTARY INFORMATION

(Unaudited)

Village of Downers Grove, Illinois

Illinois Municipal Retirement Fund

Required Supplementary Information

Analysis of Funding Progress

April 30, 2003

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1)/(2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4)/(5)
1993	\$ 8,879,303	\$ 10,760,583	82.5 %	\$ 1,881,280	\$ 6,673,964	28.2 %
1994	10,012,123	11,666,669	85.8	1,654,546	6,874,171	24.1
1995	12,376,787	13,938,778	88.8	1,561,991	7,323,389	21.3
1996	13,617,632	15,068,623	90.4	1,450,991	7,749,381	18.7
1997	16,155,843	17,195,780	94.0	1,039,937	8,239,761	12.6
1998	18,137,602	18,858,257	96.2	720,655	9,002,648	8.0
1999	20,777,237	20,063,074	103.6	(714,163)	9,231,961	(7.8)
2000	24,493,577	24,171,065	101.3	(322,512)	11,066,371	(3.0)
2001	26,990,771	25,895,500	104.2	(1,095,271)	11,724,498	(9.4)
2002	27,958,475	27,570,468	101.4	(388,007)	11,473,696	(3.4)

Digest of Changes

Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2002 are based on the 1999-2001 Experience Study.

The principal changes were:

- Fewer members are expected to take refunds early in their career.
- For Regular members, fewer normal and early retirements are expected to occur.

Village of Downers Grove, Illinois

Illinois Municipal Retirement Fund

Required Supplementary Information

Trend Information

April 30, 2003

<u>Year Ended December 31</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
1993	\$ 678,075	\$ 678,075	100.0 %
1994	690,854	690,854	100.0
1995	693,525	693,525	100.0
1996	723,017	723,017	100.0
1997	766,467	766,467	100.0
1998	833,645	833,645	100.0
1999	812,412	812,412	100.0
2000	964,987	964,987	100.0
2001	870,227	870,227	100.0
2002	956,906	956,906	100.0

Village of Downers Grove, Illinois

Police Pension Fund

Required Supplementary Information

Analysis of Funding Progress

April 30, 2003

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1)/(2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4)/(5)
1998	\$ 22,369,817	\$ 21,950,622	101.9 %	\$ (419,195)	\$ 3,431,354	(12.2) %
1999	24,123,915	23,466,785	102.8	(657,130)	3,686,820	(17.8)
2000	24,958,278	24,308,297	102.7	(649,981)	3,833,822	(17.0)
2001	24,559,214	28,805,030	85.3	4,245,816	4,182,491	101.5
2002	24,612,657	31,530,814	78.1	6,918,157	4,484,461	154.3
2003	24,204,160	33,636,977	72.0	9,432,817	4,865,306	193.9

Village of Downers Grove, Illinois

Police Pension Fund

Required Supplementary Information

Employer Contributions

April 30, 2003

<u>Year Ended December 31</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
1998	\$ 326,947	\$ 221,342	147.7 %
1999	249,085	226,428	110.0
2000	257,263	225,989	113.8
2001	258,887	226,034	114.5
2002	275,792	242,596	113.7
2003	610,985	578,859	105.5

Village of Downers Grove, Illinois

Firefighters' Pension Fund

Required Supplementary Information

Analysis of Funding Progress

April 30, 2003

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
1998	\$ 10,841,777	\$ 16,189,322	67.0 %	\$ 5,347,545	\$ 3,813,925	140.2 %
1999	11,818,222	18,777,923	62.9	6,959,701	3,994,949	174.2
2000	12,891,922	20,568,964	62.7	7,677,042	4,249,853	180.6
2001	14,046,387	23,020,725	61.0	8,974,338	4,483,304	200.2
2002	14,756,325	25,033,747	58.9	10,277,422	4,687,638	219.2
2003	15,864,372	28,178,148	56.3	12,313,776	4,977,241	247.4

Village of Downers Grove, Illinois

Firefighters' Pension Fund

Required Supplementary Information

Employer Contributions

April 30, 2003

<u>Year Ended December 31</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
1998	\$ 551,375	\$ 614,649	89.7 %
1999	605,765	699,786	86.6
2000	688,793	703,537	97.9
2001	866,250	877,289	98.7
2002	936,147	945,316	99.0
2003	1,075,993	1,085,232	99.1

GOVERNMENTAL FUND TYPES

GENERAL FUND

General Fund – to account for resources traditionally associated with government operations, which are not required to be accounted for in another fund.

Village of Downers Grove, Illinois

General Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year ended April 30, 2003 and Actual only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Taxes	\$ 24,374,799	\$ 21,088,860	\$ 19,631,434
Licenses and permits	1,546,000	1,881,984	1,296,004
Intergovernmental	5,455,334	4,257,778	4,138,106
Charges for services	3,718,229	3,449,575	2,987,588
Fines and forfeits	922,500	654,907	603,927
Interest	170,000	112,317	241,518
Miscellaneous	112,500	308,421	33,188
Total revenues	<u>36,299,362</u>	<u>31,753,842</u>	<u>28,931,765</u>
Expenditures			
General government	5,850,271	5,418,357	4,573,936
Highways and streets	6,814,099	6,665,228	7,172,762
Public safety	20,215,046	19,232,812	18,809,465
Cultural and recreation	1,666,764	1,598,292	1,314,784
Total expenditures	<u>34,546,180</u>	<u>32,914,689</u>	<u>31,870,947</u>
Excess (deficiency) of revenues over expenditures	<u>1,753,182</u>	<u>(1,160,847)</u>	<u>(2,939,182)</u>
Other financing sources (uses)			
Operating transfers in	194,970	139,970	133,304
Operating transfers out	(194,799)	(60,000)	(14,316)
Total other financing sources (uses)	<u>171</u>	<u>79,970</u>	<u>118,988</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 1,753,353</u>	<u>(1,080,877)</u>	<u>(2,820,194)</u>
Fund balances			
May 1, as previously reported		7,393,455	10,213,649
Prior period adjustment (see note 16)		(1,279,575)	-
May 1, as restated		<u>6,113,880</u>	<u>10,213,649</u>
Residual equity transfer		<u>580,292</u>	<u>-</u>
April 30		<u>\$ 5,613,295</u>	<u>\$ 7,393,455</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

General Fund Schedule of Revenues - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Taxes			
Property taxes - current			
General	\$ 3,109,000	\$ 3,145,202	\$ 2,133,235
Pension	1,686,978	1,686,978	1,211,939
Property taxes - prior	-	152	3
Sales tax	13,200,000	11,532,165	12,205,474
Personal property replacement tax	350,000	271,467	299,371
Utility tax	4,845,000	3,693,579	3,593,090
Hotel tax	1,134,821	727,213	-
Infrastructure maintenance fee	-	-	152,436
Pull tab tax	5,000	2,456	3,705
Auto rental tax	44,000	29,648	32,181
	<u>24,374,799</u>	<u>21,088,860</u>	<u>19,631,434</u>
Licenses and permits			
Alcoholic beverage licenses	122,000	109,762	99,966
Professional and occupational licenses	35,000	39,965	46,088
Amusement licenses	2,500	3,600	5,450
Building	800,000	1,224,613	738,374
Plumbing	130,000	133,683	85,181
Electrical	175,000	180,464	149,324
Other licenses and permits	281,500	189,897	171,621
	<u>1,546,000</u>	<u>1,881,984</u>	<u>1,296,004</u>
Intergovernmental			
Grant revenue	1,048,407	610,609	200,988
Illinois income tax	3,649,170	3,169,367	3,358,728
Photofinishing tax	105,818	5,538	100,806
State reimbursements	631,939	454,398	477,584
Sales of gas - other governments	20,000	17,866	-
	<u>5,455,334</u>	<u>4,257,778</u>	<u>4,138,106</u>

(Continued)

Village of Downers Grove, Illinois

General Fund
 Schedule of Revenues - Budget and Actual (Continued)
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Charges for services			
Liquor license application fee	\$ 8,000	\$ 7,600	\$ 4,225
Public hearing fees	15,000	14,168	20,745
Sales of maps and publications	21,300	20,737	3,072
Copy fees	16,000	13,494	11,729
Administration citation fee	400	510	7,053
Review and inspection fees	98,000	195,116	159,551
Ambulance user fee - nonresident	295,250	181,407	320,551
Ambulance user fee - resident	375,250	369,394	278,607
Animal control and traps	6,200	4,835	5,917
Health and human resource fees	67,250	63,236	93,194
Elevator inspection fees	24,000	17,180	17,735
Special police services	52,680	81,123	72,415
Alarm board services	339,000	256,550	157,650
Taxi booklets	25,000	43,806	35,880
Cellular antenna rental	340,000	346,872	275,421
Cost recovered	67,000	15,063	43,375
Administrative services	1,509,299	1,509,299	1,000,290
Franchise fees	458,600	309,185	480,178
	<u>3,718,229</u>	<u>3,449,575</u>	<u>2,987,588</u>
Fines and forfeits			
Court fines	502,000	460,792	364,808
Village fines, equipment and license violations	420,500	194,115	239,119
	<u>922,500</u>	<u>654,907</u>	<u>603,927</u>
Interest			
	<u>170,000</u>	<u>112,317</u>	<u>241,518</u>
Miscellaneous			
Contributions and donations	2,500	25,774	9,698
Other	110,000	282,647	23,490
	<u>112,500</u>	<u>308,421</u>	<u>33,188</u>
Total revenues	<u>\$ 36,299,362</u>	<u>\$ 31,753,842</u>	<u>\$ 28,931,765</u>

(Concluded)

Village of Downers Grove, Illinois

General Fund Schedule of Expenditures - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
General government			
Administrative services			
Personnel services	\$ 2,327,195	\$ 2,461,073	\$ 2,552,783
Supplies	129,973	109,228	121,086
Contractual services	371,908	336,674	302,256
Other charges and services	421,551	98,296	149,008
Capital outlay	1,236,353	1,114,130	46,437
	4,486,980	4,119,401	3,171,570
Financial services			
Personnel services	968,648	921,760	1,028,364
Supplies	21,353	16,224	20,890
Contractual services	346,018	343,157	276,953
Other charges and services	3,772	3,772	61,738
Capital outlay	23,500	14,043	14,421
	1,363,291	1,298,956	1,402,366
Total general government	5,850,271	5,418,357	4,573,936
Highways and streets			
Public works			
Personnel services	2,983,539	3,059,871	3,298,705
Supplies	494,792	462,113	495,662
Contractual services	617,479	564,619	133,029
Other charges and services	498,653	473,752	1,498,369
Capital outlay	29,731	21,533	45,930
	4,624,194	4,581,888	5,471,695
Community development			
Personnel services	1,507,109	1,457,486	1,154,046
Supplies	29,330	19,859	15,285
Contractual services	175,096	117,681	72,595
Other charges and services	471,270	483,768	452,895
Capital outlay	7,100	4,546	6,246
	2,189,905	2,083,340	1,701,067
Total highways and streets	6,814,099	6,665,228	7,172,762

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Public safety			
Police			
Personnel services	\$ 9,141,559	\$ 8,704,329	\$ 8,179,137
Supplies	306,158	262,251	312,025
Contractual services	403,495	275,744	253,552
Other charges and services	891,333	849,200	967,066
Capital outlay	269,564	231,756	412,800
	<u>11,012,109</u>	<u>10,323,280</u>	<u>10,124,580</u>
Fire			
Personnel services	8,056,870	7,998,415	7,584,115
Supplies	207,645	182,967	212,757
Contractual services	136,631	129,071	123,001
Other charges and services	739,051	568,280	687,047
Capital outlay	62,740	30,799	77,965
	<u>9,202,937</u>	<u>8,909,532</u>	<u>8,684,885</u>
Total public safety	<u>20,215,046</u>	<u>19,232,812</u>	<u>18,809,465</u>
Cultural and recreation			
Social services			
Personnel services	312,199	311,765	478,507
Supplies	6,884	3,469	4,037
Contractual services	106,740	137,263	124,791
Other charges and services	22,545	22,545	24,185
	<u>448,368</u>	<u>475,042</u>	<u>631,520</u>
Total social services	<u>448,368</u>	<u>475,042</u>	<u>631,520</u>
Cultural and recreational services			
Personnel services	754,398	763,436	502,165
Supplies	17,773	12,865	24,565
Contractual services	304,531	290,153	14,088
Other charges and services	86,154	56,434	119,266
Capital outlay	55,540	362	23,180
	<u>1,218,396</u>	<u>1,123,250</u>	<u>683,264</u>
Total cultural and recreational services	<u>1,218,396</u>	<u>1,123,250</u>	<u>683,264</u>
Total cultural and recreation	<u>1,666,764</u>	<u>1,598,292</u>	<u>1,314,784</u>
Total expenditures	<u>\$ 34,546,180</u>	<u>\$ 32,914,689</u>	<u>\$ 31,870,947</u>

(Concluded)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
General government			
Administrative services			
Legislative support			
Personnel services	\$ 129,932	\$ 134,256	\$ 127,711
Supplies	3,685	2,546	956
Contractual services	80,472	71,000	86,585
Other charges and services	-	-	3,309
	214,089	207,802	218,561
General management			
Personnel services	626,089	817,621	660,170
Supplies	4,758	4,017	4,221
Contractual services	15,372	14,603	42,184
Other charges and services	-	157	4,371
Capital outlay	-	-	7,356
	646,219	836,398	718,302
Legal			
Personnel services	231,574	219,438	327,126
Supplies	16,980	15,997	14,478
Contractual services	103,900	89,016	75,710
Capital outlay	8,800	6,578	-
	361,254	331,029	417,314
Human resources			
Personnel services	179,993	178,443	170,463
Supplies	2,000	911	2,074
Contractual services	18,090	10,412	38,724
Other charges and services	34,637	34,637	24,270
Capital outlay	3,800	-	599
	238,520	224,403	236,130
Information services			
Personnel services	698,522	660,609	829,852
Supplies	32,140	25,988	39,938
Contractual services	55,293	62,476	48,740
Other charges and services	-	-	9,473
Capital outlay	26,500	14,336	38,482
	812,455	763,409	966,485

