



Village of Lemont, Illinois



Comprehensive Annual Financial Report

For the Year Ended
April 30, 2007

VILLAGE OF LEMONT, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED APRIL 30, 2007

Submitted by:
Jean M. Nona
Treasurer

**VILLAGE OF LEMONT, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED APRIL 30, 2007**

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INTRODUCTORY SECTION

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Village of Lemont

418 Main Street • Lemont, Illinois 60439

Village of Faith

October 26, 2007

Mayor
John F. Piazza

Village Clerk
Charlene M. Smollen

Trustees
Debby Blatzer
Peter Coules
Clifford Miklos
Brian Reaves
Ronald Stapleton
Jeanette Virgilio

Administrator
Gary C. Holmes

Administration
phone (630) 257-1590
fax (630) 243-0958

Building Department
phone (630) 257-1580
fax (630) 257-1598

Community Development
phone (630) 257-1595
fax (630) 257-1598

Engineering Department
phone (630) 257-2532
fax (630) 257-3068

Finance Department
phone (630) 257-1550
fax (630) 257-1598

Police Department
416 Main Street
phone (630) 257-2229
fax (630) 257-5087

Public Works
16680 New Avenue
phone (630) 257-2532
fax (630) 257-3068

www.lemont.il.us

Honorable Mayor and Board of Trustees
Village of Lemont
Lemont, Illinois 60439

The Comprehensive Annual Financial Report of the Village of Lemont for the fiscal year ended April 30, 2007, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Village of Lemont. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

This report includes all funds of the Village. The Village provides a full range of public services, including police protection, community planning and zoning, building and code enforcement, street building and maintenance, traffic management, street lighting, storm water management, and emergency disaster management. In addition, water and sewer services are provided under an Enterprise Fund procedure, with user charges and facility improvement fees set by the Village Board to ensure adequate coverage of operating expenses, payments on outstanding debt, and prudent system expansion and improvement. Equipment maintenance of the Village's rolling stock and minor plant equipment is provided through the Vehicle division of the Public Works Department. The Building and Grounds Division of the Building Department manage municipal buildings and properties. The Village has direct responsibility for each operation listed above.

The Lemont Fire Protection District, Lemont Community Library District, Lemont Park District, Lemont-Bromberek Combined School District 113A, and Lemont Township High School District 210 are not included in the accompanying financial statement because they are autonomous units of special district government and each district has a separately elected Board of Trustees and files individual public audit statements.

ECONOMIC CONDITION AND OUTLOOK

LOCATION:

The Village of Lemont is strategically located 28 miles southwest of Chicago and encompasses approximately 7.12 square miles. It is encompassed by I-55 4 miles to the north, Illinois Route 171 crosses the south side of the Village, Illinois Route 83 passes just to the east and in November 2007, an I-355 extension will be completed and edge the Village on the west. Commuter rail service is provided by METRA, a division of the Regional Transportation Authority, which maintains a commuter rail station at Main & Lockport Streets in the Village. This area of Illinois, commonly referred to as "The Southwest Suburbs", is one of the fastest growing areas not only in Illinois, but the country. The 2004 special census established the population at 15,614, a 19.2% increase since the 2000 census of 13,098. An additional special census later in 2007 is expected to show an increase of an additional 1,000 residents.

ECONOMIC CONDITION:

Lemont is considered a premier community in Cook County and the southwest metropolitan region, with an estimated average home value of \$346,100 in 2005 based upon home sales data reviewed for the past year. Median home values average 10 to 30 percent higher than median homes in neighboring communities. Median age is 38.3 in 2000 according to the Census report. The median family income is \$75,200.

Lemont's property tax levy in Cook County is \$6.052 per \$100 of assessed value for 2005. This is a decrease from \$8.749 in 1998. With the state tax cap limiting tax revenue increases to the local CPI rate, reliance upon property taxes for operating revenue has decreased, as Lemont continues to experience a growth in sales tax and development related revenues.

The Illinois Department of Employment Security does not report unemployment for Lemont. However, Cook County had an unemployment rate of 4.9%, which is less than the rate the past seven years, but is in line with the state average given the current economic conditions. Lemont's largest employer is Argonne National Laboratory, employing approximately 4,000 persons. Additionally, Lemont's schools, retail establishments, nursing homes and industry employ another 2,500 persons.

ECONOMIC OUTLOOK:

Lemont continues to enjoy a healthy economic boon. The balance of a strong residential, commercial and industrial growth rate continues to improve the quality of development within the community while providing funding in the form of property tax, sales tax, state shared revenues and development fees. Sales tax figures have stabilized but should steadily increase with the build out of the Front Street Lofts project. This mixed use development in the heart of downtown will offer 24,000 square feet of retail space. Olde Towne Square, another residential/commercial development, will add another 7,500 square feet of retail. Lemont Village Square (State & 127th Street) and Derby Plaza (McCarthy & Derby Road) will bolster sales tax with approximately 80,000 square feet of retail when built out.

Second only to sales tax and state shared revenues, development fees continue to grow in line with increased commercial and residential development trends. In fact, the grouping of all development related fees (permits, licensing and impact fees) would easily represent the single greatest revenue source to the Village, exceeding even sales tax collections.

Residential growth continues to remain strong with quality development standards allowing the growth rate to remain 'controlled'. Commercial development continues to be very strong in the area of retail sales and office space. The Village is marketing (5) areas in the community where commercial/light industrial development is slated over the next 2-3 years.

GOALS/INITIATIVES

The I – 355 south extension project continues to loom as the largest infrastructure project in the Lemont area. This \$750 million project is to be constructed with bond funds and toll revenues administered by the Illinois Tollway. Village officials and staff are working hand-in-hand with Tollway officials on this massive project to assure the impact to our community is minimized. The Tollway is scheduled to open in November, 2007.

The Village will receive grant funds through the Southwest Council of Mayors for engineering and construction of the 127th Street improvements. A grant from the Illinois Department of Natural Resources has been approved for the Castle Bowl Reservoir project to prevent localized flooding in the downtown.

Utility infrastructure improvements continue to be a top priority within the Village. Two water main extensions and the completion of a new well #6 will enhance the existing water system. Utility upgrades were completed for the River Road and Front Street projects. The sanitary and water main has been extended along 131st Street that will provide utilities to a new subdivision and open up the corridor for future annexations.

FINANCIAL INFORMATION

The Village Treasurer and Village Administrator are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Village 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. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance 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.

BUDGETING CONTROLS:

In addition to established audit procedures, the Village maintains budgetary controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Village's governing body. Activities of the general fund, special revenue funds and debt service fund are included in the annual appropriated budget, as well as project-length appropriations being adopted for the capital projects funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established within each individual fund. The Village maintains an encumbered amounts lapse at year end. However, all necessary encumbrances are re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management. More importantly, the Village's commitment to fiscal year capital savings as part of a short- and long-term capital improvement plan signals that Lemont's fiscal integrity should remain solid in the future.

GENERAL GOVERNMENT FUNCTIONS:

The Village has previously implemented a new financial reporting model as required by the Governmental Accounting Standards Board (GASB) Statement No. 34.

The Management Discussion and Analysis (MD&A) section, provides an analysis of the Village of Lemont's overall assets, liabilities, net assets/fund balances, revenues and expenditures. The MD&A can be found on pages xiii - xxiii this report.

As part of the GASB 34 requirements, the Village has inventoried the infrastructure of the Village including streets, curb and gutters, sidewalks, storm sewers, streetlights, and right-of-ways and established a date of service and a cost value. This value along with the cost of the land, buildings and improvements, vehicles, and equipment are included in the Village's Statement of Net Assets. The assets are then depreciated and the depreciation expense charged to the various governmental activities.

CASH MANAGEMENT:

Investment policies that were implemented in previous years have continued to improve the earnings of temporarily idle funds. Monitoring of revenues and expenditures on a monthly basis allows the Village to realize favorable returns on its investments. Cash receipts are deposited directly into the Illinois Funds. After reviewing the cash flow, excess funds are invested in the Illinois Metropolitan Investment Fund, the LaSalle Bank Government Cash Investment Fund or the Illinois Funds.

The Village's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, all the Village's deposits were either insured by federal depository insurance or collateralized.

RISK MANAGEMENT:

For the past fifteen years, the Village has been part of a risk management group of eighty-eight communities in the area known as the Intergovernmental Risk Management Agency (IRMA) for our property, liability, and workmen's compensation insurance. The group pools their funds for self-insurance of the small claims and purchases third-party coverage for large losses. As a part of the Comprehensive Insurance Plan, various measures are taken to define hazardous conditions, learn and practice safety control and loss of prevention in an effort to minimize related losses.

PENSION TRUST FUND:

The Police Pension Trust Fund was established for the sworn personnel of the Police Department. Eight members of the fund are retired on a service pension and twenty-nine members are contributing to the fund. The Fund is governed by a Board consisting of two members appointed by the Village President, two members, who are active participants of the fund and elected by the active participants of the fund, and one member who is elected by and from among the beneficiaries of the Fund. The Board meets quarterly, and additionally as needed, and invests all funds within a "Prudent Person" standard.

OTHER INFORMATION

INDEPENDENT AUDIT:

State statutes require an annual audit by independent certified public accountants. The accounting firm of Mulcahy, Pauritsch, Salvador & Co., Ltd. was selected by the Village Board to perform the audit in conformance with the requirements set forth in Illinois Compiled Statutes. The independent auditor's report on the combined financial statements and combining, individual fund statements and schedules is included in the financial section of this report.

ACKNOWLEDGMENTS:

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Village of Lemont. In addition, the firm of Mulcahy, Pauritsch, Salvador & Co., Ltd. made substantial contributions by way of consulting on, and interpretations of, recent pronouncements.

Our appreciation is sincerely expressed to the Village President and Board of Trustees for their foresight and contribution of support for this CAFR, and for their responsible and progressive approach that contributes to the financial strength of the Village of Lemont.

Respectfully submitted,

Village of Lemont, Illinois

Principal Officials
April 30, 2007

LEGISLATIVE

John F. Piazza, Mayor

Trustees

Debby Blatzer	Ronald Stapleton
Brian Reaves	Clifford Miklos
Peter Coules	Jeanette Virgilio

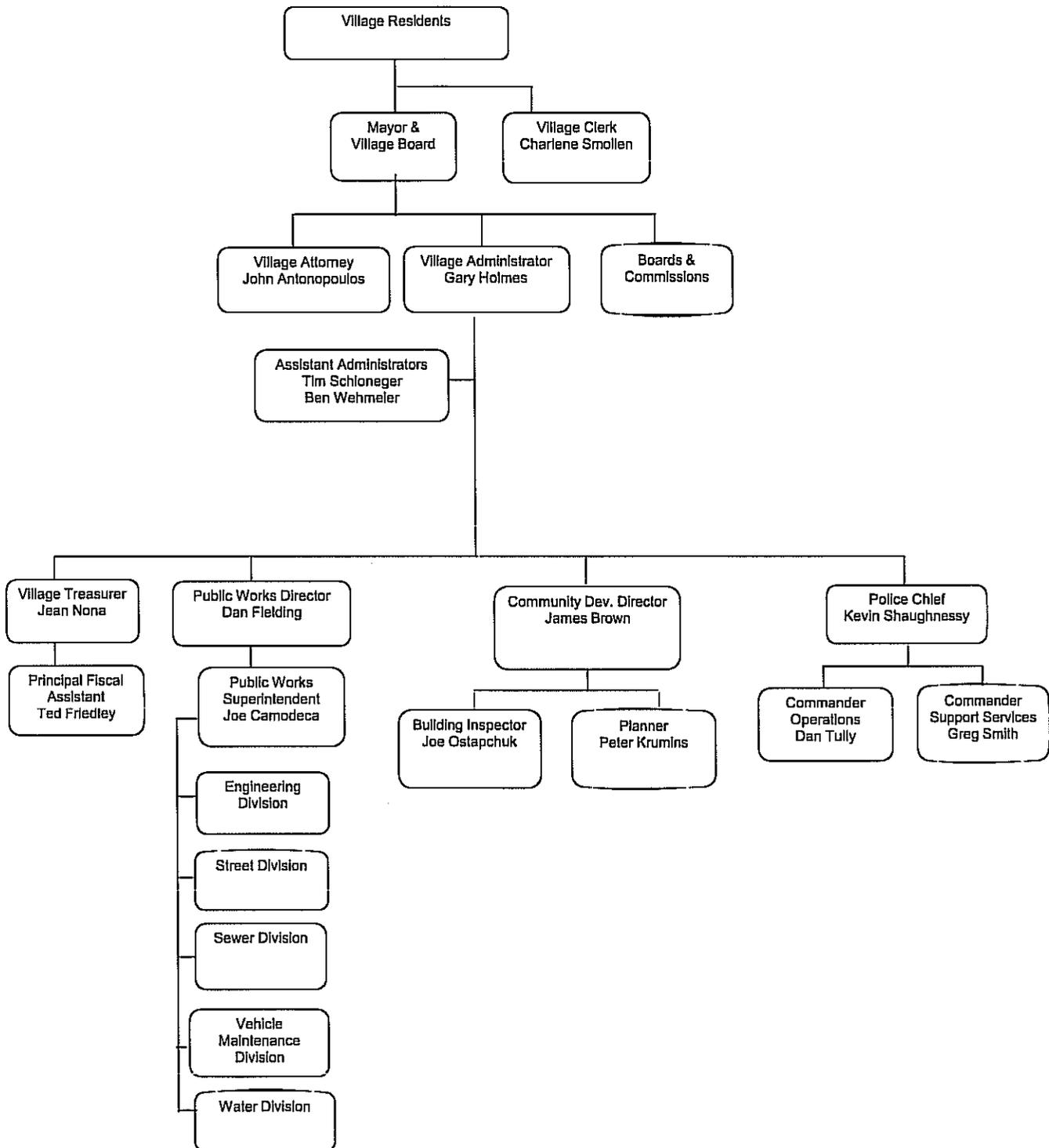
ADMINISTRATIVE

Village Clerk – Charlene Smollen

Village Administrator – Gary Holmes

Village Treasurer – Jean Nona

VILLAGE OF LEMONT ORGANIZATIONAL CHART



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FINANCIAL SECTION

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To the Mayor and Members of the Board of Trustees
Village of Lemont, Illinois

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the fiduciary fund of the Village of Lemont, Illinois as of and for the year then ended April 30, 2007, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the fiduciary fund of the Village of Lemont, Illinois as of April 30, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2007, on our consideration of the internal control over financial reporting of the Village of Lemont, Illinois and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



The management's discussion and analysis, budgetary comparison information and other required supplementary information on pages xiii through xxiii and 44 through 49, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the management's discussion and analysis and other required supplementary information. However, we did not audit this information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Lemont, Illinois. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Mulcahy, Pauritsch, Salvador & Co. LTD

October 26, 2007
Orland Park, Illinois

To the Mayor and Members of the Board of Trustees
Village of Lemont, Illinois

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the fiduciary fund of the Village of Lemont, Illinois as of and for the year ended April 30, 2007, which collectively comprise the basic financial statements of the Village of Lemont, Illinois, and have issued our report thereon dated October 26, 2007. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Village's financial statements that is more than inconsequential will not be prevented or detected by the Village's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of the Village of Lemont, Illinois are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain immaterial instances of noncompliance that we have reported to management of the Village of Lemont, Illinois in a separate letter dated October 26, 2007.

This report is intended solely for the information of management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mulcahy, Pawritsch, Salvador & Co. LTD

October 26, 2007
Orland Park, Illinois

MANAGEMENT DISCUSSION AND ANALYSIS

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VILLAGE OF LEMONT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2007

The management of the Village of Lemont ("Village") presents this discussion and analysis to provide its readers with a narrative overview and analysis of the Village's financial activities for the year ended April 30, 2007.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of the greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the Required Supplementary Information that is provided in addition to the MD&A.

Financial Highlights

- The assets of the Village exceeded its liabilities at the close of this year by \$158,318,926 (net assets). Of this amount, \$4,784,052 (unrestricted net assets) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The governmental funds reported combined ending fund balances of \$7,389,925, of which \$5,889,075 was unreserved and is available for spending at the Village's discretion (unreserved fund balance).
- At the end of the fiscal year, unreserved fund balance for the General Fund was \$2,267,988, or eighteen percent (18%) of total General Fund expenditures.
- The Village's long-term debt decreased by \$1,248,320 during the year due to principal payments exceeding additions.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. These basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Lemont's finances, in a manner similar to a private-sector business. The government wide financial statement can be found on pages 1 – 3 of this report.

The statement of net assets presents information of all the Village's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, i.e. uncollected taxes and earned but unused vacation leave.

Government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Village's governmental activities include police protection, crime prevention, community planning and zoning, building inspection and safety, street building and maintenance, traffic control, street lighting and storm water control. The business-type activity of the Village includes waterworks and sewerage services and commuter parking lot availability.

Fund Financial Statements

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains fourteen (14) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditure, and changes in fund balances for the General Fund, TIF/Downtown Debt Service Fund, TIF/Downtown Capital Projects Fund, Road Improvement Fund, and Debt Service Fund. Data from the other nine (9) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Village's full report.

The Village adopts an annual Appropriation Ordinance (Budget) for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 4-11 of this report.

Proprietary Fund. The Village maintains two proprietary funds. The funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses the enterprise fund to account for its Waterworks and Sewerage System and Parking Lot activity.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the waterworks and sewerage, which is considered the only major fund. The basic proprietary fund financial statements can be found on pages 12 - 14 of this report.

Fiduciary Funds. A Fiduciary fund is used to account for resources held for the pension benefit payments to qualified police personnel. This fund is not reflected in the government-wide financial statement because the resources of this fund are not available to support the Village's own programs. The accounting used for the fiduciary fund is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 15 – 16 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 – 43 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also represents certain required supplementary information. Required supplementary information can be found on pages 44 – 49 of this report. The combining statements referred to earlier in connection with non-major governmental funds and proprietary funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statement and schedules can be found on pages 50 – 70 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the government's financial position. The following tables show that as of April 30, 2007 and 2006, the Village's assets exceeded liabilities by \$158,318,926 and \$139,215,403 respectively.