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
General government (Continued)			
Administrative services (Continued)			
Building services			
Personnel services	\$ 461,085	\$ 450,706	\$ 437,461
Supplies	70,410	59,769	59,419
Contractual services	98,781	89,167	10,313
Other charges and services	10,594	9,436	107,585
Capital outlay	1,500	-	-
	642,370	609,078	614,778
Productivity investment program			
Other charges and services	376,320	54,066	-
Capital outlay	1,195,753	1,093,216	-
	1,572,073	1,147,282	-
Total administrative services	4,486,980	4,119,401	3,171,570
Financial services			
Financial service			
Personnel services	406,404	365,635	403,802
Supplies	2,150	482	1,113
Contractual services	25,788	25,201	7,177
Other charges and services	3,753	3,753	6,618
Capital outlay	-	-	(100)
	438,095	395,071	418,610
Central services			
Supplies	14,735	13,732	15,569
Contractual services	227,065	213,668	173,626
Other charges and services	-	-	39,822
Capital outlay	10,000	3,725	14,215
	251,800	231,125	243,232
Accounting and reporting			
Personnel services	516,591	501,223	512,952
Supplies	2,800	1,604	1,393
Contractual services	86,503	97,520	77,499
Other charges and services	-	-	14,088
Capital outlay	13,500	10,318	306
	619,394	610,665	606,238

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
General government (Continued)			
Financial services (Continued)			
Cost recoverable			
Personnel services	\$ 45,653	\$ 54,902	\$ 111,610
Supplies	1,668	406	2,815
Contractual services	6,662	6,768	18,651
Other charges and services	19	19	1,210
	54,002	62,095	134,286
Total financial services	1,363,291	1,298,956	1,402,366
Total general government	5,850,271	5,418,357	4,573,936
Highways and streets			
Public works			
Public works management			
Personnel services	424,998	456,840	605,666
Supplies	7,825	7,122	7,232
Contractual services	38,198	37,602	9,291
Other charges and services	1,750	7,876	29,349
Capital outlay	-	-	5,249
	472,771	509,440	656,787
Permits/inspections			
Personnel services	158,780	156,959	141,890
Supplies	1,297	1,542	883
Contractual services	2,143	1,878	664
Other charges and services	2,600	2,686	8,385
Capital outlay	13,500	13,495	-
	178,320	176,560	151,822
Engineering			
Personnel services	489,011	472,121	562,040
Supplies	4,975	4,518	4,724
Contractual services	59,874	58,527	27,995
Other charges and services	7,000	6,222	29,759
Capital outlay	1,500	1,242	6,650
	562,360	542,630	631,168
Training			
Supplies	2,630	1,930	666
Contractual services	14,104	6,070	10,995
	16,734	8,000	11,661

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Highways and streets (Continued)			
Public works (Continued)			
Supplies and inventory center			
Personnel services	\$ 135,585	\$ 133,017	\$ 71,348
Supplies	44,135	41,520	42,427
Contractual services	8,903	8,107	1,246
Other charges and services	-	-	6,511
Capital outlay	11,931	6,796	8,168
	200,554	189,440	129,700
Public service response			
Personnel services	215,181	212,810	204,207
Supplies	16,400	15,082	15,240
Contractual services	177,815	170,234	4,791
Other charges and services	20,147	24,695	220,206
	429,543	422,821	444,444
Forestry and grounds			
Personnel services	473,847	463,341	496,685
Supplies	76,094	69,332	47,468
Contractual services	122,231	120,712	5,497
Other charges and services	93,043	98,078	468,218
Capital outlay	-	-	1,523
	765,215	751,463	1,019,391
Pavements			
Personnel services	287,704	369,930	416,425
Supplies	56,581	56,656	94,371
Contractual services	37,731	35,210	2,183
Other charges and services	141,057	123,244	256,978
Capital outlay	-	-	4,985
	523,073	585,040	774,942
Drainage			
Personnel services	391,244	389,464	357,490
Supplies	56,580	38,642	63,249
Contractual services	77,931	51,567	2,477
Other charges and services	125,734	110,398	288,008
Capital outlay	2,800	-	5,748
	654,289	590,071	716,972

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Highways and streets (Continued)			
Public works (Continued)			
Traffic			
Personnel services	\$ 323,605	\$ 269,687	\$ 328,442
Supplies	61,330	62,604	55,490
Contractual services	67,910	69,816	2,273
Other charges and services	62,322	73,678	148,299
Capital outlay	-	-	13,607
	515,167	475,785	548,111
Amnesty pickup program			
Contractual services	-	-	65,617
Snow and ice removal			
Personnel services	83,584	135,702	114,512
Supplies	166,945	163,165	163,912
Contractual services	10,639	4,896	-
Other charges and services	45,000	26,875	42,656
	306,168	330,638	321,080
Total public works	4,624,194	4,581,888	5,471,695
Community development			
Planning services			
Personnel services	242,485	241,131	227,893
Supplies	1,230	557	825
Contractual services	3,208	1,435	1,450
Capital outlay	-	-	1,490
	246,923	243,123	231,658
Economic development			
Personnel services	250,960	253,936	-
Supplies	8,550	5,519	-
Contractual services	88,613	42,384	-
Capital outlay	1,500	-	-
	349,623	301,839	-
Redevelopment			
Personnel services	218,524	203,439	147,285
Supplies	6,100	4,359	2,662
Contractual services	8,830	5,115	19,155
Capital outlay	4,000	3,576	4,756
	237,454	216,489	173,858

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Highways and streets (Continued)			
Community development (Continued)			
Code services			
Personnel services	\$ 795,140	\$ 758,980	\$ 778,868
Supplies	13,450	9,424	11,798
Contractual services	74,445	68,747	51,990
Other charges and services	12,533	13,583	58,749
Capital outlay	1,600	970	-
	897,168	851,704	901,405
Economic development incentives			
Other charges and services	458,737	470,185	394,146
	2,189,905	2,083,340	1,701,067
Total highways and streets	6,814,099	6,665,228	7,172,762
Public safety			
Police			
Police services management			
Personnel services	429,912	444,155	7,025,940
Supplies	6,715	4,578	18,711
Contractual services	85,198	64,817	35,578
Other charges and services	627,245	629,267	722,679
Capital outlay	-	-	4,300
	1,149,070	1,142,817	7,807,208
Patrol/traffic enforcement			
Personnel services	5,056,537	4,878,146	-
Supplies	168,611	148,544	174,651
Contractual services	44,655	18,958	8,709
Other charges and services	222,994	172,995	73,510
Capital outlay	168,034	159,085	339,895
	5,660,831	5,377,728	596,765
Investigation			
Personnel services	931,101	934,955	-
Supplies	27,550	22,624	24,977
Contractual services	26,200	21,666	60,755
Other charges and services	26,266	35,096	78,551
Capital outlay	6,200	4,186	21,327
	1,017,317	1,018,527	185,610

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Public safety (Continued)			
Police (Continued)			
Emergency response			
Supplies	\$ 7,400	\$ 6,554	\$ 11,892
Contractual services	4,930	3,504	11,989
Other charges and services	1,000	3,727	248
Capital outlay	-	-	4,746
	13,330	13,785	28,875
Training			
Personnel services	98,901	93,532	-
Supplies	1,450	764	816
Contractual services	44,777	42,961	47,543
Other charges and services	-	-	135
	145,128	137,257	48,494
Community support			
Personnel services	120,477	122,437	-
Supplies	13,207	12,506	5,338
Contractual services	5,010	4,217	5,830
Other charges and services	9,234	1,959	695
Capital outlay	-	-	2,235
	147,928	141,119	14,098
Crossing guards			
Personnel services	87,972	72,915	74,211
Supplies	1,200	67	537
Contractual services	150	112	83
	89,322	73,094	74,831
Police auxiliaries			
Supplies	3,480	1,520	2,436
Contractual services	800	786	577
	4,280	2,306	3,013
General support			
Supplies	31,575	29,781	37,840
Contractual services	44,750	35,365	22,216
Other charges and services	-	-	11,159
Capital outlay	20,830	7,703	23,004
	97,155	72,849	94,219
			(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Public safety (Continued)			
Police (Continued)			
Police records			
Personnel services	\$ 499,135	\$ 472,611	\$ -
Supplies	13,075	10,225	12,051
Contractual services	46,885	12,899	14,429
Other charges and services	-	-	27,060
Capital outlay	3,500	1,243	13,714
	562,595	496,978	67,254
DARE and school counseling program			
Personnel services	417,992	342,490	273,514
Supplies	11,300	10,261	10,001
Contractual services	3,675	2,112	2,410
Other charges and services	1,000	2,562	5,071
	433,967	357,425	290,996
Community policing			
Personnel services	538,606	456,611	-
Supplies	4,950	4,752	2,400
Contractual services	6,100	3,857	1,543
Other charges and services	-	-	15,142
Capital outlay	-	-	3,029
	549,656	465,220	22,114
Village operations center			
Personnel services	960,926	886,477	805,472
Supplies	15,245	9,800	10,279
Contractual services	82,905	61,554	40,862
Other charges and services	3,594	3,594	29,855
Capital outlay	71,000	59,539	550
	1,133,670	1,020,964	887,018
Emergency services			
Supplies	400	275	96
Contractual services	7,460	2,936	1,028
Other charges and services	-	-	2,961
	7,860	3,211	4,085
Total police	11,012,109	10,323,280	10,124,580

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Public safety (Continued)			
Fire			
Fire - general salaries			
Personnel services	\$ 6,975,327	\$ 6,931,092	\$ 6,403,791
Contractual services	-	-	588
	<u>6,975,327</u>	<u>6,931,092</u>	<u>6,404,379</u>
Fire services management			
Personnel services	816,950	818,041	898,872
Supplies	25,592	23,214	26,171
Contractual services	41,435	38,256	33,214
Other charges and services	15,000	11,728	31,637
	<u>898,977</u>	<u>891,239</u>	<u>989,894</u>
Fire suppression and rescue			
Supplies	124,804	109,949	115,353
Contractual services	17,880	9,868	5,116
Other charges and services	605,218	473,141	594,013
Capital outlay	53,700	26,804	60,905
	<u>801,602</u>	<u>619,762</u>	<u>775,387</u>
Facilities maintenance			
Supplies	21,020	15,904	22,568
Other charges and services	20,655	15,661	20,754
Capital outlay	2,250	1,426	5,871
	<u>43,925</u>	<u>32,991</u>	<u>49,193</u>
Training			
Personnel services	89,654	74,347	-
Supplies	1,825	993	1,787
Contractual services	18,260	22,298	38,497
Other charges and services	1,250	24,207	2,918
Capital outlay	3,000	1,061	2,058
	<u>113,989</u>	<u>122,906</u>	<u>45,260</u>

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Public safety (Continued)			
Fire (Continued)			
Fire prevention			
Personnel services	\$ 174,939	\$ 174,935	\$ 281,452
Supplies	4,337	4,189	8,475
Contractual services	5,934	4,966	5,809
Other charges and services	8,000	11,742	8,691
	193,210	195,832	304,427
Emergency medical services			
Supplies	30,067	28,718	38,403
Contractual services	53,122	53,683	39,777
Other charges and services	88,928	31,801	29,034
Capital outlay	3,790	1,508	9,131
	175,907	115,710	116,345
Total fire	9,202,937	8,909,532	8,684,885
Total public safety	20,215,046	19,232,812	18,809,465
Cultural and recreation			
Social services			
Social and health services			
Personnel services	295,391	293,982	461,738
Supplies	6,190	2,934	3,721
Contractual services	3,035	3,304	4,837
Other charges and services	22,545	22,545	24,185
	327,161	322,765	494,481
Alcohol and tobacco control			
Personnel services	16,808	17,783	16,769
Supplies	694	535	316
Contractual services	4,705	3,334	3,890
	22,207	21,652	20,975
Transportation assistance			
Contractual services	99,000	130,625	116,064
Total social services	448,368	475,042	631,520

(Continued)

Village of Downers Grove, Illinois

General Fund

Schedule of Expenditures by Detail - Budget and Actual (Continued)

Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Cultural and recreation (Continued)			
Cultural and recreational services			
Public information			
Personnel services	\$ 171,572	\$ 169,003	\$ 157,335
Supplies	7,052	5,478	12,956
Contractual services	107,256	115,303	8,861
Other charges and services	-	-	106,309
Capital outlay	-	-	8,678
	285,880	289,784	294,139
Cable television			
Personnel services	215,385	206,009	213,509
Supplies	7,246	4,885	9,669
Contractual services	13,870	9,838	2,889
Other charges and services	30,152	646	7,067
Capital outlay	55,540	362	11,010
	322,193	221,740	244,144
Community events			
Personnel services	143,739	148,849	131,321
Supplies	2,675	1,836	1,940
Contractual services	12,579	10,363	2,338
Other charges and services	-	-	5,890
Capital outlay	-	-	3,492
	158,993	161,048	144,981
Tourism development			
Personnel services	70,870	70,025	-
Supplies	700	599	-
Contractual services	158,826	144,104	-
Other charges and services	4,128	4,128	-
	234,524	218,856	-
Special events support			
Personnel services	152,832	169,550	-
Contractual services	12,000	10,545	-
	164,832	180,095	-

(Continued)

Village of Downers Grove, Illinois

General Fund
 Schedule of Expenditures by Detail - Budget and Actual (Continued)
General Fund

	2003		2002
	Budget	Actual	Actual
Cultural and recreation (Continued)			
Cultural and recreational services (Continued)			
Local grants			
Supplies	\$ 100	\$ 67	\$ -
Other charges and services	51,874	51,660	-
	<u>51,974</u>	<u>51,727</u>	<u>-</u>
Total cultural and recreational services	<u>1,218,396</u>	<u>1,123,250</u>	<u>683,264</u>
Total cultural and recreation	<u>1,666,764</u>	<u>1,598,292</u>	<u>1,314,784</u>
Total expenditures	<u>\$ 34,546,180</u>	<u>\$ 32,914,689</u>	<u>\$ 31,870,947</u>

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SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund –to account for the operation of certain street maintenance and improvement programs, as authorized by the Illinois Department of Transportation. Financing is provided by the Village's share of state gasoline taxes.

Public Library Fund – to account for the operation of the Village's library, which provides written visual, and audio materials to Village residents. Financing is provided from an annual property tax levy, an allocation of the Illinois personal property replacement tax, and other charges for services.

CBD Tax Increment Finance Fund – to account for financing to the extensive infrastructure and streetscape improvements and replacements in the Village's Central Business District (CBD). Revenues in this fund are derived from the property tax increment from the district, investment income, and interfund transfers from the Capital Projects and Waterworks and Sewerage funds. Expenditures in this fund are for capital and infrastructure improvements.

Foreign Fire Insurance Fund – to account for the special revenues designated for this program by the State of Illinois Foreign Fire Insurance. Expenditures are evaluated and determined by a separate Board, the Foreign Fire Insurance Board, which is comprised of Fire Department members, per State statute.

Community Events Fund – this newly created fund (2000/2001) is used to account for the special revenues collected as part of Village special events, such as Heritage Festival. Expenditures are evaluated and recommended to the Council by an appointed Community Events Commission.

Ogden Tax Increment Finance Fund – to account for the financing of right-of-way, parking and façade improvements along the Ogden Avenue business corridor. Revenues in this fund are derived from the property tax increment from the district, investment income, and grant funds from other governmental agencies. Expenditures in this fund are for capital improvements to the right-of-way on Ogden Avenue, including sidewalk, parking aggregation and improvement, and façade improvements along the corridor.

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Village of Downers Grove, Illinois

Special Revenue Funds Combining Balance Sheet April 30, 2003

<u>ASSETS</u>			
	<u>Motor Fuel Tax</u>	<u>Public Library</u>	<u>Hotel Tax</u>
Assets			
Cash and cash equivalents	\$ 1,762,348	\$ 10,771	\$ -
Investments	-	596,623	-
Receivables			
Property taxes (net)	-	2,873,637	-
Accrued interest	-	11,289	-
Other	<u>114,132</u>	<u>3,896</u>	<u>-</u>
Total assets	\$ <u>1,876,480</u>	\$ <u>3,496,216</u>	\$ <u>-</u>

LIABILITIES AND FUND BALANCES

Liabilities			
Vouchers and accounts payable	\$ 99,000	\$ 1,048	\$ -
Accrued payroll	-	98,351	-
Advances from other funds	-	-	-
Compensated absences payable	-	30,384	-
Deferred revenue	<u>-</u>	<u>2,873,637</u>	<u>-</u>
Total liabilities	<u>99,000</u>	<u>3,003,420</u>	<u>-</u>
Fund balances			
Unreserved			
Designated for private contributions	-	206,625	-
Undesignated	<u>1,777,480</u>	<u>286,171</u>	<u>-</u>
Total fund balances	<u>1,777,480</u>	<u>492,796</u>	<u>-</u>
Total liabilities and fund balances	\$ <u>1,876,480</u>	\$ <u>3,496,216</u>	\$ <u>-</u>

The accompanying notes are an integral part of this statement.

<u>Downtown Redevelopment TIF</u>	<u>Foreign Fire Insurance</u>	<u>Community Events</u>	<u>Ogden Avenue Corridor TIF</u>	<u>Totals</u>
\$ 1,788,056	\$ 65,781	\$ 27,256	\$ 76,869	\$ 3,731,081
2,641,681	5,061	-	-	3,243,365
484,578	-	-	274,370	3,632,585
6,417	-	-	-	17,706
<u>28,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,915</u>
\$ <u>4,949,619</u>	\$ <u>70,842</u>	\$ <u>27,256</u>	\$ <u>351,239</u>	\$ <u>10,771,652</u>

\$ 185,060	\$ -	\$ 18,822	\$ 8,423	\$ 312,353
1,024	-	-	-	99,375
1,968,606	-	-	-	1,968,606
1,892	-	-	-	32,276
<u>484,578</u>	<u>-</u>	<u>-</u>	<u>274,370</u>	<u>3,632,585</u>
<u>2,641,160</u>	<u>-</u>	<u>18,822</u>	<u>282,793</u>	<u>6,045,195</u>
-	-	-	-	206,625
<u>2,308,459</u>	<u>70,842</u>	<u>8,434</u>	<u>68,446</u>	<u>4,519,832</u>
<u>2,308,459</u>	<u>70,842</u>	<u>8,434</u>	<u>68,446</u>	<u>4,726,457</u>
\$ <u>4,949,619</u>	\$ <u>70,842</u>	\$ <u>27,256</u>	\$ <u>351,239</u>	\$ <u>10,771,652</u>

Village of Downers Grove, Illinois

Special Revenue Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit) Year ended April 30, 2003

	Motor Fuel Tax	Public Library	Hotel Tax
Revenues			
Taxes	\$ -	\$ 2,773,264	\$ -
Intergovernmental	1,406,514	95,546	-
Charges for services	-	81,173	-
Fines and forfeits	-	96,084	-
Interest	22,091	23,532	-
Miscellaneous	-	19,944	-
	<u>1,428,605</u>	<u>3,089,543</u>	<u>-</u>
Expenditures			
General government	-	-	-
Highways and streets	1,300,847	-	-
Culture and recreation	-	3,066,315	-
Capital outlay	-	72,333	-
Debt service	-	-	-
Principal retirement	-	-	-
	<u>1,300,847</u>	<u>3,138,648</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>127,758</u>	<u>(49,105)</u>	<u>-</u>
Other financing sources (uses)			
Bond issue proceeds	-	-	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>127,758</u>	<u>(49,105)</u>	<u>-</u>
Fund balances (deficits)			
May 1, as previously reported	1,649,722	640,252	580,292
Prior period adjustment (see note 16)	-	(98,351)	-
	<u>1,649,722</u>	<u>541,901</u>	<u>580,292</u>
Residual equity transfer	-	-	(580,292)
April 30	<u>\$ 1,777,480</u>	<u>\$ 492,796</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

<u>Downtown Redevelopment TIF</u>	<u>Foreign Fire Insurance</u>	<u>Community Events</u>	<u>Ogden Avenue Corridor TIF</u>	<u>Totals</u>
\$ 193,081	\$ 53,444	\$ -	\$ 113,356	\$ 3,133,145
42,823	-	-	8,895	1,553,778
-	-	307,737	-	388,910
-	-	-	-	96,084
56,402	527	-	713	103,265
5,290	23	-	-	25,257
<u>297,596</u>	<u>53,994</u>	<u>307,737</u>	<u>122,964</u>	<u>5,300,439</u>
289,019	34,077	299,303	41,827	664,226
-	-	-	-	1,300,847
-	-	-	-	3,066,315
2,591,048	20,193	-	-	2,683,574
<u>4,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,500,000</u>
<u>7,380,067</u>	<u>54,270</u>	<u>299,303</u>	<u>41,827</u>	<u>12,214,962</u>
<u>(7,082,471)</u>	<u>(276)</u>	<u>8,434</u>	<u>81,137</u>	<u>(6,914,523)</u>
10,500,000	-	-	-	10,500,000
75,000	-	-	-	75,000
<u>(1,234,711)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,234,711)</u>
<u>9,340,289</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,340,289</u>
<u>2,257,818</u>	<u>(276)</u>	<u>8,434</u>	<u>81,137</u>	<u>2,425,766</u>
(52,006)	71,118	-	(12,691)	2,876,687
<u>102,647</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,296</u>
<u>50,641</u>	<u>71,118</u>	<u>-</u>	<u>(12,691)</u>	<u>2,880,983</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(580,292)</u>
<u>\$ 2,308,459</u>	<u>\$ 70,842</u>	<u>\$ 8,434</u>	<u>\$ 68,446</u>	<u>\$ 4,726,457</u>

Village of Downers Grove, Illinois

Motor Fuel Tax Fund
Schedules of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Intergovernmental			
Allotments	\$ 1,333,200	\$ 1,406,514	\$ 1,352,979
Interest	30,000	22,091	38,951
Total revenues	1,363,200	1,428,605	1,391,930
Expenditures			
Highways and streets			
Maintenance and capital improvements	1,470,740	1,300,847	1,350,000
Excess (deficiency) of revenues over expenditures	\$ (107,540)	127,758	41,930
Fund balance			
May 1		1,649,722	1,607,792
April 30		\$ 1,777,480	\$ 1,649,722

Village of Downers Grove, Illinois

Public Library Funds
Schedules of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Taxes			
Property taxes	\$ 2,709,653	\$ 2,734,483	\$ 2,606,428
Personal property replacement tax	45,000	38,781	42,765
Intergovernmental grants	88,137	95,546	57,083
Charges for services	69,700	81,173	81,658
Fines and forfeits	80,000	96,084	96,691
Interest	38,000	23,532	43,502
Miscellaneous			
Donation	11,000	11,786	38,113
Other	9,405	8,158	257
Total revenues	<u>3,050,895</u>	<u>3,089,543</u>	<u>2,966,497</u>
Expenditures			
Culture and recreation			
Personnel services	2,109,577	2,120,657	1,975,786
Supplies	537,585	527,924	505,829
Contractual services	411,365	378,527	359,431
Other charges and services	49,779	39,207	45,261
Capital outlay	119,157	72,333	29,655
Total expenditures	<u>3,227,463</u>	<u>3,138,648</u>	<u>2,915,962</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (176,568)</u>	<u>(49,105)</u>	<u>50,535</u>
Fund balance			
May 1, as previously reported		640,252	589,717
Prior period adjustment (see note 16)		(98,351)	-
May 1, as restated		<u>541,901</u>	<u>589,717</u>
April 30		<u>\$ 492,796</u>	<u>\$ 640,252</u>

Village of Downers Grove, Illinois

Public Library Funds
Schedules of Expenditures - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Administrative services			
Personnel services	\$ 328,101	\$ 317,801	\$ 303,148
Supplies	26,312	25,342	39,275
Contractual services	275,060	260,434	246,889
Other charges and services	44,123	36,487	43,370
Capital outlay	119,157	72,333	29,655
	<u>792,753</u>	<u>712,397</u>	<u>662,337</u>
Reference and information services			
Personnel services	518,256	515,551	478,712
Supplies	251,991	249,067	237,125
Contractual services	8,722	6,702	7,819
	<u>778,969</u>	<u>771,320</u>	<u>723,656</u>
Junior services			
Personnel services	306,811	322,939	294,510
Supplies	94,489	93,818	86,630
Contractual services	14,597	12,819	15,227
	<u>415,897</u>	<u>429,576</u>	<u>396,367</u>
Circulation services			
Personnel services	386,741	396,050	370,052
Supplies	18,694	15,307	15,320
Contractual services	30,713	17,195	11,594
Other charges and services	5,656	2,720	1,891
	<u>441,804</u>	<u>431,272</u>	<u>398,857</u>

(Continued)

Village of Downers Grove, Illinois

Public Library Funds
Schedules of Expenditures - Budget and Actual (Continued)
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Technical services			
Personnel services	\$ 175,649	\$ 167,830	\$ 158,202
Supplies	26,455	24,916	20,016
Contractual services	38,669	38,569	35,253
	<u>240,773</u>	<u>231,315</u>	<u>213,471</u>
Literature and audio visual services			
Personnel services	319,768	321,325	305,115
Supplies	116,703	116,543	100,987
Contractual services	7,082	6,255	13,058
	<u>443,553</u>	<u>444,123</u>	<u>419,160</u>
Programs and community awareness			
Personnel services	74,251	79,161	66,046
Supplies	2,941	2,931	6,476
Contractual services	36,522	36,553	29,591
	<u>113,714</u>	<u>118,645</u>	<u>102,113</u>
Total expenditures	<u>\$ 3,227,463</u>	<u>\$ 3,138,648</u>	<u>\$ 2,915,961</u>

(Concluded)

Village of Downers Grove, Illinois

Downtown Redevelopment TIF Schedules of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Taxes			
Property taxes, current	\$ 335,031	\$ 193,081	\$ 114,631
Intergovernmental			
Grants and contributions	3,266	42,823	295,065
Interest	120,000	56,402	75,033
Sale of fixed assets	4,000,000	-	84,319
Miscellaneous	-	5,290	4,621
Total revenues	4,458,297	297,596	573,669
Expenditures			
General government			
Personnel services	68,617	13,544	146,978
Supplies	10,000	8,863	9,908
Contractual services	659,921	266,612	823,483
Other charges and services	4,500,000	-	-
Capital outlay	15,949,145	2,591,048	5,267,488
Debt service			
Principal retirement	4,500,000	4,500,000	-
Interest	-	-	201,393
Total expenditures	25,687,683	7,380,067	6,247,857
Deficiency of revenues over expenditures	(21,229,386)	(7,082,471)	(5,674,188)
Other financing sources (uses)			
Bond proceeds	16,400,000	10,500,000	6,000,000
Operating transfer in	1,072,576	75,000	-
Operating transfer out	(1,471,857)	(1,234,711)	(800,543)
	16,000,719	9,340,289	5,199,457
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (5,228,667)	2,257,818	(474,731)
Fund balance (deficit)			
May 1, as previously reported		(52,006)	422,725
Prior period adjustment (see note 16)		102,647	-
May 1, as restated		50,641	422,725
April 30		\$ 2,308,459	\$ (52,006)