NET ASSETS

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	Current and other assets	\$11,166,452	\$12,129,413	\$2,583,761	\$4,543,803	\$13,749,213
Capital assets	121,253,448	105,936,308	45,092,591	39,954,546	166,346,039	145,890,854
Total assets	132,418,900	118,065,721	47,676,352	44,498,349	180,095,252	162,564,070
Long-term liabilities outstanding	9,106,333	11,066,577	7,026,657	7,913,324	16,132,990	18,979,901
Other liabilities	4,918,372	3,841,425	724,964	527,341	5,643,336	4,368,766
Total liabilities	14,024,705	14,908,002	7,751,621	8,440,665	21,776,326	23,348,667
Net assets:						
Invested in capital assets, net of related debt	111,824,975	95,497,241	37,732,885	32,193,600	149,557,860	127,690,841
Restricted	3,977,014	2,192,032	0	0	3,977,014	2,192,032
Unrestricted	2,592,206	5,468,446	2,191,846	3,864,084	4,784,052	9,332,530
Total net assets	\$118,394,195	\$103,157,719	\$39,924,731	\$36,057,684	\$158,318,926	\$139,215,403

The chart above shows the changes in net assets. Overall net assets increased for the years ended April 30, 2007 and 2006 by \$19,103,523 and \$12,031,923 respectively, which indicated the Village's overall position had improved during the past year. The increase in net assets in the current year is primarily due to the following:

CHANGE IN NET ASSETS

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	Program revenues:					
Charges for services	\$1,366,377	\$1,800,175	\$3,919,953	\$3,960,794	\$5,286,330	\$5,760,969
Operating grants and contributions	185,739	302,432	0	0	185,739	302,432
Capital grants and contributions	16,232,191	13,989,539	4,010,838	4,779,764	20,243,029	18,769,303
Total program revenues	17,784,307	16,092,146	7,930,791	8,740,558	25,715,098	24,832,704
General revenues	9,358,144	9,393,258	212,645	596,815	9,570,789	9,990,073
Total revenues	27,142,451	25,485,404	8,143,436	9,337,373	35,285,887	34,822,777
Program expenses	12,781,871	19,925,815	3,400,493	2,865,039	16,071,895	22,790,854
Excess (deficit) before transfers	14,360,580	5,559,589	4,742,943	6,472,334	19,103,523	12,031,923
Transfers	875,896	12,157,313	(875,896)	(12,157,313)	0	0
Increase in net assets	\$15,236,476	\$17,716,902	\$3,867,047	(\$5,684,979)	\$19,103,523	\$12,031,923

- State shared revenues, utility taxes and franchise fees continue to increase because of the growth in the community. In addition, the Village is participating in several state grant programs with additional funds received this current year.
- Program related expenses have decreased this current year with the completion of several capital projects.
- The number of housing and other types of construction permits has remained steady and revenues have exceeded projections.

The Village's investment in capital assets, i.e. buildings and equipment, less any related outstanding debt used to acquire those assets represents ninety four percent (94%) of the Village's net assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (i.e. water/sewer rates), since the capital assets themselves cannot be used to liquidate these liabilities.

An additional three percent (3%) of the Village's net assets represent resources that are subject to external restrictions on how they may be used. The remaining balance of \$4,784,052 represents unrestricted net assets, which may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

Government Activities

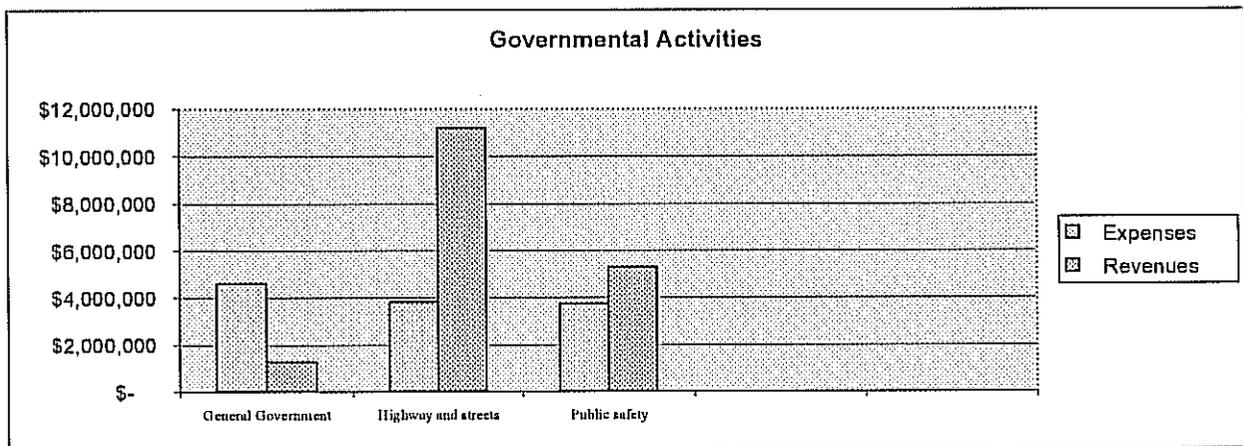
The form of government is that of a village with an elected President and Board of Trustees elected at large.

Governmental activities include the following functions:

- General government includes the administration and finance departments, and depreciation.
- Highways and streets includes the streets and bridges maintenance, public grounds and buildings maintenance, vehicle tax, motor fuel tax projects, capital projects and depreciation
- Public Safety includes police protection, police commission, and civil defense.
- Interest on long-term debt contains interest payments and debt related fees.

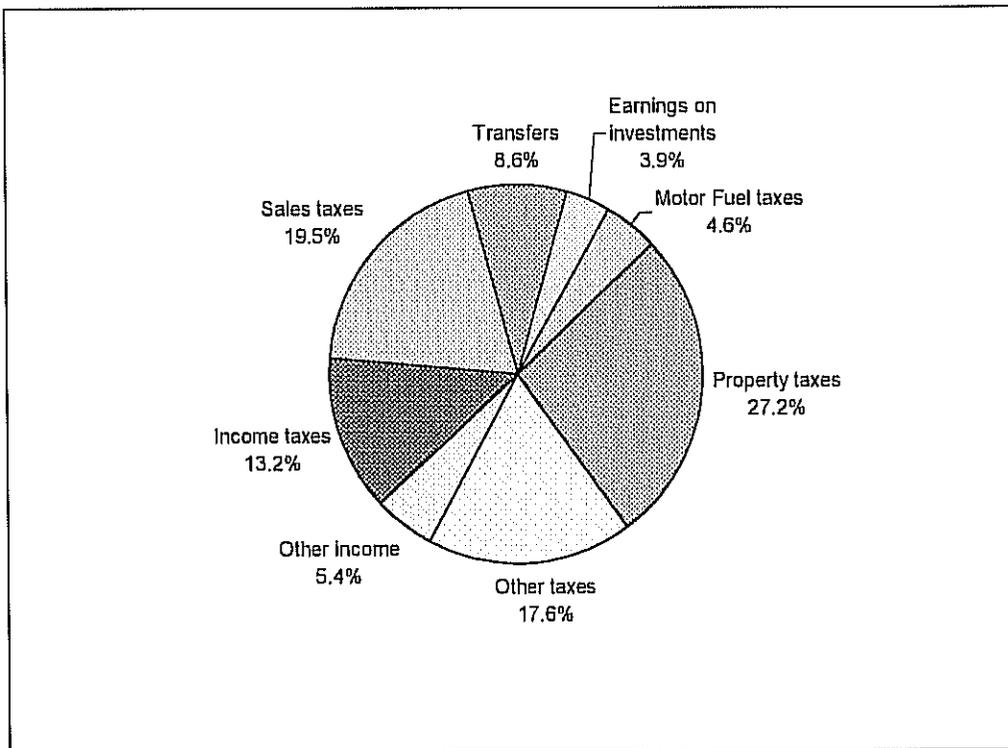
	<u>Expenses</u>		<u>Program Revenues</u>		<u>Net (Expense) Revenue</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
General government	\$4,552,763	\$3,697,991	\$1,298,164	\$5,726,583	(\$3,254,599)	\$2,028,592
Highway and streets	3,896,937	8,832,330	11,208,788	10,213,043	7,311,851	1,380,713
Public safety	3,749,259	7,007,777	5,277,355	152,520	1,528,096	(6,855,257)
Interest	582,912	387,717	0	0	(582,912)	(387,717)
Total governmental activities	\$12,781,871	\$19,925,815	\$17,784,307	\$16,092,146	\$5,002,436	(\$3,833,669)

The table above makes it clear that the majority of general government functions require subsidy by taxpayers. Subsidies come from general revenues such as taxes and interest earnings. The majority of these revenues come from sales and property taxes.



Program and general revenues are those available for the Village to use to pay for the governmental activities described above. The following table and chart shows the Village's general revenues.

	<u>Amount</u>	<u>Percentage</u>
Taxes		
Property taxes	\$ 2,778,949	27.2%
Sales taxes	1,998,960	19.5%
Income taxes	1,352,981	13.2%
Motor Fuel taxes	473,381	4.6%
Other taxes	1,803,489	17.6%
Earnings on investments	399,606	3.9%
Other income	550,778	5.4%
Transfers	875,896	8.6%
	<hr/>	
Total general revenues	\$ 10,234,040	100.0%



New development and the quadrennial reassessment of all properties accounted for the increase. Infrastructure donations including streets, sidewalks, curb and gutters, storm sewers, and street lights provide a significant addition to our capital assets.

Business-Type Activities

The business-type activities of the Village are the Waterworks and Sewerage System and the Commuter Parking Lots, wherein the Village charges a fee to customers to help cover the cost of the services it provides. The revenue for the Waterworks and Sewerage Fund exceeds expenses by \$6,361,183. Of this excess \$5,637,488 represents the value of the sewer and water lines that were contributed during the year. Parking revenues exceeded expenses by \$58,410.

Financial Analysis of the Government's Funds

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure in the Village's net resources available for spending at the end of the fiscal year.

As of April 30, 2007, the Village's governmental funds reported combined ending fund balances of \$7,389,925. Approximately eighty percent (80%) of this total amount, or \$5,889,075, constitutes unreserved fund balance, which is available for spending at the Village's discretion. The remaining \$1,500,850 of the fund balance is reserved for working cash (\$1,018,580) and debt service (\$482,270). Reserved funds are not available for new spending because they have already been committed for these other items.

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, the fund balance of the General Fund was \$2,267,988, all of which is unreserved. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unreserved fund balance represents eighteen percent (18%) of the total General Fund expenditures or approximately two months of expenditures.

During the year, the fund balance of the Village's General Fund decreased by \$657,196 due to an increase in General Fund expenditures during the year.

Proprietary Funds. As noted earlier, the Village’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Waterworks and Sewerage Fund at the end of the year amounted to \$1,893,135. The only major proprietary fund is the Waterworks and Sewerage Fund. Its net assets increased by \$3,846,295. This increase is primarily due to the contribution of capital assets in the amount of \$5,637,488.

General Fund Budgetary Highlights

During the year, revenues exceeded budgetary estimates by \$1,998,419 and expenditures were more than budgeted by \$827,667. The combination of these differences resulted in \$1,170,752 excess revenue over expenditures in the budget. The primary reason for the variances was the I-Clear grant received from the Department of Homeland Security through the Illinois State Police.

Capital Asset and Debt Administration

Capital Assets

The Village’s investment in capital assets for its governmental and business type activities as of April 30, 2007, amounts to \$166,346,039 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, vehicles, machinery and equipment, water distribution system, sanitary sewers, storm sewer and infrastructure including streets, streetlights, sidewalks and right of way.

Capital Assets (net of depreciation) for 2007 and 2006

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	Land and land improvements	\$75,962,444	\$71,433,610	\$5,573,465	5,628,095	\$81,535,909
Buildings and Improvements	2,821,138	1,344,548	6,050,597	2,595,251	8,871,735	3,939,799
Transportation Equipment	340,498	310,973	448,967	402,892	789,465	713,865
Equipment	398,807	421,856	325,567	298,159	724,374	720,015
Water Distribution, Storm and Sanitary System	0	0	32,561,649	26,318,529	32,561,649	26,318,529
Infrastructure	31,430,881	25,952,302		0	31,430,881	25,952,302
					0	0
Construction in Progress	10,299,680	6,473,019	132,346	4,711,620	10,432,026	11,184,639
Total Capital assets(net of depreciation)	\$121,253,448	\$105,936,308	\$45,092,591	\$39,954,546	\$166,346,039	\$145,890,854

Major capital asset events during the fiscal year 2006-07 included the following:

- New Avenue Water Main: Completion of restoration work on water main project along New Avenue
- Illinois Street Water Main: Replacement of water main from Lemont Street to Stephen Street.
- Construction of Well #6 located on McCarthy Road adjacent to Steeples Subdivision: Conducted water sampling and required testing.
- Engineering was completed for the Division Street-Singer Avenue storm sewer project
- Utility upgrades were completed for the River and Front Street construction projects.
- Continued to change out and upgrade water meters through the water meter replacement program
- Coordinated the elimination of First Street lift station
- 131st Street: Construction of a sanitary sewer and water main on 131st Street from Ruffled Feathers to west of Bell Road.
- Coordinated the water main upgrade and extension for downtown redevelopment project
- 4 new police vehicles were acquired via a four year lease to provide public safety services to citizens
- 2 pick-up trucks, 1 dump truck, and 1 mini excavator were acquired to provide basic services to citizens

Additional information on the Village's capital assets can be found in Note III C on pages 27 – 28 of this report.

Long-term debt

The Village has total outstanding bonded debt of \$13,965,000 as of April 30, 2007. This total debt is primarily General Obligation bonds backed by the full faith and credit of the Village and is being repaid with the revenues generated in both the Debt Service and Waterworks and Sewerage fund. Compensated absences include employee's vacation leave due to the employee upon termination. Below is a comparative statement of outstanding debt:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	General obligation bonds payable	\$6,780,000	\$7,500,000	\$7,185,000	\$7,515,000	\$13,965,000
Deferred amount for issuance premiums	0	0	55,429	58,508	55,429	61,587
Sales tax revenue bonds	2,590,000	2,830,000	0	0	2,590,000	2,830,000
Capital leases / installment contracts	161,407	193,694	0	0	161,407	193,694
Compensated absences	230,587	188,945	29,358	28,027	259,945	216,972
Building Illinois Loan	0	0	235,393	311,789	235,393	311,789
Pension benefit obligation	464,407	353,938	0	0	464,407	353,938
Total long-term debt	\$10,226,401	\$11,066,577	\$7,505,180	\$7,977,365	\$17,731,581	\$18,979,901

The Village has maintained an A1 rating from Moody's Investors Service on general obligation bond issues. Under current Illinois Compiled Statutes, the Village's general obligation bonded debt issuances are subject to a legal limitation based on 8.625% of the total assessed value of real estate property. As of April 30, 2007, the Village's net general obligation bonded debt of \$13,965,000 was below the legal limit of \$45,588,274 with a legal debt margin of \$31,623,274, and net bonded debt per capita of \$917.89.

Additional information on the Village's long-term debt can be found in Note III E on pages 30 – 38 of this report.

Economic Factors and Next Year's Budget

The economic forecast remains steady for 2007-2008. The Village will be completing a special census this summer and per capita revenues will increase based on the projected population gain. The Village approved a 1% increase in the telecommunications tax and will be establishing an administrative adjudication and towing program that will increase fine revenues. The Village will be issuing alternate revenue bonds for the downtown parking debt and other related improvements. The Village will seek a new bond rating during the debt issuance process.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of this information provided in this report or requests for additional information should be directed to Ms. Jean M. Nona, Village Treasurer, Village of Lemont, 418 Main Street Lemont, Illinois 60439.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF NET ASSETS
APRIL 30, 2007

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Equity in pooled cash and investments	\$ 7,244,954	\$ 2,061,630	\$ 9,306,584
Receivables:			
Property taxes	1,088,766	-	1,088,766
Intergovernmental	1,315,063	-	1,315,063
Accounts	-	405,900	405,900
Accrued interest	4,324	-	4,324
Grants	854,976	-	854,976
Other	170,425	115	170,540
Deferred charges	126,733	116,116	242,849
Capital assets not being depreciated	86,013,886	5,705,066	91,718,952
Capital assets, net of accumulated depreciation	35,239,562	39,387,525	74,627,087
Other assets	<u>360,211</u>	<u>-</u>	<u>360,211</u>
 Total assets	 <u>132,418,900</u>	 <u>47,676,352</u>	 <u>180,095,252</u>
LIABILITIES			
Accounts payable	1,190,361	37,035	1,227,396
Accrued salaries	118,183	21,258	139,441
Accrued interest payable	149,510	109,739	259,249
Deferred revenue	1,088,766	-	1,088,766
Other liabilities	30,275	78,409	108,684
Deposits payable	1,221,209	-	1,221,209
Noncurrent liabilities:			
Due within one year	1,120,068	478,523	1,598,591
Due in more than one year	<u>9,106,333</u>	<u>7,026,657</u>	<u>16,132,990</u>
 Total liabilities	 <u>14,024,705</u>	 <u>7,751,621</u>	 <u>21,776,326</u>
NET ASSETS			
Invested in capital assets, net of related debt	111,824,975	37,732,885	149,557,860
Restricted for:			
Working cash	1,018,580	-	1,018,580
Capital projects	2,476,164	-	2,476,164
Debt service	482,270	-	482,270
Unrestricted	<u>2,592,206</u>	<u>2,191,846</u>	<u>4,784,052</u>
 Total net assets	 <u>\$ 118,394,195</u>	 <u>\$ 39,924,731</u>	 <u>\$ 158,318,926</u>

See notes to basic financial statements.

**VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2007**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/programs:				
Governmental activities:				
General government	\$ 4,552,763	\$ 1,226,868	\$ 71,296	\$ -
Highways and streets	3,896,937	-	114,443	11,094,345
Public safety	3,749,259	139,509	-	5,137,846
Interest expense	582,912	-	-	-
Total governmental activities	12,781,871	1,366,377	185,739	16,232,191
Business-type activities:				
Waterworks and sewerage	3,369,907	3,846,198	-	4,010,838
Parking facilities	30,586	73,755	-	-
Total business-type activities	3,400,493	3,919,953	-	4,010,838
Total functions/programs	\$ 16,182,364	\$ 5,286,330	\$ 185,739	\$ 20,243,029
General revenues:				
Taxes:				
Property				
Sales				
Intergovernmental				
Earnings on investments				
Miscellaneous income				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets at beginning of year				
Net assets at end of year				

See notes to basic financial statements.