Village of Downers Grove, Illinois

Downtown Redevelopment TIF
Schedules of Expenditures - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Downtown redevelopment finance			
Other charges and services	\$ 4,500,000	\$ -	\$ -
Public works administration			
Personnel services	68,617	11,559	146,978
Contractual services	90,571	88,543	287,109
	<u>159,188</u>	<u>100,102</u>	<u>434,087</u>
Public works streets			
Supplies	10,000	8,863	9,908
Contractual services	35,000	5,919	18,326
Capital outlay	-	67,991	3,318,517
	<u>45,000</u>	<u>82,773</u>	<u>3,346,751</u>
Public works stormwater			
Capital outlay	1,525,000	39,224	1,948,971
Traffic signals			
Capital outlay	175,000	140,331	-
Redevelopment			
Personnel services	-	1,985	-
Contractual services	534,350	172,150	518,048
Capital outlay	2,311,250	394,398	-
	<u>2,845,600</u>	<u>568,533</u>	<u>518,048</u>
Parking deck construction			
Capital outlay	11,937,895	1,949,104	-
Total expenditures	<u>\$ 21,187,683</u>	<u>\$ 2,880,067</u>	<u>\$ 6,247,857</u>

Village of Downers Grove, Illinois

Foreign Fire Insurance Fund
Schedules of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Taxes			
Foreign Fire Insurance Tax	\$ 37,500	\$ 53,444	\$ 37,887
Interest	1,500	527	1,351
Miscellaneous	-	23	-
Total revenues	<u>39,000</u>	<u>53,994</u>	<u>39,238</u>
Expenditures			
General government			
Supplies	39,000	19,827	1,276
Contractual services	-	14,250	1,575
Capital outlay	-	20,193	14,224
Total expenditures	<u>39,000</u>	<u>54,270</u>	<u>29,494</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	(276)	9,744
Fund balance			
May 1		<u>71,118</u>	<u>61,374</u>
April 30		<u>\$ 70,842</u>	<u>\$ 71,118</u>

Village of Downers Grove, Illinois

Community Events Fund
Schedules of Revenues, Expenditures and
Changes in Fund Balance (Deficit) - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Charges for services	\$ 278,460	\$ 307,737	\$ 292,255
Expenditures			
General government			
Supplies	17,418	13,613	17,276
Contractual services	292,690	285,690	52,858
Other charges and services	5,098	-	232,995
Total expenditures	315,206	299,303	303,129
Excess (deficiency) of revenues over expenditures	(36,746)	8,434	(10,874)
Other financing sources			
Operating transfer in	36,767	-	14,316
Excess of revenues and other financing sources over expenditures	\$ 21	8,434	3,442
Fund balance (deficit)			
May 1		-	(3,442)
April 30		\$ 8,434	\$ -

Village of Downers Grove, Illinois

Ogden Avenue Corridor TIF
Schedules of Revenues, Expenditures and
Changes in Fund Balance (Deficit) - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Taxes			
Property taxes, current	\$ 32,642	\$ 113,356	\$ -
Intergovernmental			
Grants and contributions	94,420	8,895	7,626
Interest	-	713	-
	127,062	122,964	7,626
Expenditures			
General government			
Contractual services	101,357	41,827	20,317
Capital outlay	32,000	-	-
	133,357	41,827	20,317
Excess (deficiency) of revenues over expenditures	\$ <u>(6,295)</u>	81,137	(12,691)
Fund balance (deficit)			
May 1		(12,691)	-
April 30		\$ <u>68,446</u>	\$ <u>(12,691)</u>

DEBT SERVICE FUNDS

G.O. Bond Series of 1996 – Library Construction – to account for the monies accumulated to pay for outstanding Library Building General Obligation Bonds. The Library Building Bonds mature in varying amounts until January 1, 2017 and financing is to be provided by a specific annual property tax levy and a statutory requirement amount of personal property replacement taxes.

G.O. Bond Series of 1998 – Fairview Avenue – to account for the monies accumulated to pay for outstanding Fairview Avenue General Obligation Bonds. The bonds mature in varying amounts until January 1, 2014 and financing is to be provided by the Downers Grove Fuel Tax.

G.O. Bond Series of 1999 – Downtown Redevelopment TIF District – to account for the monies accumulated to pay for outstanding Downtown Redevelopment TIF District General Obligation Bonds. The bonds mature in varying amounts until January 1, 2019 and financing is to be provided by a specific annual property tax levy.

G.O. Bond Series of 2000 – Downtown Redevelopment TIF District – to account for the monies accumulated to pay for outstanding Downtown Redevelopment TIF District General Obligation Bonds. The bonds mature in varying amounts until January 1, 2020 and financing is to be provided by a specific annual property tax levy.

G.O. Bond Series of 2001 – Downtown Redevelopment TIF District – to account for the monies accumulated to pay for outstanding Downtown Redevelopment TIF District General Obligation Bonds. The bonds mature in varying amounts until January 1, 2021 and financing is to be provided by a specific annual property tax levy.

G.O. Bond Series of 2002 – Downtown Redevelopment TIF District – to account for the monies accumulated to pay for outstanding Downtown Redevelopment TIF District General Obligation Bonds. The bonds mature in varying amounts until January 1, 2021 and financing is to be provided by a specific annual property tax levy.

Taxable G.O. Bond Series of 2003 – Downtown Redevelopment TIF District – to account for the monies accumulated to pay for outstanding Downtown Redevelopment TIF District General Obligation Bonds. The bonds mature in varying amounts until February 1, 2005 and financing is to be provided by a specific annual property tax levy.

Water Bond Series of 2001 A – this bond will be funded with revenues generated in the water fund January 1, 2012 (see water fund).

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Village of Downers Grove, Illinois

Debt Service Funds Combining Balance Sheet April 30, 2003

<u>ASSETS</u>	<u>G.O. Bond Series of 1996 Library Construction</u>	<u>G.O. Bond Series of 1998 Fairview Avenue</u>	<u>G.O. Bond Series of 1999 Downtown Redevelopment TIF</u>
Assets			
Cash and cash equivalents	\$ 134,769	\$ -	\$ 321
Receivables			
Property taxes	690,196	271,492	382,997
Other	-	15,039	-
	<u>824,965</u>	<u>286,531</u>	<u>383,318</u>
Total assets	\$ <u>824,965</u>	\$ <u>286,531</u>	\$ <u>383,318</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Due to other funds	\$ -	\$ 69,634	\$ -
Deferred revenue	690,196	271,492	382,997
	<u>690,196</u>	<u>341,126</u>	<u>382,997</u>
Total liabilities	<u>690,196</u>	<u>341,126</u>	<u>382,997</u>
 Fund balances (deficit)			
Reserved for debt service	134,769	(54,595)	321
	<u>134,769</u>	<u>(54,595)</u>	<u>321</u>
Total liabilities and fund balances	\$ <u>824,965</u>	\$ <u>286,531</u>	\$ <u>383,318</u>

The accompanying notes are an integral part of this statement.

<u>G.O. Bond Series of 2000 Downtown Redevelopment TIF</u>	<u>G.O. Bond Series of 2001 Downtown Redevelopment TIF</u>	<u>G.O. Bond Series of 2002 Downtown Redevelopment TIF</u>	<u>Totals</u>
\$ 351	\$ 204	\$ 159	\$ 135,804
406,088	-	267,478	2,018,251
<u>-</u>	<u>-</u>	<u>-</u>	<u>15,039</u>
<u>\$ 406,439</u>	<u>\$ 204</u>	<u>\$ 267,637</u>	<u>\$ 2,169,094</u>
\$ -	\$ -	\$ -	\$ 69,634
<u>406,088</u>	<u>-</u>	<u>267,478</u>	<u>2,018,251</u>
<u>406,088</u>	<u>-</u>	<u>267,478</u>	<u>2,087,885</u>
<u>351</u>	<u>204</u>	<u>159</u>	<u>81,209</u>
<u>\$ 406,439</u>	<u>\$ 204</u>	<u>\$ 267,637</u>	<u>\$ 2,169,094</u>

Village of Downers Grove, Illinois

Debt Service Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit) Year ended April 30, 2003

	<u>G.O. Bond Series of 1996 Library Construction</u>	<u>G.O. Bond Series of 1998 Fairview Avenue</u>	<u>G.O. Bond Series of 1999 Downtown Redevelopment TIF</u>
Revenues			
Taxes	\$ 689,227	\$ -	\$ -
Intergovernmental	-	188,450	-
Interest	5,175	177	321
Total revenues	<u>694,402</u>	<u>188,627</u>	<u>321</u>
Expenditures			
Debt service			
Principal	320,000	170,000	70,000
Interest	363,113	99,995	333,265
Total expenditures	<u>683,113</u>	<u>269,995</u>	<u>403,265</u>
Excess (deficiency) of revenues over expenditures	11,289	(81,368)	(402,944)
Other financing sources			
Operating transfers in	-	60,000	403,265
Excess (deficiency) of revenues and other financing sources over expenditures	11,289	(21,368)	321
Fund balances (deficit)			
May 1	<u>123,480</u>	<u>(33,227)</u>	<u>-</u>
April 30	<u>\$ 134,769</u>	<u>\$ (54,595)</u>	<u>\$ 321</u>

The accompanying notes are an integral part of this statement.

G.O. Bond Series of 2000 Downtown Redevelopment TIF	G.O. Bond Series of 2001 Downtown Redevelopment TIF	G.O. Bond Series of 2002 Downtown Redevelopment TIF	Totals
\$ -	\$ -	\$ -	\$ 689,227
-	-	-	188,450
<u>351</u>	<u>204</u>	<u>194</u>	<u>6,422</u>
<u>351</u>	<u>204</u>	<u>194</u>	<u>884,099</u>
85,000	-	-	645,000
<u>348,649</u>	<u>300,763</u>	<u>97,069</u>	<u>1,542,854</u>
<u>433,649</u>	<u>300,763</u>	<u>97,069</u>	<u>2,187,854</u>
(433,298)	(300,559)	(96,875)	(1,303,755)
<u>433,649</u>	<u>300,763</u>	<u>97,034</u>	<u>1,294,711</u>
351	204	159	(9,044)
<u>-</u>	<u>-</u>	<u>-</u>	<u>90,253</u>
<u>\$ 351</u>	<u>\$ 204</u>	<u>\$ 159</u>	<u>\$ 81,209</u>

Village of Downers Grove, Illinois

G.O. Bond Series of 1996 Library Construction Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Taxes			
Property taxes	\$ 683,113	\$ 689,227	\$ 688,963
Interest	<u>15,000</u>	<u>5,175</u>	<u>9,043</u>
Total revenues	<u>698,113</u>	<u>694,402</u>	<u>698,006</u>
 Expenditures			
Debt service			
Principal	320,000	320,000	305,000
Interest	<u>363,113</u>	<u>363,113</u>	<u>377,143</u>
Total expenditures	<u>683,113</u>	<u>683,113</u>	<u>682,143</u>
 Excess (deficiency) of revenues over expenditures	 \$ <u>15,000</u>	 11,289	 15,863
 Fund balances			
May 1		<u>123,480</u>	<u>107,617</u>
April 30		\$ <u>134,769</u>	\$ <u>123,480</u>

Village of Downers Grove, Illinois

G.O. Bond Series of 1998 Fairview Avenue Fund
Schedules of Revenues, Expenditures and
Changes in Fund Balance (Deficit) - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Intergovernmental			
Local fuel tax	\$ 225,000	\$ 188,450	\$ 200,695
Interest	500	177	655
Total revenues	225,500	188,627	201,350
Expenditures			
Debt service			
Principal	170,000	170,000	160,000
Interest	99,995	99,995	105,915
Total expenditures	269,995	269,995	265,915
Deficiency of revenues over expenditures	(44,495)	(81,368)	(64,565)
Other financing sources			
Operating transfers in	60,000	60,000	-
Deficiency of revenues and other financing sources over expenditures	\$ 15,505	(21,368)	(64,565)
Fund balances (deficit)			
May 1		(33,227)	31,338
April 30		\$ (54,595)	\$ (33,227)

Village of Downers Grove, Illinois

G.O. Bond Series of 1999 Downtown Redevelopment TIF Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Interest	\$ -	\$ 321	\$ -
Expenditures			
Debt service			
Principal	70,000	70,000	-
Interest	333,265	333,265	333,265
Total expenditures	403,265	403,265	333,265
Deficiency of revenues over expenditures	(403,265)	(402,944)	(333,265)
Other financing sources			
Operating transfers in	403,265	403,265	333,265
Excess of revenues and other financing sources over expenditures	\$ -	321	-
Fund balances			
May 1		-	-
April 30		\$ 321	\$ -

Village of Downers Grove, Illinois

G.O. Bond Series of 2000 Downtown Redevelopment TIF Fund
Schedules of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Interest	\$ -	\$ 351	\$ -
Expenditures			
Debt service			
Principal	85,000	85,000	-
Interest	348,649	348,649	348,649
Total expenditures	433,649	433,649	348,649
Deficiency of revenues over expenditures	(433,649)	(433,298)	(348,649)
Other financing sources			
Operating transfers in	433,649	433,649	348,644
Excess (deficiency) of revenues and other financing sources over expenditures	\$ -	351	(5)
Fund balances			
May 1		-	5
April 30		\$ 351	\$ -

Village of Downers Grove, Illinois

G.O. Bond Series of 2001 Downtown Redevelopment TIF Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Interest	\$ -	\$ 204	\$ -
Expenditures			
Debt service			
Interest	300,763	300,763	118,634
Deficiency of revenues over expenditures	(300,763)	(300,559)	(118,634)
Other financing sources			
Operating transfers in	300,763	300,763	118,634
Excess of revenues and other financing sources over expenditures	\$ -	204	-
Fund balances			
May 1		-	-
April 30		\$ 204	\$ -

Village of Downers Grove, Illinois

G.O. Bond Series of 2002 Downtown Redevelopment TIF Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year ended April 30, 2003

	2003	
	Budget	Actual
Revenues		
Interest	\$ -	\$ 194
Expenditures		
Debt service		
Interest	<u>334,181</u>	<u>97,069</u>
Deficiency of revenues over expenditures	(334,181)	(96,875)
Other financing sources		
Operating transfers in	<u>334,181</u>	<u>97,034</u>
Excess of revenues and other financing sources over expenditures	\$ <u>-</u>	159
Fund balances		
May 1		<u>-</u>
April 30		\$ <u>159</u>

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CAPITAL PROJECTS FUNDS

Capital Improvements Fund – to account for many of the construction projects previously found in the General, Fire Protection, and Health and Human Resources Funds.