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (3,254,599)	\$ -	\$ (3,254,599)
7,311,851	-	7,311,851
1,528,096	-	1,528,096
<u>(582,912)</u>	<u>-</u>	<u>(582,912)</u>
<u>5,002,436</u>	<u>-</u>	<u>5,002,436</u>
-	4,487,129	4,487,129
<u>-</u>	<u>43,169</u>	<u>43,169</u>
<u>-</u>	<u>4,530,298</u>	<u>4,530,298</u>
<u>5,002,436</u>	<u>4,530,298</u>	<u>9,532,734</u>
2,778,949	-	2,778,949
1,998,960	-	1,998,960
3,629,851	-	3,629,851
399,606	149,195	548,801
550,778	63,450	614,228
<u>875,896</u>	<u>(875,896)</u>	<u>-</u>
<u>10,234,040</u>	<u>(663,251)</u>	<u>9,570,789</u>
15,236,476	3,867,047	19,103,523
<u>103,157,719</u>	<u>36,057,684</u>	<u>139,215,403</u>
<u>\$ 118,394,195</u>	<u>\$ 39,924,731</u>	<u>\$ 158,318,926</u>

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FUND FINANCIAL STATEMENTS

**VILLAGE OF LEMONT, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2007**

ASSETS	<u>General</u>	<u>Debt Service</u>	<u>TIF/Downtown Debt Service</u>	<u>TIF/Downtown Capital Projects</u>	<u>Road Improvement</u>
Equity in pooled cash and investments	\$ 2,165,337	\$ 2,883	\$ 477,410	\$ 815,398	\$ 1,510,819
Receivables:					
Property taxes, net of allowance	853,356	-	-	-	-
State sales tax	543,048	-	-	-	-
State income tax	466,225	-	-	-	-
Other taxes	47,324	-	-	-	258,466
Grants	854,976	-	-	-	-
Accrued interest	4,324	-	-	-	-
Other	127,324	-	6,000	-	-
Due from other funds	1,619	-	-	-	-
Other assets	<u>360,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 5,423,744</u>	<u>\$ 2,883</u>	<u>\$ 483,410</u>	<u>\$ 815,398</u>	<u>\$ 1,769,285</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 933,873	\$ -	\$ -	1,006	180,661
Accrued salaries	117,043	-	1,140	-	-
Due to other funds	-	-	-	-	-
Deferred revenue	853,356	-	-	-	-
Deposits payable	1,221,209	-	-	-	-
Other liabilities	<u>30,275</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>3,155,756</u>	<u>-</u>	<u>1,140</u>	<u>1,006</u>	<u>180,661</u>
Fund balances:					
Reserved for working cash	-	-	-	-	-
Reserved for debt service	-	-	482,270	-	-
Unreserved, reported in:					
General Fund	2,267,988	-	-	-	-
Capital projects funds	-	-	-	814,392	1,588,624
Debt Service Fund	-	2,883	-	-	-
Special revenue funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>2,267,988</u>	<u>2,883</u>	<u>482,270</u>	<u>814,392</u>	<u>1,588,624</u>
Total liabilities and fund balances	<u>\$ 5,423,744</u>	<u>\$ 2,883</u>	<u>\$ 483,410</u>	<u>\$ 815,398</u>	<u>\$ 1,769,285</u>

See notes to basic financial statements.

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 2,273,107	\$ 7,244,954
315,940	1,169,296
-	543,048
-	466,225
-	305,790
-	854,976
-	4,324
37,101	170,425
-	1,619
-	360,211
<u>\$ 2,626,148</u>	<u>\$ 11,120,868</u>

\$ 74,821	\$ 1,190,361
-	118,183
1,619	1,619
315,940	1,169,296
-	1,221,209
-	30,275
<u>392,380</u>	<u>3,730,943</u>

1,018,580	1,018,580
-	482,270
-	2,267,988
49,344	2,452,360
-	2,883
<u>1,165,844</u>	<u>1,165,844</u>
<u>2,233,768</u>	<u>7,389,925</u>
<u>\$ 2,626,148</u>	<u>\$ 11,120,868</u>

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**VILLAGE OF LEMONT, ILLINOIS
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET ASSETS OF GOVERNMENTAL FUNDS
APRIL 30, 2007**

Total fund balance - governmental funds \$ 7,389,925

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. 121,253,448

Long-term liabilities, including bonds payable, are not due and payable in the current year and, therefore, are not reported as liabilities in the funds. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Long-term liabilities and related accounts at year-end consist of:

Bonds payable	\$	9,370,000
Unamortized deferred charges		(126,733)
Loans payable		29,847
Installment contracts payable		131,560
Accrued interest		149,510
Pension benefit obligation		464,407
Compensated absences		<u>230,587</u>

Total (10,249,178)

Total net assets - governmental activities \$ 118,394,195

See notes to basic financial statements.

VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (DEFICIT) - GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2007

	<u>General</u>	<u>Debt Service</u>	<u>TIF/Downtown Debt Service</u>	<u>TIF/Downtown Capital Projects</u>	<u>Road Improvement</u>
Revenues:					
Taxes:					
Property	\$ 1,523,460	\$ -	\$ -	\$ 591,511	\$ -
State income	1,352,981	-	-	-	-
State sales	1,998,960	-	-	-	-
Other	273,788	-	-	-	1,529,701
Allotments	-	-	-	-	-
Contributions and donations	-	-	-	-	-
Fees by agreement	188,524	-	-	-	-
Fines, forfeitures and penalties	139,509	-	-	-	-
Grants	5,194,396	-	-	47,200	-
Interest income	146,080	-	65,485	-	68,175
Licenses, permits and inspections	1,038,344	-	-	-	-
Other income	<u>397,094</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,045</u>
Total revenues	<u>12,253,136</u>	<u>-</u>	<u>65,485</u>	<u>638,711</u>	<u>1,740,921</u>
Expenditures:					
Current:					
General government	3,480,840	-	50,774	92,807	-
Highways and streets	960,440	-	-	-	-
Public safety	3,392,656	-	-	-	-
Capital outlay	5,345,751	-	-	-	1,527,379
Debt service:					
Principal retirement	109,309	625,000	353,750	-	-
Interest and fees	<u>5,236</u>	<u>269,209</u>	<u>149,189</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>13,294,232</u>	<u>894,209</u>	<u>553,713</u>	<u>92,807</u>	<u>1,527,379</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,041,096)</u>	<u>(894,209)</u>	<u>(488,228)</u>	<u>545,904</u>	<u>213,542</u>

See notes to basic financial statements.

<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
\$ 663,978	\$ 2,778,949
-	1,352,981
-	1,998,960
-	1,803,489
473,381	473,381
81,989	81,989
-	188,524
-	139,509
-	5,241,596
119,866	399,606
-	1,038,344
<u>10,639</u>	<u>550,778</u>
<u>1,349,853</u>	<u>16,048,106</u>
451,321	4,075,742
602,537	1,562,977
-	3,392,656
800,383	7,673,513
14,018	1,102,077
<u>2,727</u>	<u>426,361</u>
<u>1,870,986</u>	<u>18,233,326</u>
<u>(521,133)</u>	<u>(2,185,220)</u>

VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (DEFICIT) - GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2007

	<u>General</u>	<u>Debt Service</u>	<u>TIF/Downtown Debt Service</u>	<u>TIF/Downtown Capital Projects</u>	<u>Road Improvement</u>
Other financing sources (uses):					
Proceeds from installment contract	109,790	-	-	-	-
Transfers in	947,868	936,725	779,762	-	570,000
Transfers out	<u>(673,758)</u>	<u>-</u>	<u>-</u>	<u>(779,762)</u>	<u>(562,557)</u>
Total other financing sources (uses)	<u>383,900</u>	<u>936,725</u>	<u>779,762</u>	<u>(779,762)</u>	<u>7,443</u>
Net change in fund balances (deficit)	(657,196)	42,516	291,534	(233,858)	220,985
Fund balances (deficit) at beginning of year	<u>2,925,184</u>	<u>(39,633)</u>	<u>190,736</u>	<u>1,048,250</u>	<u>1,367,639</u>
Fund balances at end of year	<u>\$ 2,267,988</u>	<u>\$ 2,883</u>	<u>\$ 482,270</u>	<u>\$ 814,392</u>	<u>\$ 1,588,624</u>

See notes to basic financial statements.

<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
-	109,790
621,446	3,855,801
<u>(528,583)</u>	<u>(2,544,660)</u>
<u>92,863</u>	<u>1,420,931</u>
(428,270)	(764,289)
<u>2,662,038</u>	<u>8,154,214</u>
<u>\$ 2,233,768</u>	<u>\$ 7,389,925</u>

**VILLAGE OF LEMONT, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2007**

Total net change in fund balance - governmental funds \$ (764,289)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$8,012,768) exceeded depreciation (\$3,326,925) in the current period. 4,685,843

The net effect of the transactions involving the disposition of capital assets is to decrease net assets (27,803)

Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These expenses consist of current year changes in the following liability accounts:

Accrued interest on long-term debt	(149,510)
Long-term compensated absences payable	(41,642)
Net pension obligation	(110,469)

The issuance of long-term debt (e.g., bonds, installment contracts) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt uses the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These transactions are summarized as follows:

Proceeds from issuance of long-term debt	(109,790)
Retirement of long-term debt	1,102,077
Amortization of deferred charges	(7,041)

The value of infrastructure transferred to the Waterworks and Sewerage Fund decreases net assets in the statement of activities, but does not appear in the governmental funds. (435,245)

The value of infrastructure, including right of way, received from developers increases net assets in the statement of activities, but does not appear in the governmental funds because such receipts are not financial resources. 11,094,345

Change in net assets of governmental activities \$ 15,236,476

See notes to basic financial statements.

VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS
APRIL 30, 2007

ASSETS	<u>Waterworks and Sewerage</u>	<u>Nonmajor Fund Parking Lot</u>	<u>Totals</u>
Current assets:			
Equity in pooled cash and investments	\$ 1,762,503	\$ 299,127	\$ 2,061,630
Receivables:			
Due from customers	405,900	-	405,900
Other	<u>115</u>	<u>-</u>	<u>115</u>
Total current assets	<u>2,168,518</u>	<u>299,127</u>	<u>2,467,645</u>
Noncurrent assets:			
Capital assets:			
Land	5,572,720	-	5,572,720
Buildings and improvements	6,691,228	-	6,691,228
Construction in progress	132,346	-	132,346
Infrastructure	34,931,755	-	34,931,755
Land improvements	20,349	-	20,349
Machinery and equipment	644,008	-	644,008
Vehicles	1,043,589	-	1,043,589
Water system	4,344,493	-	4,344,493
Less accumulated depreciation	<u>(8,287,897)</u>	<u>-</u>	<u>(8,287,897)</u>
Net capital assets	45,092,591	-	45,092,591
Bond issuance costs	<u>116,116</u>	<u>-</u>	<u>116,116</u>
Total noncurrent assets	<u>45,208,707</u>	<u>-</u>	<u>45,208,707</u>
Total assets	<u>47,377,225</u>	<u>299,127</u>	<u>47,676,352</u>
LIABILITIES			
Current liabilities:			
Accounts payable	36,619	416	37,035
Accrued salaries	21,258	-	21,258
Accrued interest payable	109,739	-	109,739
Other liabilities	78,409	-	78,409
Current portion of long-term liabilities	<u>478,523</u>	<u>-</u>	<u>478,523</u>
Total current liabilities	<u>724,548</u>	<u>416</u>	<u>724,964</u>
Noncurrent liabilities:			
Bonds payable	6,785,000	-	6,785,000
Notes payable	156,870	-	156,870
Deferred amount on refunding	55,429	-	55,429
Compensated absences	<u>29,358</u>	<u>-</u>	<u>29,358</u>
Total noncurrent liabilities	<u>7,026,657</u>	<u>-</u>	<u>7,026,657</u>
Total liabilities	<u>7,751,205</u>	<u>416</u>	<u>7,751,621</u>
NET ASSETS			
Invested in capital assets, net of related debt	37,732,885	-	37,732,885
Unrestricted	<u>1,893,135</u>	<u>298,711</u>	<u>2,191,846</u>
Total net assets	<u>\$ 39,626,020</u>	<u>\$ 298,711</u>	<u>\$ 39,924,731</u>

See notes to basic financial statements.

VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - PROPRIETARY FUNDS
BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS
YEAR ENDED APRIL 30, 2007

	<u>Waterworks and Sewerage</u>	<u>Nonmajor Fund Parking Lot</u>	<u>Totals</u>
Operating revenues:			
Charges for sales and services:			
Charges for services	\$ 3,801,879	\$ -	\$ 3,801,879
Licenses and permits	-	71,375	71,375
Penalties, fines and forfeitures	44,319	2,380	46,699
Other income	<u>63,450</u>	<u>-</u>	<u>63,450</u>
Total operating revenues	<u>3,909,648</u>	<u>73,755</u>	<u>3,983,403</u>
Operating expenses:			
Water operations	1,862,162	-	1,862,162
Sewer operations	128,566	-	128,566
Parking lot operations	-	30,586	30,586
Other	101,523	-	101,523
Depreciation	<u>869,242</u>	<u>-</u>	<u>869,242</u>
Total operating expenses	<u>2,961,493</u>	<u>30,586</u>	<u>2,992,079</u>
Operating income	<u>948,155</u>	<u>43,169</u>	<u>991,324</u>
Nonoperating revenues (expenses):			
Grants	50,000	-	50,000
Interest expense	(288,264)	-	(288,264)
Interest income	133,954	15,241	149,195
Loss on disposal of capital assets	<u>(120,150)</u>	<u>-</u>	<u>(120,150)</u>
Total nonoperating revenues (expenses)	<u>(224,460)</u>	<u>15,241</u>	<u>(209,219)</u>
Income before contributions and transfers	723,695	58,410	782,105
Contributions of water and sewer lines	<u>5,637,488</u>	<u>-</u>	<u>5,637,488</u>
Income before transfers	6,361,183	58,410	6,419,593
Transfers in	300,000	-	300,000
Transfers out	(1,586,141)	(25,000)	(1,611,141)
Transfers of capital assets	<u>(1,228,747)</u>	<u>(12,658)</u>	<u>(1,241,405)</u>
Change in net assets	3,846,295	20,752	3,867,047
Net assets at beginning of year	<u>35,779,725</u>	<u>277,959</u>	<u>36,057,684</u>
Net assets at end of year	<u>\$ 39,626,020</u>	<u>\$ 298,711</u>	<u>\$ 39,924,731</u>

See notes to basic financial statements.

VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS
YEAR ENDED APRIL 30, 2007

	<u>Waterworks and Sewerage</u>	<u>Nonmajor Fund Parking Lot</u>	<u>Totals</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 3,866,233	\$ 73,755	\$ 3,939,988
Payments for personnel	(775,796)	-	(775,796)
Payments to suppliers	<u>(1,590,001)</u>	<u>(30,170)</u>	<u>(1,620,171)</u>
Net cash provided by operating activities	<u>1,500,436</u>	<u>43,585</u>	<u>1,544,021</u>
Cash flows from noncapital financing activities:			
Grants	50,000	-	50,000
Transfers in	300,000	-	300,000
Transfers out	<u>(1,586,141)</u>	<u>(25,000)</u>	<u>(1,611,141)</u>
Net cash used by noncapital financing activities	<u>(1,236,141)</u>	<u>(25,000)</u>	<u>(1,261,141)</u>
Cash flows from capital and related financing activities:			
Purchase and construction of capital assets	(1,718,696)	(12,658)	(1,731,354)
Principal paid on capital debt	(406,396)	-	(406,396)
Interest paid on capital debt	<u>(289,362)</u>	<u>-</u>	<u>(289,362)</u>
Net cash used by capital and related financing activities	<u>(2,414,454)</u>	<u>(12,658)</u>	<u>(2,427,112)</u>
Cash flows from investing activities:			
Interest income received	<u>146,269</u>	<u>15,892</u>	<u>162,161</u>
Net increase (decrease) in equity in pooled cash and investments	(2,003,890)	21,819	(1,982,071)
Equity in pooled cash and investments at beginning of year	<u>3,766,393</u>	<u>277,308</u>	<u>4,043,701</u>
Equity in pooled cash and investments at end of year	<u>\$ 1,762,503</u>	<u>\$ 299,127</u>	<u>\$ 2,061,630</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 948,155	\$ 43,169	\$ 991,324
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	869,242	-	869,242
Changes in operating assets and liabilities:			
(Increase) in current assets	(43,230)	-	(43,230)
Increase (decrease) in current liabilities	<u>(273,731)</u>	<u>416</u>	<u>(273,315)</u>
Net cash provided by operating activities	<u>\$ 1,500,436</u>	<u>\$ 43,585</u>	<u>\$ 1,544,021</u>
Noncash capital and related financing activities:			
Contribution of capital assets	<u>\$ 1,228,747</u>	<u>\$ 12,658</u>	<u>\$ 1,241,405</u>

See notes to basic financial statements.

**VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND - POLICE PENSION FUND
APRIL 30, 2007**

ASSETS

Investments	\$ 6,580,907
Accrued interest receivable	<u>25,792</u>
Total assets	<u>\$ 6,606,699</u>

NET ASSETS

Held in trust for pension benefits and other purposes	<u>\$ 6,606,699</u>
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See notes to basic financial statements.

VILLAGE OF LEMONT, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND - POLICE PENSION FUND
YEAR ENDED APRIL 30, 2007

Additions:		
Contributions:		
Employer	\$ 385,075	
Employee	<u>184,171</u>	
Total contributions		\$ 569,246
Investment earnings:		
Interest	186,684	
Net increase in fair value of investments	<u>255,191</u>	
Total investment earnings		<u>441,875</u>
Total additions		1,011,121
Deductions:		
Benefits	252,958	
Administration	<u>6,148</u>	
Total deductions		<u>259,106</u>
Change in net assets		752,015
Net assets at beginning of year		<u>5,854,684</u>
Net assets at end of year		<u>\$ 6,606,699</u>

See notes to basic financial statements.

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NOTES TO BASIC FINANCIAL STATEMENTS

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**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Village of Lemont, Illinois is a municipal corporation governed by an elected mayor and six trustees. The Village was founded in 1836. The financial statements of the Village include all operations of the Village, including a wide range of general municipal services, including police protection, crime prevention, community planning and zoning, building inspection and safety, street building and maintenance, traffic control, and street lighting. In addition, water and sewer and commuter parking lot services are provided under an enterprise fund concept, with user charges set by the Village Board to ensure adequate coverage of operating expenses and payments on outstanding debt.

As required by U.S. generally accepted accounting principles, these financial statements present the Village and its component units, entities for which the Village is considered to be financially accountable. In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity", and includes all component units that have a significant operational or financial relationship with the Village.

Blended component units - Blended component units are separate legal entities that meet the component unit criteria and whose governing board is the same or substantially the same as the Village or provide services entirely to the Village. These component unit's funds are blended into those of the Village's by appropriate activity type to complete the primary government presentation.