Real Estate Fund – to account for financial resources to be used for the acquisition and holding of real estate consistent with the Village Council's resolution on Land Banking.

Library Construction Fund – to account for all revenues and expenses associated with the construction and renovation of the new library in downtown Downers Grove. At the conclusion of this project, this fund will be closed.

Village of Downers Grove, Illinois

Capital Projects Funds Combining Balance Sheet April 30, 2003

<u>ASSETS</u>	<u>Capital Improvements</u>	<u>Real Estate</u>	<u>Library Construction</u>	<u>Totals</u>
Assets				
Cash	\$ -	\$ 276,206	\$ 332,203	\$ 608,409
Investments	-	200,000	-	200,000
Receivables				
Property taxes	8,759	-	-	8,759
Accounts receivable	489,249	-	-	489,249
Accrued interest	2,298	4,415	-	6,713
Advances to other funds	<u>1,692,213</u>	<u>201,393</u>	<u>-</u>	<u>1,893,606</u>
Total assets	\$ <u>2,192,519</u>	\$ <u>682,014</u>	\$ <u>332,203</u>	\$ <u>3,206,736</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
Liabilities				
Vouchers and accounts payable	\$ 146,307	\$ 6,459	\$ -	\$ 152,766
Accrued payroll	10,407	-	-	10,407
Due to other funds	137,486	-	-	137,486
Compensated absences payable	2,039	-	-	2,039
Deferred property taxes	8,759	-	-	8,759
Deposits payable	<u>-</u>	<u>34,695</u>	<u>-</u>	<u>34,695</u>
Total liabilities	<u>304,998</u>	<u>41,154</u>	<u>-</u>	<u>346,152</u>
Fund balances				
Unreserved - designated	544,242	-	-	544,242
Unreserved - undesignated	<u>1,343,279</u>	<u>640,860</u>	<u>332,203</u>	<u>2,316,342</u>
	<u>1,887,521</u>	<u>640,860</u>	<u>332,203</u>	<u>2,860,584</u>
Total liabilities and fund balances	\$ <u>2,192,519</u>	\$ <u>682,014</u>	\$ <u>332,203</u>	\$ <u>3,206,736</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Capital Projects Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Year ended April 30, 2003

	Capital Improvements	Real Estate	Library Construction	Totals
Revenues				
Taxes	\$ 1,741,651	\$ -	\$ -	\$ 1,741,651
Charges for services	275,927	231,913	-	507,840
Intergovernmental capital contributions	142,941	-	-	142,941
Interest	6,129	33,176	6,368	45,673
Miscellaneous	-	400	-	400
Total revenues	2,166,648	265,489	6,368	2,438,505
Expenditures				
General government				
Personnel services	244,503	514	-	245,017
Supplies	-	4,247	-	4,247
Contractual services	158,062	46,888	-	204,950
Other charges and services	7,649	54,568	-	62,217
Capital outlay	1,164,817	1,521,298	195,676	2,881,791
Debt service				
Interest	-	111,603	-	111,603
Total expenditures	1,575,031	1,739,118	195,676	3,509,825
Excess (deficiency) of revenues over expenditures	591,617	(1,473,629)	(189,308)	(1,071,320)
Fund balances				
May 1, as previously reported	1,306,311	2,114,489	521,511	3,942,311
Prior period adjustment (see note 16)	(10,407)	-	-	(10,407)
May 1, as restated	1,295,904	2,114,489	521,511	3,931,904
April 30	\$ 1,887,521	\$ 640,860	\$ 332,203	\$ 2,860,584

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Capital Improvements Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Taxes			
Utility tax	\$ 2,792,745	\$ 1,732,892	\$ 1,263,546
Property tax	8,671	8,759	8,668
Charges for service	-	275,927	184,773
Intergovernmental capital contributions	587,095	142,941	255,945
Interest	20,000	6,129	54,842
Miscellaneous	-	-	78,516
Total revenues	<u>3,408,511</u>	<u>2,166,648</u>	<u>1,846,290</u>
Expenditures			
General government			
Personnel services	258,575	244,503	-
Contractual services	399,729	158,062	71,799
Other charges and services	6,540	7,649	166,669
Capital outlay			
Land	-	-	27,500
Improvements other than buildings	1,138,600	886,154	1,747,929
Engineering and architectural charges - capital	357,020	278,663	497,436
Total expenditures	<u>2,160,464</u>	<u>1,575,031</u>	<u>2,511,333</u>
Excess (deficiency) of revenues over expenditures	1,248,047	591,617	(665,043)
Other financing uses			
Operating transfers out	997,579	-	-
Excess (deficiency) of revenues over expenditures and other financing uses	<u>\$ 250,468</u>	<u>591,617</u>	<u>(665,043)</u>
Fund balances			
May 1, as previously reported		1,306,311	1,547,302
Prior period adjustment (see note 16)		(10,407)	424,052
May 1, as restated		<u>1,295,904</u>	<u>1,971,354</u>
April 30		<u>\$ 1,887,521</u>	<u>\$ 1,306,311</u>

Village of Downers Grove, Illinois

Real Estate Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Charges for services			
Rental income	\$ 172,200	\$ 231,913	\$ 166,115
Interest	25,000	33,176	42,096
Sale of fixed assets	-	-	1,044,000
Miscellaneous	-	400	1,170
	<u>197,200</u>	<u>265,489</u>	<u>1,253,381</u>
Expenditures			
General government			
Personnel services	7,500	514	-
Supplies	5,832	4,247	1,595
Contractual services	38,268	46,888	32,989
Other charges and services	53,936	54,568	22,990
Capital outlay	1,500,000	1,521,298	-
Debt service			
Interest	175,000	111,603	-
	<u>1,780,536</u>	<u>1,739,118</u>	<u>57,574</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(1,583,336)</u>	(1,473,629)	1,195,807
Fund balances			
May 1		<u>2,114,489</u>	<u>918,682</u>
April 30		<u>\$ 640,860</u>	<u>\$ 2,114,489</u>

Village of Downers Grove, Illinois

Library Construction Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Revenues			
Interest	\$ -	\$ 6,368	\$ 14,127
Miscellaneous	-	-	25,000
Total revenues	-	6,368	39,127
Expenditures			
Capital outlay	202,000	195,676	-
Excess (deficiency) of revenues over expenditures	\$ <u>(202,000)</u>	(189,308)	39,127
Fund balances			
May 1		521,511	482,384
April 30		\$ <u>332,203</u>	\$ <u>521,511</u>

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PROPRIETARY FUND TYPES

ENTERPRISE FUNDS

Waterworks Fund – to account 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 related debt service, and billing and collection.

Parking System Fund – to account for the provision of parking services to the residents of the Village and surrounding communities. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, and financing and related debt service.

Transportation System Fund – to account for the provision of transportation services to the residents of the Village and surrounding communities, as well as organizations requesting services. All activities necessary to provide such services are accounted for in this fund.

Village of Downers Grove, Illinois

Enterprise Funds Combining Balance Sheet April 30, 2003

<u>ASSETS</u>	<u>Waterworks</u>	<u>Parking System</u>	<u>Transportation System</u>	<u>Totals</u>
Current assets				
Cash and cash equivalents	\$ 647,631	\$ 177,800	\$ -	\$ 825,431
Investments	2,411,133	375,000	-	2,786,133
Receivables				
Accounts receivable	870,103	-	12,748	882,851
Accrued interest	28,887	5,926	-	34,813
Other	1,217	-	4,000	5,217
Advances to other funds	-	75,000	-	75,000
Inventory	15,137	-	-	15,137
	<u>3,974,108</u>	<u>633,726</u>	<u>16,748</u>	<u>4,624,582</u>
Fixed assets				
Cost	42,581,035	4,338,703	1,524,798	48,444,536
Accumulated depreciation	<u>(13,616,818)</u>	<u>(2,340,230)</u>	<u>(1,299,661)</u>	<u>(17,256,709)</u>
	<u>28,964,217</u>	<u>1,998,473</u>	<u>225,137</u>	<u>31,187,827</u>
Total assets	<u>\$ 32,938,325</u>	<u>\$ 2,632,199</u>	<u>\$ 241,885</u>	<u>\$ 35,812,409</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
Current liabilities				
Vouchers and accounts payable	\$ 1,395,362	\$ 8,040	\$ 505	\$ 1,403,907
Accrued payroll	41,480	8,127	13,001	62,608
Other payable	50,818	-	-	50,818
Due to other funds	-	-	433,069	433,069
Compensated absences payable	172,699	1,913	916	175,528
Deposits payable	67,172	2,634	-	69,806
	<u>1,727,531</u>	<u>20,714</u>	<u>447,491</u>	<u>2,195,736</u>
Long-term liabilities				
Bonds payable	3,775,000	-	-	3,775,000
Compensated absences payable	7,324	6,870	9,424	23,618
	<u>3,782,324</u>	<u>6,870</u>	<u>9,424</u>	<u>3,798,618</u>
Total liabilities	<u>5,509,855</u>	<u>27,584</u>	<u>456,915</u>	<u>5,994,354</u>
Fund equity				
Contributed capital	1,117,945	-	-	1,117,945
Retained earnings (defecit)	26,310,525	2,604,615	(215,030)	28,700,110
Total fund equity	<u>27,428,470</u>	<u>2,604,615</u>	<u>(215,030)</u>	<u>29,818,055</u>
Total liabilities and fund equity	<u>\$ 32,938,325</u>	<u>\$ 2,632,199</u>	<u>\$ 241,885</u>	<u>\$ 35,812,409</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Enterprise Funds Combining Statement of Revenues, Expenses and Changes in Retained Earnings (Deficit) Year ended April 30, 2003

	Waterworks	Parking System	Transportation System	Totals
Operating revenues				
Charges for services				
Water sales	\$ 5,911,486	\$ -	\$ -	\$ 5,911,486
Water system capacity charge	102,600	-	-	102,600
Connection fees	195,514	-	-	195,514
Water permit fees	1,890	-	-	1,890
Sewer surcharges	48,400	-	-	48,400
Water meter and mike sales	79,147	-	-	79,147
Parking meter permits	-	67,880	-	67,880
Parking meter collections	-	219,171	-	219,171
Parking lot permits	-	433,236	-	433,236
Passenger revenues	-	-	143,443	143,443
Charter fees	-	-	147,606	147,606
Other	17,315	-	57,353	74,668
Total operating revenues	6,356,352	720,287	348,402	7,425,041
Operating expenses				
Personnel services	1,013,298	152,109	278,054	1,443,461
Supplies	3,994,107	6,518	45,701	4,046,326
Contractual services	275,282	15,356	2,619	293,257
Other charges and services	1,178,462	298,949	241,513	1,718,924
Capital outlay	142,796	3,980	400	147,176
Depreciation	1,140,344	128,869	123,425	1,392,638
Total operating expenses	7,744,289	605,781	691,712	9,041,782
Operating income (loss)	<u>(1,387,937)</u>	<u>114,506</u>	<u>(343,310)</u>	<u>(1,616,741)</u>
Nonoperating revenues (expenses)				
Interest income	106,886	10,702	-	117,588
Interest expense	(211,223)	-	-	(211,223)
Loss on sale of fixed assets	-	(22,363)	-	(22,363)
Total nonoperating revenues (expenses)	(104,337)	(11,661)	-	(115,998)
Income (loss) before operating transfers	<u>(1,492,274)</u>	<u>102,845</u>	<u>(343,310)</u>	<u>(1,732,739)</u>
Other financing uses				
Operating transfers out	-	214,970	-	214,970
NET LOSS	(1,492,274)	(112,125)	(343,310)	(1,947,709)
Other changes in retained earnings				
Add back depreciation on contributed assets	135,968	-	-	135,968
Decrease in retained earnings	<u>(1,356,306)</u>	<u>(112,125)</u>	<u>(343,310)</u>	<u>(1,811,741)</u>
Retained earnings (deficit)				
May 1, as previously reported	27,708,311	2,724,867	141,281	30,574,459
Prior period adjustment (see note 16)	(41,480)	(8,127)	(13,001)	(62,608)
May 1, as restated	<u>27,666,831</u>	<u>2,716,740</u>	<u>128,280</u>	<u>30,511,851</u>
April 30	\$ 26,310,525	\$ 2,604,615	\$ (215,030)	\$ 28,700,110

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Enterprise Funds Combining Statement of Cash Flows Year ended April 30, 2003