At April 30, 2007, the Village's financial reporting entity comprises the following:

Primary government:	Village of Lemont, Illinois
Blended component unit:	Police Pension Fund

Blended Component Unit

The Village's sworn police employees participate in the Police Pension Fund (PPF). PPF functions for the benefit of these employees and is governed by a pension board. The Village and the PPF participants are obligated to fund all PPF 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 the contribution levels. Although it is legally separate from the Village, the PPF is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn police officers. The PPF is reported as a pension trust fund.

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

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

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

Property taxes, investment income and charges for services are susceptible to accrual. Sales taxes, road and bridge reimbursements, motor fuel taxes, income taxes and fines collected and held by the State or county at year end on behalf of the Village are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the Village and are recognized as revenue at that time.

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

Entitlement and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Village reports the following major governmental funds:

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

The Debt Service Fund accumulates monies for principal and interest payments on bonds, notes and contracts which are obligations of the governmental funds of the Village.

The TIF/Downtown Debt Service Fund accumulates monies for principal and interest payments on bonds, notes and contracts which are obligations of the TIF/Downtown District.

The TIF/Downtown Capital Projects Fund receives property taxes and other revenues which are used for the purposes of infrastructure improvements and business retention programs within the TIF/Downtown District.

The Road Improvement Fund accumulates utility tax revenues and grant revenues for the maintenance and improvement of roads throughout the Village.

The Village reports the following major proprietary fund:

The Waterworks and Sewerage Fund accounts for the provision of water and sewer 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, operation, maintenance, financing and related debt service, and billing and collection.

Additionally, the Village reports the following fund type:

The pension trust fund accounts for the activities of the Police Pension Fund, which accumulates resources for pension payment benefits to qualified police officers.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The Village has elected not to follow subsequent private-sector guidance.

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Village's waterworks and sewerage function and various other functions of the Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the waterworks and sewerage enterprise fund is charges to customers for sales and services. The waterworks and sewerage enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

Investments are reported at fair value which is determined using selected bases. Short-term investments and investments in the Illinois Funds investment pool are reported at fair value, which is also the value of the pool shares. The State of Illinois provides regulatory oversight of the Illinois Funds. Securities on a national exchange are valued at the last reported sales price and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amounts which reasonably estimate fair value. Cash and cash equivalents of the Village are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition.

State statutes authorize the Village to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the Illinois Funds Investment Pool.

Statutes and the Village's investment policy authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury, GNMA's, Illinois Funds, Governmental Money Markets, and U.S. Agencies. The Police Pension Fund may invest in various equity accounts up to a 35% limit of the aggregate book value of the fund's assets. Also, 10% more may be invested in separate accounts of insurance companies.

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

2. Receivables

Property taxes are levied as of January 1 on property values assessed on the same date. The tax levy is divided into two billings: The first billing mailed on or about May 1 and the second billing mailed on or about August 1. The Village receives significant distributions of tax receipts approximately one month after the due dates. The billings are considered past due 30 days after the respective tax billing date at which time the applicable property is subject to lien and penalties and interest are assessed.

Water and sewerage services are billed on a monthly basis. Estimated unbilled water and sewerage services at April 30, 2007 were \$338,762. This amount is included in accounts receivable.

3. Interfund Receivables and Payables

During the course of operations, transactions occur between individual funds for the provision of goods and services. Transactions that have not been repaid by year end are classified as interfund balances.

4. Interfund Transfers

Transactions between individual funds that are not expected to be reimbursed are reported as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

5. Capital Assets

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as having an estimated useful life in excess of one year with an initial, individual cost of \$50,000 for infrastructure and \$5,000 for all other assets (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included in the capitalized value of the asset constructed. No such interest expense was incurred during the current fiscal year.

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	50
Infrastructure	10 - 65
Land improvements	20
Machinery and equipment	5 - 30
Vehicles	5 - 7
Water and sewer systems	20 - 50

6. Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused sick pay benefits. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to or at retirement. All eligible sick pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee resignations and retirements.

7. Long-term Obligations

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

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

8. Fund Equity

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

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

9. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures/expenses. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The annual appropriations ordinance (budget) is adopted on a basis consistent with U.S. generally accepted accounting principles for all funds.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Village Board of Trustees adopts a Budget Ordinance which includes a budget for all funds utilized by the Village, except certain capital projects funds. This ordinance serves as an appropriation authorization.
2. Public budget hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of an ordinance. The budget for the period May 1, 2006 to April 30, 2007 was adopted through the passage of ordinance number O-41-06 on July 10, 2006.
4. The Village Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Village Board of Trustees.
5. Budgets are adopted on the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for enterprise and fiduciary funds. The level of control (level at which expenditures may not exceed budget/appropriations) is the fund. Appropriations lapse at the end of the fiscal year.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the Village. Outstanding encumbrances at the end of the year are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be appropriated and honored during the subsequent year. There were no encumbrances outstanding at April 30, 2007.

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

B. Excess of Expenditures/Expenses over Appropriations

For the year ended April 30, 2007, expenditures/expenses exceeded appropriations in the following funds:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 12,466,565	\$ 13,294,232	\$ 827,667
Debt Service Fund	893,725	894,209	484
Illinois Municipal Retirement Fund	205,000	231,638	26,638
Social Security Fund	210,000	219,008	9,008
General Capital Improvement Fund	378,000	412,201	34,201

The overexpenditures in the General Fund and the Social Security Fund were funded with greater than anticipated revenues. The overexpenditure in the Debt Service Fund was funded by a transfer from the Revenue Fund 2005 Fund. The overexpenditure in the Illinois Municipal Retirement Fund was funded by greater than anticipated revenues and available fund balance. The overexpenditure in the General Capital Improvement Fund was funded by transfers from other funds.

C. Deficit Fund Balances/Net Assets

The following funds had deficit fund balances/net assets as of April 30, 2007, which are anticipated to be eliminated through future revenues and/or transfers from other funds:

General Capital Improvement Fund	<u>\$ (7,322)</u>
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III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

The Village maintains a cash and investment pool that is available for use by all funds. The Police Pension Fund also holds other deposits and investments separately from those other funds.

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

At year end, deposits are summarized as follows:

Village of Lemont, Illinois:

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Village's deposits might not be recovered. The Village's investment policy for custodial risk is to have all deposits either insured or collateralized with securities held by the pledging institution. As of April 30, 2007, \$1,166,963 of the Village's total bank balance of \$1,266,963 was uninsured and collateralized with securities held by the pledging financial institutions.

Investments

Village of Lemont, Illinois:

As of April 30, 2007, the Village had the following investments:

Type of Investments	Fair Value/ Carrying Amount	Average Credit Quality/ Ratings (1)	Weighted Average Days to Maturity (2)
Pooled investments (3):			
Money market funds:			
Illinois Metropolitan Investment Fund	\$ 2,346,966	AAAf/S1	N/A
Illinois GCI Fund	3,903,747	AAA	N/A
Illinois Funds	<u>2,887,474</u>	AAAm	N/A
Total pooled investments	<u>\$ 9,138,187</u>		

(1) Ratings are provided where applicable to indicate associated *Credit Risk*. N/A indicates not applicable.

(2) *Interest Rate Risk* is estimated using weighted average days to maturity.

(3) Pooled cash and investments are reported as *equity in pooled cash and investments*. Investments in the pool are not separately reported in the financial statements as ownership of investments cannot be assigned to individual funds including fiduciary funds. Therefore, total investments will not agree to the financial statements.

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

Village of Lemont Police Pension Fund:

As of April 30, 2007, the Village of Lemont Police Pension Fund had the following investments:

<u>Type of Investments</u>	<u>Fair Value/ Carrying Amount</u>	<u>Average Credit Quality/ Ratings (1)</u>	<u>Weighted Average Days to Maturity (2)</u>
Illinois Funds	\$ 159,641	AAAm	N/A
Money market funds	266,991	N/A	N/A
Mutual funds	1,681,257	N/A	N/A
Certificates of deposit	4,310,283	N/A	822 days
U.S. Treasury notes	148,206	AAA/Aaa	4,425 days
GNMA	<u>14,529</u>	AAA/Aaa	8,463 days
 Total investments	 <u>\$ 6,580,907</u>		

- (1) Ratings are provided where applicable to indicate associated *Credit Risk*. N/A indicates not applicable.
(2) *Interest Rate Risk* is estimated using weighted average days to maturity.

Investment Policies

The investments of the Village of Lemont, Illinois and the Village of Lemont Police Pension Fund are subject to the following risks:

Concentration of credit risk is the risk of loss attributed to the magnitude of the Village's or Police Pension Fund's investment in a single issuer.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The Village and the Police Pension Fund do not have an investment policy for the above risks.

B. Receivables

Property taxes receivable on the Statement of Net Assets and the Balance Sheet for the governmental funds are reported net of an allowance for uncollectibles of \$63,816.

VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007

C. Capital Assets

Capital asset activity for the year ended April 30, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases/ Transfers</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 71,433,610	\$ 4,335,972	\$ (55,376)	\$ 75,714,206
Construction in progress	<u>6,473,019</u>	<u>6,454,022</u>	<u>(2,627,361)</u>	<u>10,299,680</u>
Total capital assets, not being depreciated	<u>77,906,629</u>	<u>10,789,994</u>	<u>(2,682,737)</u>	<u>86,013,886</u>
Capital assets, being depreciated:				
Buildings and improvements	1,683,498	1,860,151	-	3,543,649
Land improvements	485,311	-	-	485,311
Infrastructure	58,042,570	8,588,602	(106,915)	66,524,257
Machinery and equipment	1,247,769	58,671	-	1,306,440
Vehicles	<u>806,126</u>	<u>109,790</u>	<u>(98,023)</u>	<u>817,893</u>
Total capital assets, being depreciated	<u>62,265,274</u>	<u>10,617,214</u>	<u>(204,938)</u>	<u>72,677,550</u>
Less accumulated depreciation for:				
Buildings and improvements	(601,055)	(68,853)	(52,603)	(722,511)
Land improvements	(223,206)	(13,867)	-	(237,073)
Infrastructure	(32,090,268)	(3,082,220)	79,112	(35,093,376)
Machinery and equipment	(825,913)	(81,720)	-	(907,633)
Vehicles	<u>(495,153)</u>	<u>(80,265)</u>	<u>98,023</u>	<u>(477,395)</u>
Total accumulated depreciation	<u>(34,235,595)</u>	<u>(3,326,925)</u>	<u>124,532</u>	<u>(37,437,988)</u>
Total capital assets, being depreciated, net	<u>28,029,679</u>	<u>7,290,289</u>	<u>(80,406)</u>	<u>35,239,562</u>
Governmental activities capital assets, net	<u>\$ 105,936,308</u>	<u>\$ 18,080,283</u>	<u>\$ (2,763,143)</u>	<u>\$ 121,253,448</u>

VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases/ Transfers</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 5,628,095	\$ -	\$ (55,375)	\$ 5,572,720
Construction in progress	<u>4,711,620</u>	<u>6,306</u>	<u>(4,585,580)</u>	<u>132,346</u>
Total capital assets, not being depreciated	<u>10,339,715</u>	<u>6,306</u>	<u>(4,585,580)</u>	<u>5,705,066</u>
Capital assets, being depreciated:				
Buildings and improvements	3,153,685	3,721,044	(183,501)	6,691,228
Infrastructure	29,164,696	5,977,035	(209,975)	34,931,756
Land improvements	20,349	-	-	20,349
Machinery and equipment	581,763	62,245	-	644,008
Vehicles	939,698	125,719	(21,828)	1,043,589
Water system	<u>3,337,552</u>	<u>1,006,941</u>	<u>-</u>	<u>4,344,493</u>
Total capital assets, being depreciated	<u>37,197,743</u>	<u>10,892,984</u>	<u>(415,304)</u>	<u>47,675,423</u>
Less accumulated depreciation for:				
Buildings and improvements	(559,459)	(133,775)	52,603	(640,631)
Infrastructure	(5,450,896)	(537,412)	89,825	(5,898,483)
Land improvements	(19,324)	(280)	-	(19,604)
Machinery and equipment	(283,604)	(34,837)	-	(318,441)
Vehicles	(536,806)	(79,644)	21,828	(594,622)
Water system	<u>(732,823)</u>	<u>(83,294)</u>	<u>-</u>	<u>(816,117)</u>
Total accumulated depreciation	<u>(7,582,912)</u>	<u>(869,242)</u>	<u>164,256</u>	<u>(8,287,898)</u>
Total capital assets, being depreciated, net	<u>29,614,831</u>	<u>10,023,742</u>	<u>(251,048)</u>	<u>39,387,525</u>
Business-type activities capital assets, net	<u>\$ 39,954,546</u>	<u>\$ 10,030,048</u>	<u>\$ (4,836,628)</u>	<u>\$ 45,092,591</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 39,923
Highways and streets	3,220,463
Public safety	<u>66,539</u>
Total depreciation expense - governmental activities	<u>\$ 3,326,925</u>
Business-type activities:	
Waterworks and sewerage	<u>\$ 869,242</u>

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

D. Interfund Receivables, Payables and Transfers

Due from/to other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental fund	<u>\$ 1,619</u>

Interfund transfers:

	<u>Transfer in:</u>						<u>Total</u>
	<u>General</u>	<u>Debt Service</u>	<u>Waterworks and Sewerage</u>	<u>Road Improvement</u>	<u>TIF/Downtown Debt Service</u>	<u>Nonmajor Governmental</u>	
Transfer out:							
General	\$ -	\$ 491,168	\$ -	\$ -	-	\$ 182,590	\$ 673,758
TIF/Downtown Capital Projects	-	-	-	-	779,762	-	779,762
Road Improvement	117,000	445,557	-	-	-	-	562,557
Nonmajor governmental	52,920	-	300,000	-	-	175,663	528,583
Waterworks and Sewerage	752,948	-	-	570,000	-	263,193	1,586,141
Nonmajor proprietary	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Total	<u>\$ 947,868</u>	<u>\$ 936,725</u>	<u>\$ 300,000</u>	<u>\$ 570,000</u>	<u>\$ 779,762</u>	<u>\$ 445,783</u>	<u>\$ 4,155,801</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Transfers are also used to move unrestricted revenues collected in the General Fund, Working Cash Fund, and Debt Service Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF LEMONT, ILLINOIS
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED APRIL 30, 2007

E. Long-term Liabilities

Long-term liability activity for the year ended April 30, 2007 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 7,500,000	\$ -	\$ 720,000	\$ 6,780,000	\$ 755,000
Sales tax revenue bonds	2,830,000	-	240,000	2,590,000	255,000
Installment contracts	149,829	109,790	128,059	131,560	95,002
Loan payable	43,865	-	14,018	29,847	15,066
Net pension obligation	353,938	110,469	-	464,407	-
Compensated absences	<u>188,945</u>	<u>230,587</u>	<u>188,945</u>	<u>230,587</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$ 11,066,577</u>	<u>\$ 450,846</u>	<u>\$ 1,291,022</u>	<u>\$ 10,226,401</u>	<u>\$ 1,120,068</u>
Business-type activities:					
General obligation bonds	\$ 5,690,000	\$ -	\$ 175,000	\$ 5,515,000	\$ 245,000
General obligation refunding bonds	1,825,000	-	155,000	1,670,000	155,000
Building Illinois loan	311,789	-	76,396	235,393	78,523
Unamortized issuance premiums	58,508	-	3,079	55,429	-
Compensated absences	<u>28,027</u>	<u>29,358</u>	<u>28,027</u>	<u>29,358</u>	<u>-</u>
Business-type activity long-term liabilities	<u>\$ 7,913,324</u>	<u>\$ 29,358</u>	<u>\$ 437,502</u>	<u>\$ 7,505,180</u>	<u>\$ 478,523</u>

Governmental Activities:

Issue April 15, 2005
General Obligation Refunding Bonds, Series 2005

Year Ending April 30	Principal	Interest	Total Debt Payment
2008	\$ 345,000	\$ 136,453	\$ 481,453
2009	355,000	126,103	481,103
2010	405,000	114,743	519,743
2011	420,000	100,973	520,973
2012	435,000	86,273	521,273
2013	495,000	70,613	565,613
2014	510,000	52,050	562,050
2015	530,000	32,670	562,670
2016	<u>300,000</u>	<u>12,000</u>	<u>312,000</u>
Total	<u>\$ 3,795,000</u>	<u>\$ 731,878</u>	<u>\$ 4,526,878</u>

VILLAGE OF LEMONT, ILLINOIS
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED APRIL 30, 2007

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st
Interest rates	2.30% - 4.00%
Paying agent	Amalgamated Bank of Chicago Chicago, Illinois
Total original issue	\$4,290,000

Issue March 15, 2005

General Obligation (Alternative Revenue Source) Bonds, Series 2005

<u>Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Payment</u>
2008	\$ 60,000	\$ 57,655	\$ 117,655
2009	60,000	55,915	115,915
2010	65,000	54,175	119,175
2011	65,000	52,095	117,095
2012	65,000	50,015	115,015
2013	70,000	47,773	117,773
2014	70,000	45,858	115,858
2015	75,000	42,788	117,788
2016	80,000	39,993	119,993
2017	80,000	36,873	116,873
2018	85,000	33,753	118,753
2019	85,000	30,268	115,268
2020	90,000	26,783	116,783
2021	95,000	22,958	117,958
2022	100,000	18,920	118,920
2023	105,000	14,520	119,520
2024	110,000	9,900	119,900
2025	<u>110,000</u>	<u>4,950</u>	<u>114,950</u>
Total	<u>\$ 1,470,000</u>	<u>\$ 645,192</u>	<u>\$ 2,115,192</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	2.90% - 4.50%
Paying agent	Amalgamated Bank of Chicago Chicago, Illinois
Total original issue	\$1,525,000

VILLAGE OF LEMONT, ILLINOIS
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED APRIL 30, 2007

Issue June 12, 2000

General Obligation (Alternative Revenue Source) Bonds, Series 2000A

<u>Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Payment</u>
2008	\$ 350,000	\$ 77,654	\$ 427,654
2009	370,000	59,710	429,710
2010	385,000	40,745	425,745
2011	<u>410,000</u>	<u>21,015</u>	<u>431,015</u>
Total	<u>\$ 1,515,000</u>	<u>\$ 199,124</u>	<u>\$ 1,714,124</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	5.13% - 5.38%
Paying agent	Amalgamated Bank of Chicago Chicago, Illinois
Total original issue	\$3,000,000