	Waterworks	Parking System	Transportation System	Totals
Cash flows from operating activities				
Operating income (loss)	\$ (1,387,937)	\$ 114,506	\$ (343,310)	\$ (1,616,741)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	1,140,344	128,869	123,425	1,392,638
Change in assets and liabilities				
Accounts receivable	441,787	-	29,681	471,468
Due from other funds	892,553	-	433,069	1,325,622
Inventory	8,064	-	-	8,064
Vouchers and accounts payable	(191,964)	(4,334)	20	(196,278)
Compensated absences payable	(1,857)	729	2,950	1,822
Deposits payable	2,372	909	-	3,281
Total adjustments	2,291,299	126,173	589,145	3,006,617
Net cash provided by operating activities	903,362	240,679	245,835	1,389,876
Cash flows from noncapital financing activities				
Change in cash overdraft	-	-	(245,835)	(245,835)
Operating transfers out	-	(214,970)	-	(214,970)
Net cash used for noncapital financing activities	-	(214,970)	(245,835)	(460,805)
Cash flows from capital and related financing activities				
Fixed assets purchased	(3,964,044)	-	-	(3,964,044)
Principal paid on general obligation bonds	(225,000)	-	-	(225,000)
Interest paid on general obligation bonds	(171,863)	-	-	(171,863)
Net cash used for capital and related financing activities	(4,360,907)	-	-	(4,360,907)
Cash flows from investing activities				
Sale of investments	3,159,867	-	-	3,159,867
Purchase of investments	-	(75,000)	-	(75,000)
Interest	137,007	11,649	-	148,656
Net cash provided by (used for) investing activities	3,296,874	(63,351)	-	3,233,523
Net decrease in cash and cash equivalents	(160,671)	(37,642)	-	(198,313)
Cash and cash equivalents				
May 1	808,302	215,442	-	1,023,744
April 30	\$ 647,631	\$ 177,800	\$ -	\$ 825,431

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Waterworks Fund Schedules of Operating Expenses - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Water administration			
Personnel services	\$ 879,646	\$ 798,965	\$ 766,842
Supplies	19,431	12,400	10,619
Contractual services	109,277	107,515	125,029
Other charges and services	1,080,612	1,086,076	605,611
Capital outlay	50,000	-	409
	<u>2,138,966</u>	<u>2,004,956</u>	<u>1,508,510</u>
Water pumping and treatment			
Supplies	112,570	82,800	94,602
Contractual services	55,610	51,058	47,177
Other charges and services	15,583	16,801	19,079
	<u>183,763</u>	<u>150,659</u>	<u>160,858</u>
Water transmission and distribution			
Personnel services	181,371	214,333	102,757
Supplies	175,810	155,823	160,523
Contractual services	156,860	116,709	152,295
Other charges and services	66,027	75,585	61,483
Capital outlay	4,536,988	142,796	43,658
	<u>5,117,056</u>	<u>705,246</u>	<u>520,716</u>
DuPage Water Commission			
Supplies	<u>3,630,000</u>	<u>3,743,084</u>	<u>3,878,731</u>
Depreciation	-	<u>1,140,344</u>	<u>841,584</u>
Total operating expenses	<u>\$ 11,069,785</u>	<u>\$ 7,744,289</u>	<u>\$ 6,910,399</u>

Village of Downers Grove, Illinois

Parking System Fund Schedules of Operating Expenses - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Parking enforcement			
Personnel services	\$ 176,056	\$ 125,561	\$ 106,140
Contractual services	3,500	3,356	19,349
Other charges and services	303,977	298,949	258,672
Capital outlay	3,500	3,482	986
	<u>487,033</u>	<u>431,348</u>	<u>385,147</u>
Parking operations and maintenance			
Personnel services	25,464	26,548	11,793
Supplies	6,900	6,518	3,199
Contractual services	16,150	12,000	2,149
Capital outlay	35,000	498	110
	<u>83,514</u>	<u>45,564</u>	<u>17,251</u>
Depreciation	<u>-</u>	<u>128,869</u>	<u>136,739</u>
Total operating expenses	<u>\$ 570,547</u>	<u>\$ 605,781</u>	<u>\$ 539,137</u>

Village of Downers Grove, Illinois

Transportation System Fund Schedules of Operating Expenses - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Transportation			
Personnel services	\$ 279,732	\$ 278,054	\$ 264,310
Supplies	43,825	45,701	36,931
Contractual services	6,324	2,619	3,219
Other charges and services	250,170	241,513	225,392
Capital outlay	401	400	-
	<u>580,452</u>	<u>568,287</u>	<u>529,852</u>
Depreciation	<u>109,000</u>	<u>123,425</u>	<u>123,425</u>
Total operating expenses	<u>\$ 689,452</u>	<u>\$ 691,712</u>	<u>\$ 653,277</u>

INTERNAL SERVICE FUNDS

Fleet Services Fund – to account for the costs of operating a maintenance facility for automotive equipment used by other Village departments. Such costs are billed to the other departments based upon the cost of departmental vehicles to the total of the fleet. Costs include depreciation on the garage building and improvements used to provide the service. The automotive equipment itself is charged back to the various user departments, as they are responsible for financing replacement vehicles as necessary.

Risk Management Fund – to account for the servicing and payment of all property and casualty claims against the village, including workers' compensation. Financing is provided through transfers from the various Village departments in accordance with loss experience and exposure.

Health Insurance Fund – to account for the servicing and payment of claims for health and life insurance. Financing is provided through transfers from the various Village departments.

Equipment Replacement Fund – to account for the payment of all Village rolling stock. All operating departments contribute revenues into this fund for future purchase of all Village vehicles.

Village of Downers Grove, Illinois

Internal Service Funds Combining Balance Sheet April 30, 2003

<u>ASSETS</u>	Fleet Services	Risk Management	Health Insurance	Equipment Replacement	Totals
Current assets					
Cash and cash equivalents	\$ 13,219	\$ 42,248	\$ -	\$ 62,579	\$ 118,046
Investment	-	-	-	200,000	200,000
Receivables					
Accounts receivable	-	-	41,401	-	41,401
Accrued interest	-	-	-	4,375	4,375
Other	-	-	-	-	-
Inventory	84,168	-	-	-	84,168
	<u>97,387</u>	<u>42,248</u>	<u>41,401</u>	<u>266,954</u>	<u>447,990</u>
Fixed assets					
Cost	1,295,659	-	-	6,783,399	8,079,058
Accumulated depreciation	<u>(617,864)</u>	<u>-</u>	<u>-</u>	<u>(3,106,708)</u>	<u>(3,724,572)</u>
	<u>677,795</u>	<u>-</u>	<u>-</u>	<u>3,676,691</u>	<u>4,354,486</u>
Total assets	<u>\$ 775,182</u>	<u>\$ 42,248</u>	<u>\$ 41,401</u>	<u>\$ 3,943,645</u>	<u>\$ 4,802,476</u>
 <u>LIABILITIES AND FUND EQUITY</u>					
Current liabilities					
Vouchers and accounts payable	\$ 72,616	\$ 3,086	\$ 36,366	\$ -	\$ 112,068
Accrued payroll	18,025	6,438	-	-	24,463
Due to other funds	-	-	937,981	-	937,981
Compensated absences payable	3,360	617	-	-	3,977
Claims payable	<u>-</u>	<u>1,151,536</u>	<u>400,000</u>	<u>-</u>	<u>1,551,536</u>
	94,001	1,161,677	1,374,347	-	2,630,025
Long-term liabilities					
Compensated absences payable	<u>51,902</u>	<u>44,477</u>	<u>19,647</u>	<u>-</u>	<u>116,026</u>
Total liabilities	<u>145,903</u>	<u>1,206,154</u>	<u>1,393,994</u>	<u>-</u>	<u>2,746,051</u>
Fund equity					
Contributed capital	277,014	-	-	1,201,836	1,478,850
Retained earnings (deficit)					
Reserved for fuel system replacement	77,180	-	-	-	77,180
Unreserved	<u>275,085</u>	<u>(1,163,906)</u>	<u>(1,352,593)</u>	<u>2,741,809</u>	<u>500,395</u>
Total fund equity	<u>629,279</u>	<u>(1,163,906)</u>	<u>(1,352,593)</u>	<u>3,943,645</u>	<u>2,056,425</u>
Total liabilities and fund equity	<u>\$ 775,182</u>	<u>\$ 42,248</u>	<u>\$ 41,401</u>	<u>\$ 3,943,645</u>	<u>\$ 4,802,476</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Internal Service Funds
Combining Statement of Revenues, Expenses and
Changes in Retained Earnings (Deficit)
Year ended April 30, 2003

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Health Insurance</u>	<u>Equipment Replacement</u>	<u>Totals</u>
Operating revenues					
Charges for services					
Garage equipment usage	\$ 1,013,570	\$ -	\$ -	\$ -	\$ 1,013,570
Insurance premiums	-	1,290,610	4,179,051	-	5,469,661
Grant proceeds	-	6,567	-	90,000	96,567
Other	-	18,992	1,273	53,757	74,022
Total operating revenues	<u>1,013,570</u>	<u>1,316,169</u>	<u>4,180,324</u>	<u>143,757</u>	<u>6,653,820</u>
Operating expenses					
Personnel services	480,778	118,540	96,037	-	695,355
Supplies	402,574	132	335	-	403,041
Contractual services	115,341	382,487	626,399	-	1,124,227
Other charges and services	104,445	1,179,042	3,249,146	-	4,532,633
Depreciation	54,498	-	-	563,501	617,999
Total operating expenses	<u>1,157,636</u>	<u>1,680,201</u>	<u>3,971,917</u>	<u>563,501</u>	<u>7,373,255</u>
Operating income (loss)	<u>(144,066)</u>	<u>(364,032)</u>	<u>208,407</u>	<u>(419,744)</u>	<u>(719,435)</u>
Nonoperating revenues (expenses)					
Interest income	217	-	-	6,904	7,121
Loss on sale of fixed assets	-	-	-	(14,328)	(14,328)
Total nonoperating revenues (expenses)	<u>217</u>	<u>-</u>	<u>-</u>	<u>(7,424)</u>	<u>(7,207)</u>
NET INCOME (LOSS)	<u>(143,849)</u>	<u>(364,032)</u>	<u>208,407</u>	<u>(427,168)</u>	<u>(726,642)</u>
Other changes in retained earnings					
Add back depreciation charged to contributed capital	<u>20,518</u>	<u>-</u>	<u>-</u>	<u>92,449</u>	<u>112,967</u>
Increase (decrease) in retained earnings	<u>(123,331)</u>	<u>(364,032)</u>	<u>208,407</u>	<u>(334,719)</u>	<u>(613,675)</u>
Retained earnings (deficit)					
May 1, as previously reported	428,524	(793,436)	(1,561,000)	3,076,528	1,150,616
Prior period adjustment (see note 16)	<u>47,072</u>	<u>(6,438)</u>	<u>-</u>	<u>-</u>	<u>40,634</u>
May 1, as restated	<u>475,596</u>	<u>(799,874)</u>	<u>(1,561,000)</u>	<u>3,076,528</u>	<u>1,191,250</u>
April 30	<u>\$ 352,265</u>	<u>\$ (1,163,906)</u>	<u>\$ (1,352,593)</u>	<u>\$ 2,741,809</u>	<u>\$ 577,575</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Internal Service Funds Combining Statement of Cash Flows Year ended April 30, 2003

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Health Insurance</u>	<u>Equipment Replacement</u>	<u>Totals</u>
Cash flows from operating activities					
Operating income (loss)	\$ (144,066)	\$ (364,032)	\$ 208,407	\$ (419,744)	\$ (719,435)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Depreciation	54,498	-	-	563,501	617,999
Change in assets and liabilities					
Accounts receivable	-	23,830	29,379	-	53,209
Due from other funds	-	-	1,378	-	1,378
Inventory	(4,527)	-	-	-	(4,527)
Vouchers and accounts payable	41,240	755	(65,125)	(70,802)	(93,932)
Due to other funds	-	(118,817)	164,245	-	45,428
Compensated absences payable	8,166	2,368	743	-	11,277
Claims payable	-	498,144	(339,027)	-	159,117
Total adjustments	<u>99,377</u>	<u>406,280</u>	<u>(208,407)</u>	<u>492,699</u>	<u>789,949</u>
Net cash provided by (used for) operating activities	<u>(44,689)</u>	<u>42,248</u>	<u>-</u>	<u>72,955</u>	<u>70,514</u>
Cash flows from capital and related financing activities					
Proceeds from sale of fixed assets	-	-	-	17,900	17,900
Fixed assets purchased	-	-	-	(168,154)	(168,154)
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,254)</u>	<u>(150,254)</u>
Cash flows from investing activities					
Sale of investments	-	-	-	100,000	100,000
Interest	217	-	-	12,560	12,777
Net cash provided by investing activities	<u>217</u>	<u>-</u>	<u>-</u>	<u>112,560</u>	<u>112,777</u>
Net increase (decrease) in cash and cash equivalents	(44,472)	42,248	-	35,261	33,037
Cash and cash equivalents May 1	<u>57,691</u>	<u>-</u>	<u>-</u>	<u>27,318</u>	<u>85,009</u>
April 30	<u>\$ 13,219</u>	<u>\$ 42,248</u>	<u>\$ -</u>	<u>\$ 62,579</u>	<u>\$ 118,046</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Fleet Services Fund Schedules of Operating Expenses - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Fleet maintenance services			
Personnel services	\$ 496,470	\$ 480,778	\$ 449,357
Supplies	394,227	402,574	339,475
Contractual services	102,651	115,341	98,232
Other charges and services	<u>104,445</u>	<u>104,445</u>	<u>97,859</u>
	<u>1,097,793</u>	<u>1,103,138</u>	<u>984,923</u>
Depreciation	<u>-</u>	<u>54,498</u>	<u>44,922</u>
Total operating expenses	<u>\$ 1,097,793</u>	<u>\$ 1,157,636</u>	<u>\$ 1,029,845</u>

Village of Downers Grove, Illinois

Risk Management Fund Schedules of Operating Expenses - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Risk management			
Personnel services	\$ 117,640	\$ 118,540	\$ 109,559
Supplies	700	132	410
Contractual services	383,295	382,487	5,413
Other charges and services	<u>665,203</u>	<u>1,179,042</u>	<u>1,170,583</u>
 Total operating expenses	 \$ <u>1,166,838</u>	 \$ <u>1,680,201</u>	 \$ <u>1,285,965</u>

Village of Downers Grove, Illinois

Health Insurance Fund Schedules of Operating Expenses - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Health Insurance			
Personnel services	\$ 95,227	\$ 96,037	\$ 92,393
Supplies	600	335	299
Contractual services	628,846	626,399	500,567
Other charges and services	<u>3,964,543</u>	<u>3,249,146</u>	<u>3,715,452</u>
 Total operating expenses	 \$ <u>4,689,216</u>	 \$ <u>3,971,917</u>	 \$ <u>4,308,711</u>

Village of Downers Grove, Illinois

Equipment Replacement Fund Schedules of Operating Expenses - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Capital outlay	\$ 384,466	\$ -	\$ -
Depreciation	<u>-</u>	<u>563,501</u>	<u>527,046</u>
Total operating expenses	<u>\$ 384,466</u>	<u>\$ 563,501</u>	<u>\$ 527,046</u>

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TRUST AND AGENCY FUNDS

Pension Trust Funds

Police Pension Fund – to account 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 by the Village at amounts determined by an independent actuarial study.