Issue June 15, 2004

Sales Tax Revenue Bonds, Series 2004

<u>Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Payment</u>
2008	\$ 255,000	\$ 106,353	\$ 361,353
2009	280,000	97,938	377,938
2010	295,000	88,138	383,138
2011	320,000	76,780	396,780
2012	345,000	63,500	408,500
2013	370,000	48,838	418,838
2014	405,000	32,743	437,743
2015	<u>320,000</u>	<u>14,720</u>	<u>334,720</u>
Total	<u>\$ 2,590,000</u>	<u>\$ 529,010</u>	<u>\$ 3,119,010</u>

VILLAGE OF LEMONT, ILLINOIS
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED APRIL 30, 2007

Denomination	\$5,000
Bonds due each year	January 1st
Interest dates	January 1st and July 1st
Interest rates	1.75% - 4.60%
Paying agent	Amalgamated Bank of Chicago Chicago, Illinois
Total original issue	\$3,320,000

Installment Contracts

<u>Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Payment</u>
2008	\$ 95,002	\$ 7,205	\$ 102,207
2009	<u>36,558</u>	<u>2,117</u>	<u>38,675</u>
Total	<u>\$ 131,560</u>	<u>\$ 9,322</u>	<u>\$ 140,882</u>

Issue March 28, 2006
Loan Payable

<u>Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Payment</u>
2008	\$ 15,066	\$ 1,679	\$ 16,745
2009	<u>14,781</u>	<u>543</u>	<u>15,324</u>
Total	<u>\$ 29,847</u>	<u>\$ 2,222</u>	<u>\$ 32,069</u>

VILLAGE OF LEMONT, ILLINOIS
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED APRIL 30, 2007

The future debt service requirements to amortize the outstanding debt listed above are as follows:

<u>Year Ending</u> <u>April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Payment</u>
2008	\$ 1,120,068	\$ 386,999	\$ 1,507,067
2009	1,116,339	342,326	1,458,665
2010	1,150,000	297,801	1,447,801
2011	1,215,000	250,863	1,465,863
2012	845,000	199,788	1,044,788
2013	935,000	167,224	1,102,224
2014	985,000	130,651	1,115,651
2015	925,000	90,178	1,015,178
2016	380,000	51,993	431,993
2017	80,000	36,873	116,873
2018	85,000	33,753	118,753
2019	85,000	30,268	115,268
2020	90,000	26,783	116,783
2021	95,000	22,958	117,958
2022	100,000	18,920	118,920
2023	105,000	14,520	119,520
2024	110,000	9,900	119,900
2025	<u>110,000</u>	<u>4,950</u>	<u>114,950</u>
Total	<u>\$ 9,531,407</u>	<u>\$ 2,116,748</u>	<u>\$ 11,648,155</u>

In prior years, the Village defeased various bond issues by creating separate irrevocable trust funds. New debt was issued and the proceeds were used to purchase U. S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the Village's financial statements. As of April 30, 2007, the amount of defeased debt outstanding but removed from the financial statements totaled \$2,160,000.

VILLAGE OF LEMONT, ILLINOIS
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED APRIL 30, 2007

Business-type Activities:

Issue December 15, 2004
General Obligation (Alternative Revenue Source) Bonds, Series 2004

<u>Year Ending</u> <u>April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Payment</u>
2008	\$ 245,000	\$ 216,635	\$ 461,635
2009	245,000	210,755	455,755
2010	250,000	204,140	454,140
2011	260,000	196,765	456,765
2012	270,000	188,725	458,725
2013	275,000	179,795	454,795
2014	265,000	170,445	435,445
2015	285,000	160,470	445,470
2016	285,000	150,930	435,930
2017	290,000	140,385	430,385
2018	340,000	129,075	469,075
2019	380,000	115,475	495,475
2020	350,000	99,895	449,895
2021	365,000	85,195	450,195
2022	380,000	69,500	449,500
2023	400,000	50,500	450,500
2024	430,000	30,500	460,500
2025	<u>200,000</u>	<u>9,000</u>	<u>209,000</u>
Total	<u>\$ 5,515,000</u>	<u>\$ 2,408,185</u>	<u>\$ 7,923,185</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	2.25% - 5.00%
Paying agent	Amalgamated Bank of Chicago Chicago, Illinois
Total original issue	\$5,690,000

VILLAGE OF LEMONT, ILLINOIS
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED APRIL 30, 2007

Issue March 1, 2005
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2005

<u>Year Ending</u> <u>April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Payment</u>
2008	\$ 155,000	\$ 55,738	\$ 210,738
2009	180,000	51,475	231,475
2010	175,000	46,255	221,255
2011	170,000	40,830	210,830
2012	195,000	35,390	230,390
2013	190,000	28,955	218,955
2014	190,000	22,400	212,400
2015	210,000	15,560	225,560
2016	<u>205,000</u>	<u>7,790</u>	<u>212,790</u>
Total	<u>\$ 1,670,000</u>	<u>\$ 304,393</u>	<u>\$ 1,974,393</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st
Interest rates	2.50% - 3.80%
Paying agent	Amalgamated Bank of Chicago Chicago, Illinois
Total original issue	\$1,825,000

Issue February 1, 1991
1991 Waterworks and Sewerage Build Illinois Loan

<u>Year Ending</u> <u>April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Payment</u>
2008	\$ 78,523	\$ 6,000	\$ 84,523
2009	81,144	3,409	84,553
2010	<u>75,726</u>	<u>732</u>	<u>76,458</u>
Total	<u>\$ 235,393</u>	<u>\$ 10,141</u>	<u>\$ 245,534</u>

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

The future debt service requirements to amortize the outstanding debt listed above are as follows:

<u>Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Payment</u>
2008	\$ 478,523	\$ 278,373	\$ 756,896
2009	506,144	265,639	771,783
2010	500,726	251,127	751,853
2011	430,000	237,595	667,595
2012	465,000	224,115	689,115
2013	465,000	208,750	673,750
2014	455,000	192,845	647,845
2015	495,000	176,030	671,030
2016	490,000	158,720	648,720
2017	290,000	140,385	430,385
2018	340,000	129,075	469,075
2019	380,000	115,475	495,475
2020	350,000	99,895	449,895
2021	365,000	85,195	450,195
2022	380,000	69,500	449,500
2023	400,000	50,500	450,500
2024	430,000	30,500	460,500
2025	<u>200,000</u>	<u>9,000</u>	<u>209,000</u>
Total	<u>\$ 7,420,393</u>	<u>\$ 2,722,719</u>	<u>\$ 10,143,112</u>

Legal Debt Margin

The maximum total bonded indebtedness the Village is legally allowed to have outstanding at any one time is established by State statute. The limit is computed as follows:

Assessed valuation - 2006 tax year	<u>\$ 528,559,704</u>
Statutory debt limit (8.625% of assessed value)	\$ 45,588,274
General obligation bonds outstanding	<u>(13,965,000)</u>
Legal debt margin	<u>\$ 31,623,274</u>

**VILLAGE OF LEMONT, ILLINOIS
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED APRIL 30, 2007**

Conduit Debt

The Village has two senior lien tax increment revenue bonds outstanding at April 30, 2007, with an aggregate par value of \$7,886,119 and a maturity date of May 1, 2032. The bonds had an outstanding principal balance of \$7,650,000 as of April 30, 2004, which is the latest available information. The Village has no obligation for this debt.

The Village issued three tax increment redevelopment revenue notes during the year ended April 30, 2007 with an aggregate par value of \$4,741,170. The Village has no obligation for this debt.

IV. OTHER INFORMATION

A. Employee Retirement Systems and Plans

The Village maintains a single-employer, defined benefit pension plan (Police Pension Fund) that covers its qualified Police Department employees and participates in the statewide Illinois Municipal Retirement Fund, an agent multiple-employer defined benefit public employee pension plan which covers substantially all of the remaining qualified Village employees. The information presented in the following notes for the Police Pension Fund and the Illinois Municipal Retirement Fund is the most current information available as of April 30, 2007.

1. Police Pension Fund

a. Plan Description

Police sworn personnel are covered by the Village of Lemont, Illinois Police Pension Plan which is a defined benefit single-employer pension plan administered by the Village of Lemont, Illinois Police Pension Fund Board. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois State Statutes (Chapter 108 1/2 Article 3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund and a stand alone report is not issued by the Police Pension Fund.

At April 30, 2006, the Police Pension Plan membership consisted of the following:

Retirees and beneficiaries receiving benefits	8
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>29</u>
 Total	 <u>37</u>
 Number of participating employers	 <u>1</u>

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

The Police Pension Plan provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries.

Plan members 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, to a maximum of 75% of such salary. Members with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service. Surviving spouses receive the greater of 50% of final salary or the member's retirement benefits. Members disabled in the line of duty receive 65% of final salary.

The monthly pension of a member 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 granted pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3% of the amount of the pension payable at the time of the increase.

b. Summary of Significant Accounting Policies - Basis of Accounting and Valuation of Investments

The financial statements of the Police Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The Village's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price on the Village's balance sheet date. Securities without an established market are reported at estimated fair value.

c. Funding

Plan members are required to contribute 9.91% of their annual covered payroll. 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 at an actuarially determined rate; the current rate is 14.24% of annual covered payroll. Administrative costs of the Police Pension Plan are financed through investment earnings.

VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007

d. Annual Pension Cost and Net Pension Obligation

The Village's annual pension cost and net pension obligation for the year ended April 30, 2006 were as follows:

Annual required contribution	\$ 231,716
Interest on net pension obligation	-
Adjustment to annual required contribution	<u>221,323</u>
Annual pension cost	453,039
Contributions made	<u>342,570</u>
Increase in net pension obligation	110,469
Net pension obligation at beginning of year	<u>353,938</u>
Net pension obligation at end of year	<u>\$ 464,407</u>

The annual required contribution was determined as part of the April 30, 2006, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.0% investment rate of return (net of administrative expenses), (b) projected salary increases of 5.5%, and (c) cost-of-living adjustments of 3.0% per year. Both (a) and (b) include an inflation component of 3.0%. The actuarial value of assets is not adjusted for short-term volatility in the market value of investments. The Police Pension Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at April 30, 2006 was 27 years.

e. Three-Year Trend Information

<u>Fiscal</u> <u>Year Ended</u>	<u>Annual</u> <u>Pension Cost</u>	<u>Percentage</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
4/30/06	\$ 453,039	75.6 %	\$ (464,407)
4/30/05	357,637	81.5	(353,938)
4/30/04	329,910	81.8	(287,795)

2. Illinois Municipal Retirement Fund

The Village's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

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

VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007

Employees participating in IMRF are required to contribute 4.5 percent of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for calendar year 2006 was 9.89 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2006 was 26 years.

For December 31, 2006, the Village's annual pension cost of \$229,408 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2004 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002 - 2004 experience study.

Three-Year Trend Information:

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/06	\$ 229,408	100 %	\$ 0
12/31/05	200,823	100	0
12/31/04	174,203	100	0

B. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village handles these risks as follows:

**VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007**

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

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$1,000 of each occurrence for years prior to 2004 and \$2,500 for each occurrence in 2004 and subsequent years. Beginning in 2005, members were given the option to assume higher deductibles. IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on a past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village has a reserve in the amount of \$360,211 for the year ended April 30, 2007.

Losses have not exceeded coverage over the last three years.

Southwest Agency for Health Management - The Village is a participant in the Southwest Agency for Health Management (SWAHM), which provides medical, dental, and life insurance benefits to Village employees. SWAHM is a sub-pool of the Intergovernmental Personnel Benefit Cooperative (IPBC). The member agreement provides that SWAHM will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$75,000 per occurrence. The Village contributes \$61,950 on a monthly basis to meet its obligations to SWAHM and IPBC. The members have a contractual obligation to fund any deficits. There were no supplemental contributions paid in the previous three years.

One representative from each member serves on the Board of IPBC. The president of SWAHM serves as the representative to IPBC. Each member has one vote on the Board. None of the members of SWAHM or IPBC have any direct equity interest in the agencies.

C. Contingencies

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

VILLAGE OF LEMONT, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2007

D. Construction Commitments

As of April 30, 2007, the Village had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>
River and Front Street - Phase I	\$ 482,000
New Avenue Water Main	<u>200,000</u>
Total	<u>\$ 682,000</u>

E. Subsequent Event

Subsequent to April 30, 2007, the Village issued \$2,680,000 of General Obligation Bonds (Alternate Revenue Source), Series 2007 for the purpose of capital asset construction.

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REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF LEMONT, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Taxes:					
Property	\$ 1,550,000	\$ 1,550,000	\$ 1,523,460	\$ (26,540)	\$ 1,494,409
State income	1,182,500	1,182,500	1,352,981	170,481	1,314,039
State sales	1,985,000	1,985,000	1,998,960	13,960	1,949,014
Other	254,450	254,450	273,788	19,338	289,439
Fees by agreement	166,200	166,200	188,524	22,324	170,120
Fines, forfeitures and penalties	165,000	165,000	139,509	(25,491)	152,520
Grants	3,222,500	3,222,500	5,194,396	1,971,896	3,983,378
Interest income	78,317	78,317	146,080	67,763	122,505
Licenses, permits and inspections	1,172,650	1,172,650	1,038,344	(134,306)	1,477,535
Other income	<u>478,100</u>	<u>478,100</u>	<u>397,094</u>	<u>(81,006)</u>	<u>700,260</u>
Total revenues	<u>10,254,717</u>	<u>10,254,717</u>	<u>12,253,136</u>	<u>1,998,419</u>	<u>11,653,219</u>
Expenditures:					
Current:					
General government:					
Mayor and village board	65,650	65,650	65,962	(312)	72,694
Administration / finance	596,700	596,700	604,450	(7,750)	537,778
Vehicle maintenance	242,900	242,900	334,825	(91,925)	275,941
Building department	523,320	523,320	501,594	21,726	572,031
Community development	244,865	244,865	244,361	504	256,311
Building and grounds	66,300	66,300	96,553	(30,253)	67,807
Plan commission	2,150	2,150	985	1,165	830
Zoning board of appeals	3,250	3,250	1,553	1,697	2,553
Police commission	14,450	14,450	6,398	8,052	2,950
Downtown commission	49,400	49,400	48,258	1,142	49,605
Historic district commission	3,750	3,750	7,658	(3,908)	7,079
L.E.M.A.	35,115	35,115	36,343	(1,228)	50,170
Environmental commission	5,150	5,150	4,477	673	5,606
Video access league	500	500	-	500	-
General	1,289,350	1,289,350	1,527,423	(238,073)	1,122,868

	2007			2006	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>Actual</u>
Highways and streets:					
Public works / engineering	907,700	907,700	960,440	(52,740)	960,404
Public safety:					
Police department	3,354,830	3,369,066	3,392,656	(23,590)	3,077,428
Capital outlay	3,302,397	5,046,949	5,345,751	(298,802)	4,017,047
Debt service:					
Principal	-	-	109,309	(109,309)	99,796
Interest and fees	-	-	5,236	(5,236)	7,126
<u>Total expenditures</u>	<u>10,707,777</u>	<u>12,466,565</u>	<u>13,294,232</u>	<u>(827,667)</u>	<u>11,186,024</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(453,060)</u>	<u>(2,211,848)</u>	<u>(1,041,096)</u>	<u>1,170,752</u>	<u>467,195</u>
Other financing sources (uses):					
Loan proceeds	-	-	-	-	45,000
Proceeds from installment contract	-	-	109,790	109,790	88,874
Transfers in	915,121	947,868	947,868	-	937,101
Transfers out	<u>(640,061)</u>	<u>(640,061)</u>	<u>(673,758)</u>	<u>(33,697)</u>	<u>(690,823)</u>
<u>Total other financing sources (uses)</u>	<u>275,060</u>	<u>307,807</u>	<u>383,900</u>	<u>76,093</u>	<u>380,152</u>
Net change in fund balances	(178,000)	(1,904,041)	(657,196)	1,246,845	847,347
Fund balances at beginning of year	<u>2,925,184</u>	<u>2,925,184</u>	<u>2,925,184</u>	<u>-</u>	<u>2,077,837</u>
Fund balances at end of year	<u>\$ 2,747,184</u>	<u>\$ 1,021,143</u>	<u>\$ 2,267,988</u>	<u>\$ 1,246,845</u>	<u>\$ 2,925,184</u>

**VILLAGE OF LEMONT, ILLINOIS
SCHEDULE OF FUNDING PROGRESS -
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2007**

<u>Actuarial Valuation Date (1)</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age</u>	<u>Unfunded (Overfunded) AAL</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>
December 31, 2004	\$ 3,781,133	\$ 4,186,610	\$ 405,477	90.31 %	\$ 1,916,420
December 31, 2005	4,159,049	4,548,112	389,063	91.45	2,150,139
December 31, 2006	4,798,182	5,253,644	455,462	91.33	2,319,593

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$5,093,033.
On a market basis, the funded ratio would be 96.94%.

Digest of Changes:

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

The principal changes were:

The 1994 Group Annuity Mortality implemented.

For Regular members, fewer normal and more early retirements are expected to occur.

SLEP Member contribution rate changed from 6.50% to 7.50% effective June 1, 2006.

(1) Information presented above is the most current information available.

**Unfunded
(Overfunded)
AAL as a
Percentage of
Covered
Payroll**

21.16 %

18.09

19.64

**VILLAGE OF LEMONT, ILLINOIS
SCHEDULE OF FUNDING PROGRESS -
POLICE PENSION FUND
APRIL 30, 2007**

<u>Actuarial Valuation Date (1),(2)</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>
April 30, 2002	\$ 4,015,131	\$ 6,155,075	\$ 2,139,944	65.23 %	\$ 1,264,043
April 30, 2003	4,314,947	6,821,950	2,507,003	63.25	1,367,591
April 30, 2004	4,761,866	7,700,488	2,938,622	61.84	1,420,936
April 30, 2005	5,172,712	8,364,014	3,191,302	61.84	1,510,098
April 30, 2006	5,840,278	9,317,295	3,477,017	62.68	1,626,500

(1) Information presented above is the most current information available.

(2) Information for April 30, 2001 is not available.