Firefighter's Pension Fund – to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by fire department personnel at rates fixed by law and by the Village at amounts determined by an independent actuarial study.

Agency Funds

Construction Deposits Fund – to account for refundable deposits held by the Village to ensure the satisfactory completion of various construction projects and public improvements. The monies are held by the Village until the projects and/or improvements are completed.

Village of Downers Grove, Illinois

Trust and Agency Funds Combining Balance Sheet April 30, 2003

<u>ASSETS</u>	Pension Trust		Agency	
	Police Pension	Firefighters' Pension	Construction Deposits	Totals
Assets				
Cash and cash equivalents	\$ 5,609,284	\$ 3,498,987	\$ 566,734	\$ 9,675,005
Investments	18,095,968	12,370,152	1,100,000	31,566,120
Receivables				
Accrued interest	-	-	15,423	15,423
Other	500,000	-	-	500,000
	500,000	-	-	500,000
	500,000	-	-	500,000
	500,000	-	-	500,000
	500,000	-	-	500,000
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	500,000	-	-	500,000
	500,000	-		

Village of Downers Grove

Pension Trust Funds Combining Statement of Plan Net Assets April 30, 2003

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
Assets			
Cash and cash equivalents	\$ 5,609,284	\$ 3,498,987	\$ 9,108,271
Investments, at fair value			
U.S. government obligations	14,607,589	10,539,029	25,146,618
Insurance contracts	3,488,379	1,831,123	5,319,502
Total investments	<u>18,095,968</u>	<u>12,370,152</u>	<u>30,466,120</u>
Receivables			
Other	500,000	-	500,000
Total assets	<u>24,205,252</u>	<u>15,869,139</u>	<u>40,074,391</u>
Liabilities			
Vouchers payable	1,092	4,615	5,707
Due to other funds	8	152	160
Total liabilities	<u>1,100</u>	<u>4,767</u>	<u>5,867</u>
Plan net assets held in trust for pension benefits	<u>\$ 24,204,152</u>	<u>\$ 15,864,372</u>	<u>\$ 40,068,524</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Pension Trust Funds Combining Statement of Changes in Plan Net Assets Year ended April 30, 2003

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - employer's	\$ 610,985	\$ 1,075,993	\$ 1,686,978
Contributions - employees'	480,035	419,487	899,522
Investment income			
Net appreciation (depreciation) in fair value of investments	(449,194)	134,260	(314,934)
Interest earned on investments	363,684	320,706	684,390
Miscellaneous income	2,523	-	2,523
Total additions	1,008,033	1,950,446	2,958,479
Deductions			
Other charges and services	14,149	24,139	38,288
Benefits and refunds	1,402,388	818,260	2,220,648
Total deductions	1,416,537	842,399	2,258,936
Net increase (decrease)	(408,504)	1,108,047	699,543
Plan net assets held in trust for pension benefits			
May 1	24,612,656	14,756,325	39,368,981
April 30	\$ 24,204,152	\$ 15,864,372	\$ 40,068,524

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Agency Funds Statement of Changes in Assets and Liabilities Year ended April 30, 2003

	<u>Construction Deposits Fund</u>			
	<u>Balances May 1</u>	<u>Additions</u>	<u>Deductions</u>	
Assets				
Cash and cash equivalents	\$ 356,025	\$ 3,865,371	\$ 3,654,662	\$ 566,734
Investments	1,300,000	1,300,000	1,500,000	1,100,000
Receivables				
Accrued interest	<u>13,759</u>	<u>15,423</u>	<u>13,759</u>	<u>15,423</u>
Total assets	<u>\$ 1,669,784</u>	<u>\$ 5,180,794</u>	<u>\$ 5,168,421</u>	<u>\$ 1,682,157</u>
Liabilities				
Vouchers payable	\$ 15,775	\$ 1,667,033	\$ 1,679,333	\$ 3,475
Deposits payable	<u>1,654,009</u>	<u>1,712,318</u>	<u>1,687,645</u>	<u>1,678,682</u>
Total liabilities	<u>\$ 1,669,784</u>	<u>\$ 3,379,351</u>	<u>\$ 3,366,978</u>	<u>\$ 1,682,157</u>

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Police Pension Fund Statements of Changes in Plan Net Assets - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Additions			
Contributions - employer's	\$ 600,500	\$ 610,985	\$ 275,792
Contributions - employees'	485,000	480,035	571,215
Investment income			
Net appreciation (depreciation) in fair value of investments	-	(449,194)	132,979
Interest earned on investments	1,964,737	363,684	297,044
Miscellaneous income	-	2,523	257
Total additions	3,050,237	1,008,033	1,277,287
Operating expenses			
Other charges and services	16,900	14,149	26,412
Benefits and refunds	1,400,106	1,402,388	1,197,433
Total deductions	1,417,006	1,416,537	1,223,845
Net increase (decrease)	\$ 1,633,231	(408,504)	53,442
Plan net assets held in trust for pension benefits			
May 1		24,612,656	24,559,214
April 30		\$ 24,204,152	\$ 24,612,656

The accompanying notes are an integral part of this statement.

Village of Downers Grove, Illinois

Firefighters' Pension Fund Statements of Changes in Plan Net Assets - Budget and Actual Year ended April 30, 2003 and Actual Only for 2002

	2003		2002
	Budget	Actual	Actual
Additions			
Contributions - employer's	\$ 1,066,412	\$ 1,075,993	\$ 936,147
Contributions - employees'	473,000	419,487	390,523
Investment income			
Net appreciation (depreciation) in fair value of investments	-	134,260	(59,460)
Interest earned on investments	1,278,750	320,706	258,232
Total additions	2,818,162	1,950,446	1,525,442
Operating expenses			
Other charges and services	24,385	24,139	20,234
Benefits and refunds	818,432	818,260	795,270
Total deductions	842,817	842,399	815,504
Net increase	\$ 1,975,345	1,108,047	709,938
Plan net assets held in trust for pension benefits			
May 1		14,756,325	14,046,387
April 30		\$ 15,864,372	\$ 14,756,325

The accompanying notes are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in Proprietary Fund operations or accounted for in Trust Funds.

Village of Downers Grove, Illinois

General Fixed Assets Account Group Schedule of General Fixed Assets - By Source April 30, 2003

GENERAL FIXED ASSETS

Land	\$ 13,906,720
Buildings and improvements	22,521,129
Automotive equipment	1,822,620
Machinery and equipment	4,624,991
Office equipment	<u>3,635,898</u>
	\$ <u>46,511,358</u>

INVESTMENTS IN GENERAL FIXED ASSETS

General obligation bonds	\$ 11,245,000
General revenues	34,885,058
Grants and donations	<u>381,300</u>
	\$ <u>46,511,358</u>

Village of Downers Grove, Illinois

General Fixed Assets Account Group Schedule of General Fixed Assets - By Function and Activity April 30, 2003

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Automotive Equipment</u>	<u>Machinery and Equipment</u>	<u>Office Equipment</u>	<u>Totals</u>
General Government	\$ 752,006	\$ 8,156,510	\$ 31,483	\$ 963,006	\$ 2,493,054	\$ 12,396,059
Public works	-	1,481,840	20,000	520,212	146,974	2,169,026
Public safety	5,066,482	1,989,241	1,766,178	2,648,317	557,727	12,027,945
Health and human resources	16,155	81,952	-	77,227	36,792	212,126
Real estate	2,101,012	250,227	4,959	11,671	2,128	2,369,997
Public library	384,232	10,151,025	-	404,558	399,223	11,339,038
Property acquisition	<u>5,586,833</u>	<u>410,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,997,167</u>
	<u>\$ 13,906,720</u>	<u>\$ 22,521,129</u>	<u>\$ 1,822,620</u>	<u>\$ 4,624,991</u>	<u>\$ 3,635,898</u>	<u>\$ 46,511,358</u>

Village of Downers Grove, Illinois

General Fixed Assets Account Group Schedule of Changes in General Fixed Assets - By Function and Activity Year ended April 30, 2003

<u>Function and Activity</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
General government	\$ 10,881,648	\$ 1,514,411	\$ -	\$ 12,396,059
Public works	1,424,089	744,937	-	2,169,026
Public safety	11,882,739	230,206	85,000	12,027,945
Health and human resources	212,126	-	-	212,126
Real estate	919,670	1,523,475	73,148	2,369,997
Public library	11,223,072	115,966	-	11,339,038
Property acquisition	<u>4,096,908</u>	<u>1,900,259</u>	<u>-</u>	<u>5,997,167</u>
	<u>\$ 40,640,252</u>	<u>\$ 6,029,254</u>	<u>\$ 158,148</u>	<u>\$ 46,511,358</u>

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SUPPLEMENTAL DATA

Village of Downers Grove, Illinois

Schedule of Insurance in Force

April 30, 2003

<u>Insurance Company</u>	<u>Term</u>	<u>Description of Coverage</u>
Travelers	05/01/02 - 04/30/03	All Risk Property \$53,000,000 Excess of \$25,000
Sirpro/Kemper	05/01/02 - 04/30/03	Excess GL/Auto Excess up to \$5,000,000
Commonwealth	05/01/02 - 04/30/03	Excess GL/Auto \$5,000,000 Excess after the 1st Layer \$5,000,000
Evanston	05/01/02 - 04/30/03	Excess GL/Auto \$5,000,000 Excess after the 2nd Layer \$5,000,000
Gulf	05/01/02 - 04/30/03	Excess GL/Auto \$10,000,000 Excess after the 3rd Layer \$10,000,000
Safety National	05/01/02 - 04/30/03	Workers' Compensation Full Statutory Benefits \$2,000,000 Excess of \$750,000
AIG	05/01/02 - 04/30/03	Crime/Fidelity \$1,000,000 Excess of \$10,000

Village of Downers Grove, Illinois

Long-Term Debt Requirements General Obligation Bonds, Series of 1996 April 30, 2003

Date of Issue	October 1, 1996	
Date of Maturity	January 1, 2017	
Authorized Issue	\$8,175,000	
Denomination of Bonds	\$5,000	
Interest Rates	326 - 392	4.75 %
	393 - 462	4.85
	463 - 532	4.90
	533 - 607	5.05
	608 - 689	5.15
	690 - 773	5.20
	774 - 862	5.30
	863 - 956	5.35
	957 - 1054	5.40
	1055 - 1158	5.45
	1159 - 1267	5.50
	1268 - 1382	5.55
	1383 - 1504	5.60
	1505 - 1635	5.60
Interest Dates	July 1 and January 1	
Principal Maturity Dates	January 1	
Payable at	American National Bank	

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 1996
April 30, 2003

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due On			
		Principal	Interest	Totals	July 1	Amount	January 1	Amount
2003	326 - 392	\$ 335,000	\$ 348,072	\$ 683,072	2003 \$	174,036	2003 \$	174,036
2004	393 - 462	350,000	332,160	682,160	2004	166,080	2004	166,080
2005	463 - 532	365,000	315,184	680,184	2005	157,592	2005	157,592
2006	533 - 607	385,000	297,300	682,300	2006	148,650	2006	148,650
2007	608 - 689	400,000	277,858	677,858	2007	138,929	2007	138,929
2008	690 - 773	420,000	257,258	677,258	2008	128,629	2008	128,629
2009	774 - 862	445,000	235,418	680,418	2009	117,709	2009	117,709
2010	863 - 956	470,000	211,832	681,832	2010	105,916	2010	105,916
2011	957 - 1054	490,000	186,688	676,688	2011	93,344	2011	93,344
2012	1055 - 1158	520,000	160,228	680,228	2012	80,114	2012	80,114
2013	1159 - 1267	545,000	131,886	676,886	2013	65,943	2013	65,943
2014	1268 - 1382	575,000	101,912	676,912	2014	50,956	2014	50,956
2015	1383 - 1504	610,000	70,000	680,000	2015	35,000	2015	35,000
2016	1505 - 1635	640,000	35,840	675,840	2016	17,920	2016	17,920
		<u>\$ 6,550,000</u>	<u>\$ 2,961,636</u>	<u>\$ 9,511,636</u>		<u>\$ 1,480,818</u>		<u>\$ 1,480,818</u>

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 1998
April 30, 2003

Date of Issue	October 1, 1998	
Date of Maturity	January 1, 2014	
Authorized Issue	\$3,000,000	
Denomination of Bonds	\$5,000	
Interest Rates	001 - 264	3.70 %
	265 - 306	3.80
	307 - 394	3.90
	395 - 600	4.00
Interest Dates	July 1 and January 1	
Principal Maturity Dates	January 1	
Payable at	American National Bank	