<u>UAAL as a Percentage of Covered Payroll</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
169.29 %	\$ 268,672	74.70 %
183.32	301,527	64.50
206.81	329,910	81.77
211.33	357,637	81.51
213.77	453,039	75.62

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**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS**

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MAJOR GOVERNMENTAL FUNDS

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DEBT SERVICE FUND

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VILLAGE OF LEMONT, ILLINOIS
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND DEFICITS - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006

	2007			Variance with Final Budget	2006
	Original Budget	Final Budget	Actual	Positive (Negative)	Actual
Expenditures:					
Debt service:					
Principal retirement	\$ 625,000	\$ 625,000	\$ 625,000	\$ -	\$ 540,000
Interest and fees	<u>268,725</u>	<u>268,725</u>	<u>269,209</u>	<u>(484)</u>	<u>274,922</u>
Total expenditures	893,725	893,725	894,209	(484)	814,922
Other financing sources:					
Transfers in	<u>883,725</u>	<u>905,725</u>	<u>936,725</u>	<u>31,000</u>	<u>814,922</u>
Net change in fund deficits	(10,000)	12,000	42,516	30,516	-
Fund deficits at beginning of year	<u>(39,633)</u>	<u>(39,633)</u>	<u>(39,633)</u>	<u>-</u>	<u>(39,633)</u>
Fund balance (deficits) at end of year	<u>\$ (49,633)</u>	<u>\$ (27,633)</u>	<u>\$ 2,883</u>	<u>\$ 30,516</u>	<u>\$ (39,633)</u>

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TIF/DOWNTOWN - DEBT SERVICE FUND

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VILLAGE OF LEMONT, ILLINOIS
TIF/DOWNTOWN - DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006

	<u>2007</u>			<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Positive</u>	<u>Actual</u>
				<u>(Negative)</u>	
Revenues:					
Interest income	\$ 34,800	\$ 34,800	\$ 65,485	\$ 30,685	\$ 12,678
Expenditures:					
Current:					
General government	58,000	58,000	50,774	7,226	48,797
Debt service:					
Principal retirement	353,750	353,750	353,750	-	178,750
Interest and fees	<u>148,265</u>	<u>148,265</u>	<u>149,189</u>	<u>(924)</u>	<u>97,833</u>
Total expenditures	<u>560,015</u>	<u>560,015</u>	<u>553,713</u>	<u>6,302</u>	<u>325,380</u>
Excess (deficiency) of revenues over (under) expenditures	(525,215)	(525,215)	(488,228)	36,987	(312,702)
Other financing sources:					
Transfers in	<u>-</u>	<u>-</u>	<u>779,762</u>	<u>779,762</u>	<u>-</u>
Net change in fund balances	(525,215)	(525,215)	291,534	816,749	(312,702)
Fund balances at beginning of year	<u>190,736</u>	<u>190,736</u>	<u>190,736</u>	<u>-</u>	<u>503,438</u>
Fund balances at end of year	<u>\$ (334,479)</u>	<u>\$ (334,479)</u>	<u>\$ 482,270</u>	<u>\$ 816,749</u>	<u>\$ 190,736</u>

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TIF/DOWNTOWN - CAPITAL PROJECTS FUND

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**VILLAGE OF LEMONT, ILLINOIS
TIF/DOWNTOWN - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007**

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Positive</u>	<u>Actual</u>
				<u>(Negative)</u>	
Revenues:					
Property taxes	\$ 621,950	\$ 621,950	\$ 591,511	\$ (30,439)	\$ 587,520
Grants	-	-	47,200	47,200	-
Interest income	-	-	-	-	29,582
Total revenues	<u>621,950</u>	<u>621,950</u>	<u>638,711</u>	<u>16,761</u>	<u>617,102</u>
Expenditures:					
Current:					
General government	85,995	85,995	70,518	15,477	71,685
Capital outlay	<u>31,000</u>	<u>46,000</u>	<u>22,289</u>	<u>23,711</u>	<u>11,090</u>
Total expenditures	<u>116,995</u>	<u>131,995</u>	<u>92,807</u>	<u>39,188</u>	<u>82,775</u>
Excess of revenues over expenditures	504,955	489,955	545,904	55,949	534,327
Other financing uses:					
Transfers out	-	-	(779,762)	(779,762)	-
Net change in fund balances	504,955	489,955	(233,858)	(723,813)	534,327
Fund balances at beginning of year	<u>1,048,250</u>	<u>1,048,250</u>	<u>1,048,250</u>	<u>-</u>	<u>513,923</u>
Fund balances at end of year	<u>\$ 1,553,205</u>	<u>\$ 1,538,205</u>	<u>\$ 814,392</u>	<u>\$ (723,813)</u>	<u>\$ 1,048,250</u>

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ROAD IMPROVEMENT FUND

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**VILLAGE OF LEMONT, ILLINOIS
ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007**

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>2006</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Interest income	\$ 30,237	\$ 30,237	\$ 68,175	\$ 37,938	\$ 37,027
Intergovernmental reimbursements	-	-	-	-	40,000
Other taxes	1,657,115	1,657,115	1,529,701	(127,414)	1,756,595
Other income	-	-	143,045	143,045	1,951
Total revenues	<u>1,687,352</u>	<u>1,687,352</u>	<u>1,740,921</u>	<u>53,569</u>	<u>1,835,573</u>
Expenditures:					
Capital outlay	1,700,000	1,700,000	1,527,379	172,621	1,682,877
Debt service:					
Principal	-	-	-	-	-
Interest and fees	550	550	-	550	535
Total expenditures	<u>1,700,550</u>	<u>1,700,550</u>	<u>1,527,379</u>	<u>173,171</u>	<u>1,683,412</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,198)</u>	<u>(13,198)</u>	<u>213,542</u>	<u>226,740</u>	<u>152,161</u>
Other financing sources (uses):					
Transfers in	570,000	570,000	570,000	-	-
Transfers out	(541,557)	(563,557)	(562,557)	1,000	(425,705)
Total other financing sources (uses)	<u>28,443</u>	<u>6,443</u>	<u>7,443</u>	<u>1,000</u>	<u>(425,705)</u>
Net change in fund balances	15,245	(6,755)	220,985	227,740	(273,544)
Fund balances at beginning of year	<u>1,367,639</u>	<u>1,367,639</u>	<u>1,367,639</u>	<u>-</u>	<u>1,641,183</u>
Fund balances at end of year	<u>\$ 1,382,884</u>	<u>\$ 1,360,884</u>	<u>\$ 1,588,624</u>	<u>\$ 227,740</u>	<u>\$ 1,367,639</u>

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MAJOR PROPRIETARY FUND

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WATERWORKS AND SEWERAGE FUND

**VILLAGE OF LEMONT, ILLINOIS
WATERWORKS AND SEWERAGE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007**

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006

	<u>2007</u>			<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Operating revenues:					
Charges for sales and services:					
Charges for services	\$ 3,929,676	\$ 3,929,676	\$ 3,801,879	\$ (127,797)	\$ 3,842,920
Penalties	48,482	48,482	44,319	(4,163)	41,920
Other income	<u>65,198</u>	<u>65,198</u>	<u>63,450</u>	<u>(1,748)</u>	<u>366,894</u>
Total operating revenues	<u>4,043,356</u>	<u>4,043,356</u>	<u>3,909,648</u>	<u>(133,708)</u>	<u>4,251,734</u>
Operating expenses:					
Water operations	1,923,200	2,267,200	1,862,162	405,038	1,479,847
Sewer operations	133,500	133,500	128,566	4,934	175,181
Other	137,500	137,500	101,523	35,977	94,201
Depreciation	<u>-</u>	<u>-</u>	<u>869,242</u>	<u>(869,242)</u>	<u>686,809</u>
Total operating expenses	<u>2,194,200</u>	<u>2,538,200</u>	<u>2,961,493</u>	<u>(423,293)</u>	<u>2,436,038</u>
Operating income	<u>1,849,156</u>	<u>1,505,156</u>	<u>948,155</u>	<u>(557,001)</u>	<u>1,815,696</u>
Nonoperating revenues (expenses):					
Grants	160,000	160,000	50,000	(110,000)	50,000
Interest expense	(365,708)	(365,708)	(288,264)	77,444	(382,628)
Interest income	60,500	60,500	133,954	73,454	224,789
Loss on disposal of capital assets	<u>-</u>	<u>-</u>	<u>(120,150)</u>	<u>(120,150)</u>	<u>(5,168)</u>
Total nonoperating revenues (expenses)	<u>(145,208)</u>	<u>(145,208)</u>	<u>(224,460)</u>	<u>(79,252)</u>	<u>(113,007)</u>
Income before contributions and transfers	1,703,948	1,359,948	723,695	(636,253)	1,702,689
Contributions of water and sewer lines	<u>2,150,000</u>	<u>2,150,000</u>	<u>5,637,488</u>	<u>3,487,488</u>	<u>4,729,764</u>
Income before transfers	3,853,948	3,509,948	6,361,183	2,851,235	6,432,453

	2007			2006	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
				Positive (Negative)	
Transfers in	-	300,000	300,000	-	-
Transfers out	(1,372,948)	(1,585,948)	(1,586,141)	(193)	(2,803,690)
Transfers of capital assets	-	-	(1,228,747)	(1,228,747)	(9,328,623)
Change in net assets	2,481,000	2,224,000	3,846,295	1,622,295	(5,699,860)
Net assets at beginning of year	<u>35,779,725</u>	<u>35,779,725</u>	<u>35,779,725</u>	-	<u>41,479,585</u>
Net assets at end of year	<u>\$ 38,260,725</u>	<u>\$ 38,003,725</u>	<u>\$ 39,626,020</u>	<u>\$ 1,622,295</u>	<u>\$ 35,779,725</u>
<u>Other budgeted expenditures:</u>					
Capital outlay	(4,478,000)	(4,478,000)	(1,718,696)	2,759,304	-
Principal retirement	<u>(330,000)</u>	<u>(330,000)</u>	<u>(330,000)</u>	-	-
Total other budgeted expenditures	<u>\$ (4,808,000)</u>	<u>\$ (4,808,000)</u>	<u>\$ (2,048,696)</u>	<u>\$ 2,759,304</u>	<u>\$ -</u>

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NONMAJOR GOVERNMENTAL FUNDS

**VILLAGE OF LEMONT, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2007**

ASSETS	Special Revenue			
	Motor Fuel Tax	Illinois Municipal Retirement	Social Security	Working Cash
Equity in pooled cash and investments	\$ 734,198	\$ 122,621	\$ 173,605	\$ 1,018,580
Receivables:				
Property taxes, net of allowance	-	142,833	137,456	35,651
Other	37,101	-	-	-
Total assets	\$ 771,299	\$ 265,454	\$ 311,061	\$ 1,054,231
LIABILITIES AND FUND BALANCES (DEFICIT)				
Liabilities:				
Accounts payable	\$ 372	\$ 16,705	\$ -	\$ -
Due to other funds	1,619	-	-	-
Deferred revenue	-	142,833	137,456	35,651
Total liabilities	1,991	159,538	137,456	35,651
Fund balances (deficit):				
Reserved working cash	-	-	-	1,018,580
Unreserved	769,308	105,916	173,605	-
Total fund balances (deficit)	769,308	105,916	173,605	1,018,580
Total liabilities and fund balances (deficit)	\$ 771,299	\$ 265,454	\$ 311,061	\$ 1,054,231

<u>TIF/Downtown Canal District 1</u>	<u>Capital Projects</u>			<u>Public Works Building</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Police Station Building</u>	<u>Revenue Fund 2005</u>	<u>General Capital Improvement</u>		
\$ 117,015	\$ 45,019	\$ 16,696	\$ 45,373	\$ -	\$ 2,273,107
-	-	-	-	-	315,940
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,101</u>
<u>\$ 117,015</u>	<u>\$ 45,019</u>	<u>\$ 16,696</u>	<u>\$ 45,373</u>	<u>\$ -</u>	<u>\$ 2,626,148</u>
\$ -	\$ 5,049	\$ -	\$ 52,695	\$ -	\$ 74,821
-	-	-	-	-	1,619
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>315,940</u>
<u>-</u>	<u>5,049</u>	<u>-</u>	<u>52,695</u>	<u>-</u>	<u>392,380</u>
-	-	-	-	-	1,018,580
<u>117,015</u>	<u>39,970</u>	<u>16,696</u>	<u>(7,322)</u>	<u>-</u>	<u>1,215,188</u>
<u>117,015</u>	<u>39,970</u>	<u>16,696</u>	<u>(7,322)</u>	<u>-</u>	<u>2,233,768</u>
<u>\$ 117,015</u>	<u>\$ 45,019</u>	<u>\$ 16,696</u>	<u>\$ 45,373</u>	<u>\$ -</u>	<u>\$ 2,626,148</u>

VILLAGE OF LEMONT, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2007

	<u>Special Revenue</u>			
	<u>Motor Fuel Tax</u>	<u>Illinois Municipal Retirement</u>	<u>Social Security</u>	<u>Working Cash</u>
Revenues:				
Property taxes	\$ -	\$ 240,366	\$ 243,973	\$ 65,535
Allotments	473,381	-	-	-
Contributions	-	-	-	-
Interest income	35,460	4,538	7,359	52,919
Other income	-	428	733	-
	<u>508,841</u>	<u>245,332</u>	<u>252,065</u>	<u>118,454</u>
Total revenues				
Expenditures:				
Current:				
General government	-	231,638	219,008	-
Highways and streets	600,905	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fees	-	-	-	-
	<u>600,905</u>	<u>231,638</u>	<u>219,008</u>	<u>-</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(92,064)</u>	<u>13,694</u>	<u>33,057</u>	<u>118,454</u>
Other financing sources (uses):				
Transfers in	-	3,997	-	-
Transfers out	-	-	-	(52,920)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(52,920)</u>
Total other financing sources (uses)				
Net change in fund balances (deficit)	(92,064)	17,691	33,057	65,534
Fund balances (deficit) at beginning of year	<u>861,372</u>	<u>88,225</u>	<u>140,548</u>	<u>953,046</u>
Fund balances (deficit) at end of year	<u>\$ 769,308</u>	<u>\$ 105,916</u>	<u>\$ 173,605</u>	<u>\$ 1,018,580</u>

<u>TIF/Downtown Canal District 1</u>	<u>Capital Projects</u>				<u>Total Nonmajor Governmental Funds</u>
	<u>Police Station Building</u>	<u>Revenue Fund 2005</u>	<u>General Capital Improvement</u>	<u>Public Works Building</u>	
\$ 114,104	\$ -	\$ -	\$ -	\$ -	\$ 663,978
-	-	-	-	-	473,381
-	-	-	81,989	-	81,989
3,586	3,828	6,230	1,626	4,320	119,866
-	-	-	9,478	-	10,639
<u>117,690</u>	<u>3,828</u>	<u>6,230</u>	<u>93,093</u>	<u>4,320</u>	<u>1,349,853</u>
675	-	-	-	-	451,321
-	-	-	-	1,632	602,537
-	34,401	-	395,456	370,526	800,383
-	-	-	14,018	-	14,018
-	-	-	2,727	-	2,727
<u>675</u>	<u>34,401</u>	<u>-</u>	<u>412,201</u>	<u>372,158</u>	<u>1,870,986</u>
<u>117,015</u>	<u>(30,573)</u>	<u>6,230</u>	<u>(319,108)</u>	<u>(367,838)</u>	<u>(521,133)</u>
-	-	-	228,593	388,856	621,446
-	-	(475,663)	-	-	(528,583)
-	-	(475,663)	228,593	388,856	92,863
117,015	(30,573)	(469,433)	(90,515)	21,018	(428,270)
-	70,543	486,129	83,193	(21,018)	2,662,038
<u>\$ 117,015</u>	<u>\$ 39,970</u>	<u>\$ 16,696</u>	<u>\$ (7,322)</u>	<u>\$ -</u>	<u>\$ 2,233,768</u>

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MOTOR FUEL TAX FUND

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VILLAGE OF LEMONT, ILLINOIS
MOTOR FUEL TAX FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Allotments	\$ 485,246	\$ 485,246	\$ 473,381	\$ (11,865)	\$ 471,580
Interest income	<u>23,322</u>	<u>23,322</u>	<u>35,460</u>	<u>12,138</u>	<u>26,843</u>
Total revenues	<u>508,568</u>	<u>508,568</u>	<u>508,841</u>	<u>273</u>	<u>498,423</u>
Expenditures:					
Current:					
Highways and streets	585,000	615,000	202,627	412,373	410,052
Capital outlay	<u>-</u>	<u>-</u>	<u>398,278</u>	<u>(398,278)</u>	<u>-</u>
Total expenditures	<u>585,000</u>	<u>615,000</u>	<u>600,905</u>	<u>14,095</u>	<u>410,052</u>
Excess (deficiency) of revenues over (under) expenditures	(76,432)	(106,432)	(92,064)	14,368	88,371
Fund balances at beginning of year	<u>861,372</u>	<u>861,372</u>	<u>861,372</u>	<u>-</u>	<u>773,001</u>
Fund balances at end of year	<u>\$ 784,940</u>	<u>\$ 754,940</u>	<u>\$ 769,308</u>	<u>\$ 14,368</u>	<u>\$ 861,372</u>

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ILLINOIS MUNICIPAL RETIREMENT FUND

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VILLAGE OF LEMONT, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>		<u>2006</u>	
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Property taxes	\$ 220,000	\$ 240,366	\$ 20,366	\$ 205,535
Interest income	1,415	4,538	3,123	2,586
Other income	<u>465</u>	<u>428</u>	<u>(37)</u>	<u>510</u>
Total revenues	221,880	245,332	23,452	208,631
Expenditures:				
Current:				
General government	<u>205,000</u>	<u>231,638</u>	<u>(26,638)</u>	<u>211,288</u>
Excess (deficiency) of revenues over (under) expenditures	16,880	13,694	(3,186)	(2,657)
Other financing sources:				
Transfers in	<u>2,300</u>	<u>3,997</u>	<u>1,697</u>	<u>3,198</u>
Net change in fund balances	19,180	17,691	(1,489)	541
Fund balances at beginning of year	<u>88,225</u>	<u>88,225</u>	<u>-</u>	<u>87,684</u>
Fund balances at end of year	<u>\$ 107,405</u>	<u>\$ 105,916</u>	<u>\$ (1,489)</u>	<u>\$ 88,225</u>

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SOCIAL SECURITY FUND

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VILLAGE OF LEMONT, ILLINOIS
SOCIAL SECURITY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	2007		Variance with Final Budget Positive (Negative)	2006
	Original and Final Budget	Actual		Actual
Revenues:				
Property taxes	\$ 235,000	\$ 243,973	\$ 8,973	\$ 225,109
Interest income	2,195	7,359	5,164	3,685
Other income	<u>860</u>	<u>733</u>	<u>(127)</u>	<u>906</u>
Total revenues	238,055	252,065	14,010	229,700
Expenditures:				
Current:				
General government	<u>210,000</u>	<u>219,008</u>	<u>(9,008)</u>	<u>210,574</u>
Excess of revenues over expenditures	28,055	33,057	5,002	19,126
Fund balances at beginning of year	<u>140,548</u>	<u>140,548</u>	<u>-</u>	<u>121,422</u>
Fund balances at end of year	<u>\$ 168,603</u>	<u>\$ 173,605</u>	<u>\$ 5,002</u>	<u>\$ 140,548</u>