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 1998
April 30, 2003

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due On			
		Principal	Interest	Totals	July 1	Amount	January 1	Amount
2003	111 - 146	\$ 175,000	\$ 93,706	\$ 268,706	2003	\$ 46,853	2003	\$ 46,853
2004	147 - 183	180,000	87,230	267,230	2004	43,615	2004	43,615
2005	184 - 222	190,000	80,570	270,570	2005	40,285	2005	40,285
2006	223 - 263	200,000	73,540	273,540	2006	36,770	2006	36,770
2007	264 - 306	210,000	66,140	276,140	2007	33,070	2007	33,070
2008	307 - 350	215,000	58,160	273,160	2008	29,080	2008	29,080
2009	351 - 396	225,000	49,776	274,776	2009	24,888	2009	24,888
2010	397 - 445	240,000	41,000	281,000	2010	20,500	2010	20,500
2011	446 - 496	250,000	31,400	281,400	2011	15,700	2011	15,700
2012	497 - 549	260,000	21,400	281,400	2012	10,700	2012	10,700
2013	550 - 600	275,000	11,000	286,000	2013	5,500	2013	5,500
		<u>\$ 2,420,000</u>	<u>\$ 613,922</u>	<u>\$ 3,033,922</u>		<u>\$ 306,961</u>		<u>\$ 306,961</u>

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 1999
April 30, 2003

Date of Issue	July 1, 1999	
Date of Maturity	January 1, 2019	
Authorized Issue	\$6,500,000	
Denomination of Bonds	\$5,000	
Interest Rates	015 - 024	5.50 %
	025 - 038	5.50
	039 - 056	5.50
	057 - 075	4.70
	076 - 101	4.70
	102 - 140	4.80
	141 - 190	4.90
	191 - 254	4.95
	255 - 324	5.00
	325 - 404	5.00
	405 - 494	5.05
	495 - 614	5.05
	615 - 756	5.15
	757 - 916	5.20
	917 - 1100	5.25
	1101 - 1300	5.25
Interest Dates	July 1 and January 1	
Principal Maturity Dates	January 1	
Payable at	Downers Grove National Bank	

Village of Downers Grove, Illinois

Long-Term Debt Requirements General Obligation Bonds, Series of 1999 April 30, 2003

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due On			
		Principal	Interest	Totals	July 1	Amount	January 1	Amount
2003	015 - 024	\$ 50,000	\$ 329,065	\$ 379,065	2003 \$	164,532	2004 \$	164,533
2004	025 - 038	70,000	326,315	396,315	2004	163,158	2005	163,157
2005	039 - 056	90,000	322,465	412,465	2005	161,233	2006	161,232
2006	057 - 075	95,000	317,515	412,515	2006	158,758	2007	158,757
2007	076 - 101	130,000	313,050	443,050	2007	156,525	2008	156,525
2008	102 - 140	195,000	306,940	501,940	2008	153,470	2009	153,470
2009	141 - 190	250,000	297,580	547,580	2009	148,790	2010	148,790
2010	191 - 254	320,000	285,330	605,330	2010	142,665	2011	142,665
2011	255 - 324	350,000	269,490	619,490	2011	134,745	2012	134,745
2012	325 - 404	400,000	251,990	651,990	2012	125,995	2013	125,995
2013	405 - 494	450,000	231,990	681,990	2013	115,995	2014	115,995
2014	495 - 614	600,000	209,265	809,265	2014	104,633	2015	104,632
2015	615 - 756	710,000	178,965	888,965	2015	89,483	2016	89,482
2016	757 - 916	800,000	142,400	942,400	2016	71,200	2017	71,200
2017	917 - 1100	920,000	100,800	1,020,800	2017	50,400	2018	50,400
2018	1101 - 1300	1,000,000	52,500	1,052,500	2018	26,250	2019	26,250
		<u>\$ 6,430,000</u>	<u>\$ 3,935,660</u>	<u>\$ 10,365,660</u>		<u>\$ 1,967,832</u>		<u>\$ 1,967,828</u>

Village of Downers Grove, Illinois

Long-Term Debt Requirements General Obligation Bonds, Series of 2000 April 30, 2003

Date of Issue	May 1, 2000	
Date of Maturity	January 1, 2020	
Authorized Issue	\$6,200,000	
Denomination of Bonds	\$5,000	
Interest Rates	018-029	6.00 %
	030-041	6.00
	042-056	6.00
	057-063	6.00
	064-080	6.00
	081-109	6.00
	110-143	6.00
	144-188	6.00
	189-241	5.70
	242-305	5.38
	306-378	5.40
	379-478	5.40
	479-598	5.50
	599-732	5.50
	733-892	5.63
	893-1059	5.63
	1060-1240	5.70
Interest Dates	July 1 and January 1	
Principal Maturity Dates	January 1	
Payable at	The Northern Trust Company	

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 2000
April 30, 2003

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due On			
		Principal	Interest	Totals	July 1	Amount	January 1	Amount
2003	018-029	\$ 60,000	\$ 343,720	\$ 403,720	2003	\$ 171,860	2004	\$ 171,860
2004	030-041	60,000	340,120	400,120	2004	170,060	2005	170,060
2005	042-056	75,000	336,520	411,520	2005	168,260	2006	168,260
2006	057-063	35,000	332,020	367,020	2006	166,010	2007	166,010
2007	064-080	85,000	329,920	414,920	2007	164,960	2008	164,960
2008	081-109	145,000	324,820	469,820	2008	162,410	2009	162,410
2009	110-143	170,000	316,120	486,120	2009	158,060	2010	158,060
2010	144-188	225,000	305,920	530,920	2010	152,960	2011	152,960
2011	189-241	265,000	292,420	557,420	2011	146,210	2012	146,210
2012	242-305	320,000	277,314	597,314	2012	138,657	2013	138,657
2013	306-378	365,000	260,114	625,114	2013	130,057	2014	130,057
2014	379-478	500,000	240,404	740,404	2014	120,202	2015	120,202
2015	479-598	600,000	213,404	813,404	2015	106,702	2016	106,702
2016	599-732	670,000	180,404	850,404	2016	90,202	2017	90,202
2017	733-892	800,000	143,554	943,554	2017	71,777	2018	71,777
2018	893-1059	835,000	98,554	933,554	2017	49,277	2018	49,277
2019	1060-1240	905,000	51,586	956,586	2018	25,793	2019	25,793
		<u>\$ 6,115,000</u>	<u>\$ 4,386,914</u>	<u>\$ 10,501,914</u>		<u>\$ 2,193,457</u>		<u>\$ 2,193,457</u>

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 2001
April 30, 2003

Date of Issue	August 1, 2001	
Date of Maturity	January 1, 2021	
Authorized Issue	\$6,000,000	
Denomination of Bonds	\$5,000	
Interest Rates	001-020	4.500 %
	021-072	4.750
	073-356	5.000
	357-662	5.125
	663-1200	5.000
Interest Dates	July 1 and January 1	
Principal Maturity Dates	January 1	
Payable At	The Northern Trust Company	

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 2001
April 30, 2003

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due On			
		Principal	Interest	Totals	July 1	Amount	January 1	Amount
2003	-	\$ -	\$ 300,762	\$ 300,762	2003	\$ 150,381	2004	\$ 150,381
2004	-	-	300,762	300,762	2004	150,381	2005	150,381
2005	-	-	300,762	300,762	2005	150,381	2006	150,381
2006	001-008	40,000	300,762	340,762	2006	150,381	2007	150,381
2007	009-016	40,000	298,962	338,962	2007	149,481	2008	149,481
2008	017-020	20,000	297,162	317,162	2008	148,581	2009	148,581
2009	021-032	60,000	296,262	356,262	2009	148,131	2010	148,131
2010	033-045	65,000	293,412	358,412	2010	146,706	2011	146,706
2011	046-072	135,000	290,326	425,326	2011	145,163	2012	145,163
2012	073-109	185,000	283,912	468,912	2012	141,956	2013	141,956
2013	110-160	255,000	274,662	529,662	2013	137,331	2014	137,331
2014	161-190	150,000	261,912	411,912	2014	130,956	2015	130,956
2015	191-217	135,000	254,414	389,414	2015	127,207	2016	127,207
2016	218-256	195,000	247,662	442,662	2016	123,831	2017	123,831
2017	257-292	180,000	237,916	417,916	2017	118,958	2018	118,958
2018	293-356	320,000	228,914	548,914	2018	114,457	2019	114,457
2019	357-662	1,530,000	212,912	1,742,912	2019	106,456	2020	106,456
2020	663-1200	2,690,000	134,500	2,824,500	2020	67,250	2021	67,250
		<u>\$ 6,000,000</u>	<u>\$ 4,815,976</u>	<u>\$ 10,815,976</u>		<u>\$ 2,407,988</u>		<u>\$ 2,407,988</u>

Village of Downers Grove, Illinois

Long-Term Debt Requirements General Obligation Bonds, Series of 2001A April 30, 2003

Date of Issue	December 27, 2001	
Date of Maturity	January 1, 2012	
Authorized Issue	\$4,000,000	
Denomination of Bonds	\$5,000	
Interest Rates	001-045	2.75 %
	046-118	2.85
	119-193	3.30
	194-270	3.70
	271-350	4.00
	351-433	4.15
	434-519	4.30
	520-609	4.45
	610-703	4.55
	704-800	4.60
Interest Dates	July 1 and January 1	
Principal Maturity Dates	January 1	
Payable At	The Northern Trust Company	

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 2001A
April 30, 2003

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due On			
		Principal	Interest	Totals	July 1	Amount	January 1	Amount
2003	018-029	\$ 365,000	\$ 152,456	\$ 517,456	2003 \$	76,228	2004 \$	76,228
2004	030-041	375,000	142,052	517,052	2004	71,026	2005	71,026
2005	042-056	385,000	129,678	514,678	2005	64,839	2006	64,839
2006	057-063	400,000	115,432	515,432	2006	57,716	2007	57,716
2007	064-080	415,000	99,432	514,432	2007	49,716	2008	49,716
2008	081-109	430,000	82,210	512,210	2008	41,105	2009	41,105
2009	110-143	450,000	63,720	513,720	2009	31,860	2010	31,860
2010	144-188	470,000	43,696	513,696	2010	21,848	2011	21,848
2011	189-241	485,000	22,310	507,310	2011	11,155	2012	11,155
		\$ <u>3,775,000</u>	\$ <u>850,986</u>	\$ <u>4,625,986</u>		\$ <u>425,493</u>		\$ <u>425,493</u>

Village of Downers Grove, Illinois

Long-Term Debt Requirements General Obligation Bonds, Series of 2002 April 30, 2003

Date of Issue	August 1, 2002	
Date of Maturity	January 1, 2021	
Authorized Issue	\$6,000,000	
Denomination of Bonds	\$5,000	
Interest Rates	001-059	3.500 %
	060-119	4.000
	120-143	4.500
	144-233	4.000
	234-304	4.150
	305-348	4.250
	349-460	4.350
	461-597	4.450
	598-763	4.550
	764-959	4.600
	960-1200	4.750
Interest Dates	July 1 and January 1	
Principal Maturity Dates	January 1	
Payable At	The Northern Trust Company	

Village of Downers Grove, Illinois

Long-Term Debt Requirements
General Obligation Bonds, Series of 2002
April 30, 2003

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due On			
		Principal	Interest	Totals	July 1	Amount	January 1	Amount
2004	-	\$ -	\$ 264,732	\$ 264,732	2003	\$ 132,366	2004	\$ 132,366
2005	-	-	264,733	264,733	2004	132,367	2005	132,367
2006	-	-	264,733	264,733	2005	132,367	2006	132,367
2007	001-021	105,000	264,732	369,732	2006	132,366	2007	132,366
2008	022-059	190,000	261,058	451,058	2007	130,529	2008	130,529
2009	060-079	100,000	264,407	364,407	2008	132,204	2009	132,204
2010	080-099	100,000	250,408	350,408	2009	125,204	2010	125,204
2011	100-119	100,000	246,407	346,407	2010	123,204	2011	123,204
2012	120-143	120,000	242,408	362,408	2011	121,204	2012	121,204
2013	144-180	185,000	237,007	422,007	2012	118,504	2013	118,504
2014	181-233	265,000	229,608	494,608	2013	114,804	2014	114,804
2015	234-304	355,000	219,007	574,007	2014	109,504	2015	109,504
2016	305-348	220,000	204,275	424,275	2015	102,138	2016	102,138
2017	349-460	560,000	194,925	754,925	2016	97,463	2017	97,463
2018	461-597	685,000	170,565	855,565	2017	85,283	2018	85,283
2019	598-763	830,000	140,083	970,083	2018	70,042	2019	70,042
2020	764-959	980,000	102,317	1,082,317	2019	51,159	2020	51,159
2021	960-1200	1,205,000	57,238	1,262,238	2020	28,619	2021	28,619
		<u>\$ 6,000,000</u>	<u>\$ 3,878,643</u>	<u>\$ 9,878,643</u>	<u>\$ 1,939,322</u>		<u>\$ 1,939,322</u>	

Village of Downers Grove, Illinois

Long-Term Debt Requirements
Taxable General Obligation Bonds, Series of 2003
April 30, 2003

Date of Issue	January, 21 2003
Date of Maturity	February 1, 2005
Authorized Issue	\$4,500,000
Denomination of Bonds	Minimum denomination of \$100,000 and integral multiples of \$5,000 above the minimum denomination
Interest Rate	Six month LIBOR plus .65%, not to exceed 18% per annum
Interest Dates	February 1 and August 1
Principal Maturity Date	February 1, 2005
Payable at	The Northern Trust Company

Village of Downers Grove, Illinois

Long-Term Debt Requirements
Taxable General Obligation Bonds, Series of 2003
April 30, 2003

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due On			
		Principal	Interest*	Totals	Aug 1	Amount	Feb 1	Amount
2004	-	\$ -	\$ 87,300	\$ 87,300	2003	\$ 43,650	2004	\$ 43,650
2005	All	<u>4,500,000</u>	<u>87,300</u>	<u>4,587,300</u>	2004	<u>43,650</u>	2005	<u>43,650</u>
		<u>\$ 4,500,000</u>	<u>\$ 174,600</u>	<u>\$ 4,674,600</u>		<u>\$ 87,300</u>		<u>\$ 87,300</u>

* Interest calculated by using 1.94% (the six month LIBOR at April 30, 2003 plus .65%)

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