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WORKING CASH FUND

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VILLAGE OF LEMONT, ILLINOIS
WORKING CASH FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property taxes	\$ 65,000	\$ 65,000	\$ 65,535	\$ 535	\$ 67,124
Interest income	<u>20,173</u>	<u>20,173</u>	<u>52,919</u>	<u>32,746</u>	<u>30,359</u>
Total revenues	85,173	85,173	118,454	33,281	97,483
Other financing uses:					
Transfers out	<u>(20,173)</u>	<u>(52,920)</u>	<u>(52,920)</u>	-	<u>(30,411)</u>
Net change in fund balances	65,000	32,253	65,534	33,281	67,072
Fund balances at beginning of year	<u>953,046</u>	<u>953,046</u>	<u>953,046</u>	-	<u>885,974</u>
Fund balances at end of year	<u>\$ 1,018,046</u>	<u>\$ 985,299</u>	<u>\$ 1,018,580</u>	<u>\$ 33,281</u>	<u>\$ 953,046</u>

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TIF/DOWNTOWN CANAL DISTRICT 1 FUND

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VILLAGE OF LEMONT, ILLINOIS
TIF/DOWNTOWN CANAL DISTRICT 1 FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property taxes	\$ -	\$ 114,104	\$ 114,104
Interest income	<u>-</u>	<u>3,586</u>	<u>3,586</u>
Total revenues	-	117,690	117,690
Expenditures:			
Current:			
General government	<u>2,000</u>	<u>675</u>	<u>1,325</u>
Excess (deficiency) of revenues over (under) expenditures	(2,000)	117,015	119,015
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ (2,000)</u>	<u>\$ 117,015</u>	<u>\$ 119,015</u>

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POLICE STATION BUILDING FUND

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VILLAGE OF LEMONT, ILLINOIS
POLICE STATION BUILDING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	2007			2006	
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
Revenues:					
Interest income	\$ 1,000	\$ 1,000	\$ 3,828	\$ 2,828	\$ 543
Expenditures:					
Capital outlay	-	40,000	34,401	5,599	-
Excess (deficiency) of revenues over (under) expenditures	1,000	(39,000)	(30,573)	8,427	543
Other financing sources:					
Transfers in	-	-	-	-	70,000
Net change in fund balances	1,000	(39,000)	(30,573)	8,427	70,543
Fund balances at beginning of year	70,543	70,543	70,543	-	-
Fund balances at end of year	<u>\$ 71,543</u>	<u>\$ 31,543</u>	<u>\$ 39,970</u>	<u>\$ 8,427</u>	<u>\$ 70,543</u>

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REVENUE FUND 2005 FUND

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VILLAGE OF LEMONT, ILLINOIS
REVENUE FUND 2005 FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>2006</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Interest income	\$ 10,000	\$ 10,000	\$ 6,230	\$ (3,770)	\$ 35,183
Other financing uses:					
Transfers out	<u>-</u>	<u>(477,000)</u>	<u>(475,663)</u>	<u>1,337</u>	<u>(1,045,392)</u>
Net change in fund balances	10,000	(467,000)	(469,433)	(2,433)	(1,010,209)
Fund balances at beginning of year	<u>486,129</u>	<u>486,129</u>	<u>486,129</u>	<u>-</u>	<u>1,496,338</u>
Fund balances at end of year	<u>\$ 496,129</u>	<u>\$ 19,129</u>	<u>\$ 16,696</u>	<u>\$ (2,433)</u>	<u>\$ 486,129</u>

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GENERAL CAPITAL IMPROVEMENT FUND

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**VILLAGE OF LEMONT, ILLINOIS
GENERAL CAPITAL IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007**

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>2006</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	
				<u>Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Grants	\$ 12,568	\$ 12,568	\$ -	\$ (12,568)	\$ 107,705
Interest income	1,352	1,352	1,626	274	4,142
Contributions	80,000	80,000	81,989	1,989	35,000
Other income	<u>30,487</u>	<u>30,487</u>	<u>9,478</u>	<u>(21,009)</u>	<u>12,994</u>
Total revenues	<u>124,407</u>	<u>124,407</u>	<u>93,093</u>	<u>(31,314)</u>	<u>159,841</u>
Expenditures:					
Capital outlay	353,000	378,000	395,456	(17,456)	418,287
Debt service:					
Principal retirement	-	-	14,018	(14,018)	1,135
Interest and fees	<u>-</u>	<u>-</u>	<u>2,727</u>	<u>(2,727)</u>	<u>260</u>
Total expenditures	<u>353,000</u>	<u>378,000</u>	<u>412,201</u>	<u>(34,201)</u>	<u>419,682</u>
Excess (deficiency) of revenues over (under) expenditures	(228,593)	(253,593)	(319,108)	(65,515)	(259,841)
Other financing sources:					
Transfers in	<u>228,593</u>	<u>228,593</u>	<u>228,593</u>	<u>-</u>	<u>343,800</u>
Net change in fund balances (deficit)	-	(25,000)	(90,515)	(65,515)	83,959
Fund balances (deficit) at beginning of year	<u>83,193</u>	<u>83,193</u>	<u>83,193</u>	<u>-</u>	<u>(766)</u>
Fund balances (deficit) at end of year	<u>\$ 83,193</u>	<u>\$ 58,193</u>	<u>\$ (7,322)</u>	<u>\$ (65,515)</u>	<u>\$ 83,193</u>

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PUBLIC WORKS BUILDING FUND

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**VILLAGE OF LEMONT, ILLINOIS
PUBLIC WORKS BUILDING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND DEFICITS - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006**

	<u>2007</u>			<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Interest income	\$ 5,000	\$ 5,000	\$ 4,320	\$ (680)	\$ 11,140
Expenditures:					
Current:					
Highway and streets	5,000	1,900	1,632	268	12,131
Capital outlay	<u>100,000</u>	<u>816,600</u>	<u>370,526</u>	<u>446,074</u>	<u>2,872,027</u>
Total expenditures	<u>105,000</u>	<u>818,500</u>	<u>372,158</u>	<u>446,342</u>	<u>2,884,158</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(100,000)</u>	<u>(813,500)</u>	<u>(367,838)</u>	<u>445,662</u>	<u>(2,873,018)</u>
Other financing sources (uses):					
Transfers in	-	390,000	388,856	(1,144)	3,100,000
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(248,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>390,000</u>	<u>388,856</u>	<u>(1,144)</u>	<u>2,852,000</u>
Net change in fund deficits	(100,000)	(423,500)	21,018	444,518	(21,018)
Fund deficits at beginning of year	<u>(21,018)</u>	<u>(21,018)</u>	<u>(21,018)</u>	<u>-</u>	<u>-</u>
Fund deficits at end of year	<u>\$ (121,018)</u>	<u>\$ (444,518)</u>	<u>\$ -</u>	<u>\$ 444,518</u>	<u>\$ (21,018)</u>

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NONMAJOR PROPRIETARY FUND

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PARKING LOT FUND

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VILLAGE OF LEMONT, ILLINOIS
PARKING LOT FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final budget</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Positive</u>	<u>Actual</u>
				<u>(Negative)</u>	
Operating revenues:					
Licenses and permits	\$ 75,414	\$ 75,414	\$ 71,375	\$ (4,039)	\$ 75,334
Fines and forfeitures	<u>600</u>	<u>600</u>	<u>2,380</u>	<u>1,780</u>	<u>620</u>
Total operating revenues	76,014	76,014	73,755	(2,259)	75,954
Operating expenses:					
Parking lot operations	<u>42,680</u>	<u>42,680</u>	<u>30,586</u>	<u>12,094</u>	<u>46,373</u>
Operating income	33,334	33,334	43,169	9,835	29,581
Nonoperating revenues:					
Interest income	<u>7,050</u>	<u>7,050</u>	<u>15,241</u>	<u>8,191</u>	<u>10,300</u>
Income before transfers	40,384	40,384	58,410	18,026	39,881
Transfers out	(25,000)	(25,000)	(25,000)	-	(25,000)
Transfers of capital assets	<u>-</u>	<u>-</u>	<u>(12,658)</u>	<u>(12,658)</u>	<u>-</u>
Change in net assets	15,384	15,384	20,752	5,368	14,881
Net assets at beginning of year	<u>277,959</u>	<u>277,959</u>	<u>277,959</u>	<u>-</u>	<u>263,078</u>
Net assets at end of year	<u>\$ 293,343</u>	<u>\$ 293,343</u>	<u>\$ 298,711</u>	<u>\$ 5,368</u>	<u>\$ 277,959</u>
<u>Other budgeted expenditures:</u>					
Capital outlay	<u>\$ -</u>	<u>\$ 15,000</u>	<u>\$ 12,658</u>	<u>\$ 2,342</u>	<u>\$ -</u>

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FIDUCIARY FUND - POLICE PENSION FUND

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VILLAGE OF LEMONT, ILLINOIS
FIDUCIARY FUND - POLICE PENSION FUND
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -
BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2007

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED APRIL 30, 2006

	<u>2007</u>			<u>2006</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	
				<u>Positive (Negative)</u>	<u>Actual</u>
Additions:					
Contributions:					
Employer	\$ 362,300	\$ 362,300	\$ 385,075	\$ 22,775	\$ 342,570
Employee	<u>161,500</u>	<u>161,500</u>	<u>184,171</u>	<u>22,671</u>	<u>158,009</u>
Total contributions	<u>523,800</u>	<u>523,800</u>	<u>569,246</u>	<u>45,446</u>	<u>500,579</u>
Investment earnings:					
Interest	192,000	192,000	186,684	(5,316)	251,026
Net increase in fair value of investments	<u>-</u>	<u>-</u>	<u>255,191</u>	<u>255,191</u>	<u>149,820</u>
Total investment earnings	<u>192,000</u>	<u>192,000</u>	<u>441,875</u>	<u>249,875</u>	<u>400,846</u>
Total additions	<u>715,800</u>	<u>715,800</u>	<u>1,011,121</u>	<u>295,321</u>	<u>901,425</u>
Deductions:					
Benefits	230,000	258,110	252,958	5,152	210,702
Administration	<u>10,400</u>	<u>10,400</u>	<u>6,148</u>	<u>4,252</u>	<u>6,034</u>
Total deductions	<u>240,400</u>	<u>268,510</u>	<u>259,106</u>	<u>9,404</u>	<u>216,736</u>
Change in net assets	475,400	447,290	752,015	304,725	684,689
Net assets at beginning of year	<u>5,854,684</u>	<u>5,854,684</u>	<u>5,854,684</u>	<u>-</u>	<u>5,169,995</u>
Net assets at end of year	<u>\$ 6,330,084</u>	<u>\$ 6,301,974</u>	<u>\$ 6,606,699</u>	<u>\$ 304,725</u>	<u>\$ 5,854,684</u>

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STATISTICAL SECTION

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VILLAGE OF LEMONT, ILLINOIS

Net Assets By Component

Last Four Fiscal Years

April 30, 2007

	Fiscal Year			
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental Activities				
Invested in capital assets, net of related debt	\$ 111,824,975	\$ 95,497,241	\$ 76,511,435	\$ 81,334,686
Restricted	3,977,014	2,192,032	2,122,179	210,486
Unrestricted	2,592,206	5,468,446	6,807,203	7,848,385
Total governmental activities net assets	118,394,195	103,157,719	85,440,817	89,393,557
Business-type activities:				
Invested in capital assets, net of related debt	37,732,885	32,193,600	32,692,601	35,645,213
Unrestricted	2,191,846	3,864,084	7,098,179	2,592,547
Total business-type activities net assets	39,924,731	36,057,684	39,790,780	38,237,760
Primary government				
Invested in capital assets, net of related debt	149,557,860	127,690,841	109,204,036	116,979,899
Restricted	3,977,014	2,192,032	2,122,179	210,486
Unrestricted	4,784,052	9,332,530	13,905,382	10,440,932
Total primary government net assets	\$ 158,318,926	\$ 139,215,403	\$ 125,231,597	\$ 127,631,317

VILLAGE OF LEMONT, ILLINOIS

Changes in Net Assets

Last Four Fiscal Years

April 30, 2007

	Fiscal Year			
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Expenses				
Governmental Activities				
Public safety	\$ 3,638,790	\$ 7,007,777	\$ 2,666,787	\$ 2,418,576
Public works	3,896,937	8,832,330	2,146,665	1,214,667
General government	4,552,763	3,697,991	6,401,775	5,964,984
Debt Service	582,912	387,717	3,842,194	428,379
Total governmental activities	<u>12,671,402</u>	<u>19,925,815</u>	<u>15,057,421</u>	<u>10,026,606</u>
Business-type activities:				
Waterworks and sewage	3,369,907	2,818,666	2,539,841	7,693,360
Parking facilities	30,586	46,373	24,845	23,867
Total Business-type activities	<u>3,400,493</u>	<u>2,865,039</u>	<u>2,564,686</u>	<u>7,717,227</u>
Total primary governmental expenses	<u>16,071,895</u>	<u>22,790,854</u>	<u>17,622,107</u>	<u>17,743,833</u>
Program revenues:				
Governmental Activities				
Charges for services	1,366,377	1,800,175	1,152,505	1,523,881
Operating grants and contributions	185,739	302,432	614,236	625,581
Capital grants and contributions	16,232,191	13,989,539	428,091	-
Total governmental activities	<u>17,784,307</u>	<u>16,092,146</u>	<u>2,194,832</u>	<u>2,149,462</u>
Business-type activities:				
Charges for services	3,919,953	3,960,794	3,354,529	3,004,648
Operating grants and contributions	-	-	-	180,152
Capital grants and contributions	4,010,838	4,779,764	413,107	-
Total business-type activities	<u>7,930,791</u>	<u>8,740,558</u>	<u>3,767,636</u>	<u>3,184,800</u>
Total primary government program revenue	<u>25,715,098</u>	<u>24,832,704</u>	<u>5,962,468</u>	<u>5,334,262</u>
Net (expense) revenue:				
Governmental activities	5,112,905	(3,833,669)	(12,862,589)	(7,877,144)
Business type activities	4,530,298	5,875,519	1,202,950	(4,532,427)
Total primary government net (expense) revenue	<u>\$ 9,643,203</u>	<u>\$ 2,041,850</u>	<u>\$ (11,659,639)</u>	<u>\$ (12,409,571)</u>

(continued)

VILLAGE OF LEMONT, ILLINOIS

Changes in Net Assets

Last Four Fiscal Years

April 30, 2007

General Revenues and other Changes in Net Assets	(continued)			
Governmental activities:				
Property taxes	2,778,949	2,579,697	2,466,461	2,223,543
Utility tax	1,998,960	1,949,014	1,611,452	1,549,732
Intergovernmental taxes	3,629,851	3,831,653	3,158,032	2,941,063
Interest	399,606	316,273	110,752	74,251
Miscellaneous	550,778	716,621	537,064	350,390
Transfers	875,896	12,157,313	(227,962)	540,349
Total Governmental activities	10,234,040	21,550,571	7,655,799	7,679,328
Business-type activities				
Interest	149,195	235,089	81,799	28,537
Miscellaneous	63,450	361,726	40,309	38,594
Transfers	(875,896)	(12,157,313)	227,962	(540,349)
Total Business-type activities	(663,251)	(11,560,498)	350,070	(473,218)
Changes in Net Assets				
Governmental activities	15,236,476	17,716,902	(5,206,790)	(197,816)
Business-type activities	3,867,047	(5,684,979)	852,880	(4,059,209)
Total Primary Government	\$ 19,103,523	\$ 12,031,923	\$ (4,353,910)	\$ (4,257,025)

VILLAGE OF LEMONT, ILLINOIS

Governmental Activities Tax Revenue By Source

Last Four Fiscal Years

April 30, 2007

	Fiscal Year				
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>Total</u>
Property taxes	2,778,949	2,579,697	2,466,461	2,223,543	10,048,650
Utility tax	1,998,960	1,949,014	1,611,452	1,549,732	7,109,158
Intergovernmental taxes	3,629,851	3,831,653	3,158,032	2,941,063	13,560,599

VILLAGE OF LEMONT, ILLINOIS

Fund Balances, Governmental Funds
Last Ten Fiscal Years
April 30, 2007

	Fiscal Year									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General Fund										
Unreserved	\$ 2,267,988	\$ 2,925,184	\$ 1,858,993	\$ 1,933,652	\$ 1,744,503	\$ 2,073,428	\$ 1,574,050	\$ 1,205,276	\$ 846,730	\$ 887,412
All Other Governmental Funds										
Reserved	1,500,850	1,143,782	2,122,179	1,029,454	956,363	873,011	842,743	1,089,985	1,010,955	862,306
Unreserved reported in:										
Special Revenue Funds	1,165,844	1,090,145	2,478,445	882,489	935,933	669,997	693,268	549,547	266,895	420,323
Capital Projects Funds	2,452,360	3,034,736	1,640,417	2,164,436	4,139,669	1,684,485	4,111,928	2,838,291	1,730,492	1,107,495
Debt Service Funds	2,883	(39,633)	(39,633)	906,151	729,747	565,996	419,030	91,242	82,235	77,462
Permanent Fund	-	-	-	-	-	-	-	-	-	-
Total all other Governmental Funds	5,121,937	5,229,030	6,201,408	4,982,530	6,761,712	3,793,489	6,066,969	4,569,065	3,090,577	2,467,586
Total Fund Balance (deficit)	\$ 7,389,925	\$ 8,154,214	\$ 8,060,401	\$ 6,916,182	\$ 8,506,215	\$ 5,866,917	\$ 7,641,019	\$ 5,774,341	\$ 3,937,307	\$ 3,354,998

VILLAGE OF LEMONT, ILLINOIS

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
April 30, 2007

Fiscal Year

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Revenues:										
Charges for service	\$ -	\$ -	\$ 10,942	\$ 10,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	473,381	511,580	614,236	-	-	-	-	-	-	-
Fees by agreement	188,524	170,120	-	-	134,154	143,227	130,642	143,265	107,749	96,397
Property Taxes	2,778,949	2,579,697	2,466,461	2,223,543	2,338,178	2,134,286	2,247,251	2,158,383	1,843,129	1,653,141
Intergovernmental taxes	3,351,941	3,263,053	3,158,032	2,941,063	3,185,372	3,265,189	2,930,280	2,425,673	2,009,307	1,798,452
Licenses and permits	1,038,344	1,477,535	1,141,563	1,206,824	750,675	865,737	495,944	680,596	442,315	729,107
Fines and forfeits	139,509	152,520	-	-	67,287	64,017	75,189	68,521	73,450	87,198
Interest	399,606	316,273	110,752	74,251	98,360	208,015	476,227	249,319	181,459	167,682
Grants	5,241,596	4,091,083	-	625,581	261,378	377,904	654,480	285,470	576,231	303,330
Contributions	81,989	35,000	-	-	68,659	60,674	55,954	53,499	49,500	47,712
Reimbursements	-	-	-	-	95,126	94,255	399,988	79,581	73,691	157,853
Utility tax	1,803,489	2,046,034	1,611,452	1,549,733	1,483,104	1,291,020	1,337,612	1,209,269	1,003,791	541,746
Miscellaneous	550,778	716,621	564,918	657,353	234,153	284,662	214,067	241,866	136,866	95,696
Total Revenues	16,048,106	15,359,516	9,678,356	9,288,439	8,716,446	8,788,986	9,017,634	7,595,442	6,497,488	5,678,314
Expenditures:										
General government	4,075,742	3,631,067	3,945,284	3,419,607	4,133,522	3,531,764	6,583,248	2,707,747	1,895,064	1,807,374
Highway and streets	1,562,977	1,382,587	1,094,476	1,214,667	1,187,491	1,201,624	1,074,018	1,573,439	2,130,093	1,090,049
Public safety	3,392,656	7,041,065	2,502,870	2,418,576	2,195,060	1,953,218	1,887,858	1,756,155	1,805,677	1,620,531
Health and welfare	-	-	-	-	12,737	10,293	8,291	9,417	8,417	9,392
Capital outlay	7,673,513	4,973,191	2,096,096	3,486,319	1,960,330	4,392,891	1,671,850	198,528	529,678	1,327,657
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	1,102,077	819,681	728,750	448,750	594,633	454,857	379,235	342,400	249,320	244,520
Interest	426,361	380,676	384,092	374,505	297,649	324,949	221,589	120,217	212,578	186,775
Incentives	-	-	57,175	53,874	-	-	-	-	-	-
Bond issuance costs	-	-	140,815	-	-	-	-	-	-	-
Total Expenditures	18,233,326	18,228,267	10,949,558	11,416,298	10,381,422	11,869,596	11,826,089	6,707,903	6,830,827	6,286,298
Excess of revenues over(under) expenses	(2,185,220)	(2,868,751)	(1,271,202)	(2,127,859)	(1,664,976)	(3,080,610)	(2,808,455)	887,539	(333,339)	(607,984)
Other financing sources:										
Proceeds from bond issuance	-	45,000	9,093,386	-	2,172,526	143,100	4,327,545	142,435	138,650	139,320
Proceeds from installment contract	109,790	88,874	-	-	-	-	94,856	-	9,750	-
Proceeds from sale of capital asset	-	-	-	-	-	-	-	-	23,074	8,139
Payments made to bond escrow	-	-	(7,444,313)	-	-	-	-	-	-	-
Transfers in	3,855,801	5,236,021	1,360,715	1,164,032	1,138,291	1,262,114	601,878	1,263,126	1,143,177	670,636
Transfers out	(2,544,660)	(2,440,331)	(594,367)	(623,683)	(177,943)	(293,987)	(191,002)	(772,957)	(687,072)	(97,462)
Total other financing sources (uses)	1,420,931	2,929,564	2,415,421	540,349	3,132,874	1,111,227	4,833,277	632,604	627,579	720,633
Net changes in fund balance	\$ (764,289)	\$ 60,813	\$ 1,144,219	\$ (1,587,510)	\$ 1,467,898	\$ (1,969,383)	\$ 2,024,822	\$ 1,520,143	\$ 294,240	\$ 112,649
Debt service as a percentage of noncapital expenditures	14.47%	9.06%	14.81%	11.06%	10.60%	10.43%	5.92%	7.11%	7.33%	8.70%

VILLAGE OF LEMONT, ILLINOIS

Assessed Valuation, Rate Extension, and Collections

Last Ten Fiscal Years

April 30, 2007

(1) Tax Levy Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Total Tax Collections	Total Collections as Percent of Levy	Outstanding and Delinquent Taxes	Outstanding and Delinquent Taxes as Percent of Current Levy
1997	1,494,939	1,470,639	98.4%	1,470,639	98.4%	24,300	1.6%
1998	1,558,212	1,530,862	98.2%	1,530,862	98.2%	27,350	1.8%
1999	1,610,433	1,579,691	98.1%	1,579,691	98.1%	30,742	1.9%
2000	1,673,035	1,674,292	100.1%	1,674,292	100.1%	(1,257)	-0.1%
2001	1,766,921	1,737,335	98.3%	1,737,335	98.3%	29,586	1.7%
2002	1,675,948	1,780,682	106.2%	1,780,682	106.2%	(104,734)	-6.2%
2003	1,793,868	1,669,094	93.0%	1,669,094	93.0%	124,774	7.0%
2004	1,912,908	1,910,586	99.9%	1,910,586	99.9%	2,322	0.1%
2005	2,055,215	905,707	44.1%	905,707	44.1%	1,149,508	55.9%
2006	2,127,200	957,904	45.0%	957,904	45.0%	1,169,296	55.0%

(1) In Illinois, general property taxes are billed and payable in the first year following the levy year.

VILLAGE OF LEMONT, ILLINOIS

Assessed Valuation, Rate Extension, and Collections

Last Ten Fiscal Years

April 30, 2007

(1) Tax Levy Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Total Tax Collections	Total Collections as Percent of Levy	Outstanding and Delinquent Taxes	Outstanding and Delinquent Taxes as Percent of Current Levy
1997	1,494,939	1,470,639	98.4%	1,470,639	98.4%	24,300	1.6%
1998	1,558,212	1,530,862	98.2%	1,530,862	98.2%	27,350	1.8%
1999	1,610,433	1,579,691	98.1%	1,579,691	98.1%	30,742	1.9%
2000	1,673,035	1,674,292	100.1%	1,674,292	100.1%	(1,257)	-0.1%
2001	1,766,921	1,737,335	98.3%	1,737,335	98.3%	29,586	1.7%
2002	1,675,948	1,780,682	106.2%	1,780,682	106.2%	(104,734)	-6.2%
2003	1,793,868	1,669,094	93.0%	1,669,094	93.0%	124,774	7.0%
2004	1,912,908	1,910,586	99.9%	1,910,586	99.9%	2,322	0.1%
2005	2,055,215	905,707	44.1%	905,707	44.1%	1,149,508	55.9%
2006	2,127,200	957,904	45.0%	957,904	45.0%	1,169,296	55.0%

(1) In Illinois, general property taxes are billed and payable in the first year following the levy year.

VILLAGE OF LEMONT, ILLINOIS

Property Tax Rates - Direct and Overlapping Governments
 Last Ten Levy Years
 April 30, 2007

Tax Levy Year	Government Unit	Rates per \$100 Assessed Valuation												
		1996	1997	1998	1999	2000	2001	2002	2003	2004	2005(2)			
	School District 113 Bond	\$ 0.356	0.325	0.027	0.078	-	2.332	1.974	-	2.012	-	1.932	-	1.677
	School District 113	2.027	2.370	2.155	2.186	2.410	0.810	0.650	0.656	0.644	0.644	0.644	0.556	
	Lemont Fire Protection District	0.826	0.851	0.877	0.801	0.849	0.213	0.173	0.179	0.174	0.174	0.174	0.132	
	Lemont Library District	0.248	0.222	0.222	0.206	0.215	0.633	0.473	0.49	0.472	0.472	0.472	0.401	
	Village of Lemont	0.852	0.829	0.803	0.698	0.691	0.345	0.279	0.32	0.324	0.324	0.324	0.266	
	Lemont Park District	0.412	0.405	0.396	0.364	0.361	0.224	0.218	0.214	0.214	0.214	0.214	0.208	
	Joliet Comm. College District	0.214	0.217	0.216	0.221	0.222	2.192	1.852	1.901	1.837	1.837	1.837	1.604	
	Lemont High School District	2.299	2.333	2.328	2.267	2.261	0.015	0.011	0.013	0.012	0.012	0.012	0.01	
	So Cook County Mosquito Abate	0.011	0.012	0.013	0.013	0.014	0.401	0.371	0.361	0.347	0.347	0.347	0.315	
	Metropolitan Water Reclam. District	0.492	0.451	0.444	0.419	0.415	0.002	0.002	0.002	0.002	0.002	0.002	0.002	
	Lemont General Assistance	0.003	0.003	0.003	0.003	0.003	0.137	0.111	0.112	0.108	0.108	0.108	0.089	
	Lemont Road & Bridge	0.147	0.153	0.153	0.138	0.140	0.261	0.214	0.224	0.214	0.214	0.214	0.18	
	Lemont Township	0.117	0.121	0.121	0.110	0.113	0.032	-	0.029	-	-	-	0.014	
	Consolidated Elections	-	0.027	-	0.023	-	0.007	0.006	0.004	0.001	0.001	0.001	0.005	
	Suburban TB Sanitarium	0.008	0.008	0.008	0.008	0.008	0.067	0.061	0.059	0.060	0.060	0.060	0.06	
	Cook County Forest Preserve	0.074	0.074	0.072	0.070	0.069	0.746	0.690	0.630	0.593	0.593	0.593	0.533	
	Cook County	0.694	0.634	0.673	0.618	0.605	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
	Cook County Health Facilities	0.295	0.285	0.238	0.236	0.219	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
	Total property tax rate	\$ 9.075	9.320	8.749	8.459	8.595	8.417	7.085	7.206	6.934	6.934	6.934	6.052	

(1) Cook County Health Facilities rate combined with Cook County

(2) 2006 Tax year information unavailable at the time of this report

Data source - Cook County Clerk's Office and local taxing units

VILLAGE OF LEMONT, ILLINOIS

Principal Taxpayers

As of April 30, 2007

<u>Taxpayer</u>	<u>Type of Business, Property</u>	<u>2005* Equalized Assessed Value</u>	<u>Percent of Village's Total EAV</u>	<u>1998 Equalized Assessed Value</u>	<u>Percent of Village's Total EAV</u>
Target Droptax T1213	Discount department store	\$10,516,886	2.05%	\$0	0.00%
IMTT Lemont	Industrial properties and vacant land	7,719,482	1.51%	5,728,553	2.90%
Kohl's Department Store	Department store	6,847,233	1.34%	0	0.00%
Long Run 1031 LLC	Shopping center and one story store	6,783,458	1.32%	0	0.00%
Albertson Prop Tax	Jewel food store	6,273,631	1.22%	0	0.00%
GK Development Inc	Shopping center, supermarket, and one story stores	5,670,894	1.11%	0	0.00%
Lemont Venture LLC	One story store	4,375,301	0.85%	0	0.00%
Lemont Nursing & Rehab	Special commercial prpoerty with improvements	3,966,465	0.77%	0	0.00%
Lemont POB LLC	Two or three story building with retail and/or commercial space	3,633,555	0.71%	0	0.00%
Lemont Holdings LLC	Commercial properties and vacant land	3,082,811	0.60%	0	0.00%
Rock Creek Center	Psychiatric hospital	0	0.00%	4,806,775	2.50%
American Stores Prop.	Grocery store / Commercial development	0	0.00%	4,155,350	2.10%
Century Care Management	Nursing home	0	0.00%	2,837,936	1.50%
American Golf Corp	Golf course	0	0.00%	2,728,619	1.40%
Gallagher & Henry	Residential development	0	0.00%	2,595,396	1.30%
Lemont Plaza Unlimited	Retail development	0	0.00%	1,655,183	0.90%
Equity Attainment, Inc.	Retail development	0	0.00%	1,437,847	0.70%
South Holland Bank	Bank	0	0.00%	1,405,098	0.70%
Lemont 900	Retail development	0	0.00%	1,138,991	0.60%
		<u>\$58,869,715</u>	<u>11.49%</u>	<u>\$28,489,748</u>	<u>14.60%</u>

Source: Office of the Cook County Clerk

2006 tax year information unavailable at the time of this report

* Includes only those parcels located in Cook County with 2005 equalized assessed values over approximately \$300,000

VILLAGE OF LEMONT, ILLINOIS

Ratios of Outstanding Debt and General Bonded Debt

Last Ten Fiscal Years

April 30, 2007

Governmental Activities Debt

Fiscal Year Ended	(1)		(2)		Total Governmental	Per Capita	Percentage of Assessed Value
	Population	Equalized Assessed Valuation	General Obligation Debt	Installment Contracts			
1998	11,375	180,567,683	2,029,520	210,869	2,240,389	196.96	1.24
1999	11,375	194,194,150	1,858,650	181,271	2,039,921	179.33	1.05
2000	13,098	230,734,926	1,677,435	154,620	1,832,055	139.87	0.79
2001	13,098	242,093,595	5,675,475	208,583	5,884,058	449.23	2.43
2002	13,098	279,372,935	5,413,100	160,302	5,573,402	425.52	1.99
2003	13,098	354,324,649	4,385,000	109,327	4,494,327	343.13	1.27
2004	13,098	366,369,526	6,690,000	126,882	6,816,882	520.45	1.86
2005	15,614	405,710,796	7,975,000	179,501	8,154,501	522.26	2.01
2006	15,614	512,569,245	7,500,000	149,829	7,649,829	489.93	1.49
2007 ¹	15,614	528,559,704	6,780,000	131,560	6,911,560	442.65	1.31

Fiscal Year Ended	Business type Activities		Total Primary Government		Per Capita	Percentage of Assessed Value
	General Obligation Debt	Installment Contracts	Total Debt Outstanding	Per Capita		
1998	2,535,000	841,049	3,376,049	5,616,438	493.75	3.11
1999	2,425,000	780,935	3,205,935	5,245,856	461.17	2.70
2000	2,350,000	718,993	3,068,993	4,901,048	374.18	2.12
2001	2,275,000	141,281	2,416,281	8,300,339	633.71	3.43
2002	2,175,000	640,653	2,815,653	8,389,055	640.48	3.00
2003	2,075,000	540,103	2,615,103	7,109,430	542.79	2.01
2004	1,975,000	457,360	2,432,360	9,249,242	706.16	2.52
2005	7,515,000	385,930	7,900,930	16,055,431	1,028.27	3.96
2006	7,515,000	311,789	7,826,789	15,476,618	991.20	3.02
2007	7,185,000	235,393	7,420,393	14,331,953	917.89	2.71

(1) In Illinois, general property taxes are billed and payable in the first year following the levy year.

(2) Includes Installment contracts and capital lease commitments

VILLAGE OF LEMONT, ILLINOIS

Ratio of Net General Obligation Debt to Equalized Assessed
Valuation and Net General Obligation Debt Per Capita
Last Ten Fiscal Years
April 30, 2007

Fiscal Year Ended	(1) Equalized Assessed Valuation	(2) Gross General Obligation Debt	Less Debt Service Monies Available	Debt Payable From Other Revenues	Net General Obligation Debt	Net Debt to Equalized Assessed Valuation	Net General Obligation Debt Per Capita
1998	180,567,683	3,129,320	77,462	2,500,000	551,858	0.31 %	48.51
1999	194,194,150	2,943,650	82,235	2,425,000	436,415	0.22 %	38.37
2000	230,734,926	2,752,435	91,242	2,350,000	311,193	0.13 %	23.76
2001	242,093,595	5,675,475	32,509	2,275,000	3,367,966	1.39 %	257.14
2002	279,372,935	5,318,100	38,075	2,175,000	3,105,025	1.11 %	237.06
2003	354,324,649	4,810,000	-	2,075,000	2,735,000	0.77 %	208.81
2004	366,369,526	4,430,000	-	1,975,000	2,455,000	0.67 %	187.43
2005	405,710,796	15,490,000	-	1,825,000	13,665,000	3.37 %	875.18
2006	512,569,245	15,015,000	-	1,825,000	13,190,000	2.57 %	844.75
2007	528,559,704	13,965,000	-	1,670,000	12,295,000	2.33 %	787.43

(1) In Illinois, general property taxes are billed and payable in the first year following the levy year.

(2) Does not include tax levy for Special Service District debt, Central Business Tax Increment District debt.

VILLAGE OF LEMONT, ILLINOIS

Schedule of Direct and Overlapping Debt

As of April 30, 2007

	<u>Outstanding Bonds</u>	<u>Applicable to Village Percent</u>	<u>Amount</u>
<u>Direct Debt</u>			
VILLAGE OF LEMONT	0 (1)	100.000%	\$0
 <u>Overlapping Bonded Debt</u>			
<u>Counties:</u>			
Cook County	3,070,610,000	0.384%	\$11,791,142
Cook County Forest Preserve District	132,855,000	0.384%	510,163
DuPage County	54,195,000 (1)	0.002%	1,084
DuPage County Forest Preserve District	227,286,311 (1)(2)	0.002%	4,546
Will County	4,885,000 (1)(3)	0.003%	147
Will County Forest Preserve District	169,107,309 (2)	0.003%	5,073
 <u>Miscellaneous Districts:</u>			
Metropolitan Water Reclamation District	1,256,985,306	0.392%	4,927,382
Lemont Fire Protection District	1,680,000	48.476%	814,397
Lemont Park District	495,000	62.800%	310,860
Lemont Public Library District	2,695,000	63.460%	1,710,247
 <u>School Districts:</u>			
#113	22,146,799 (2)	51.374%	11,377,697
#180	2,855,000	0.181%	5,168
CSUD#365-U	190,100,804 (2)	0.023%	43,723
HSD #86	12,970,000	0.008%	1,038
HSD #210	13,789,588 (2)	50.852%	7,012,281
Community College #502	81,905,000 (1)	0.002%	1,638
Community College #525	0 (1)	3.346%	0
 Direct and Overlapping General Obligation Bonded Debt			 <u>\$38,516,586</u>

(1) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds.

(2) Includes original principal amounts of outstanding Capital Appreciation Bonds.

(3) Includes Public Building Commission Revenue Bonds payable from lease payments secured by ad valorem taxes levied on all taxable property within the County. Includes the Will County portion of the Juvenile Justice Center bonds.

VILLAGE OF LEMONT, ILLINOIS

Legal Debt Margin
Last Ten Fiscal Years
April 30, 2007

(Amounts in Thousands)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Equalized valuation	\$ 528,560	\$ 512,569	\$ 405,711	\$ 366,370	\$ 354,325	\$ 279,373	\$ 242,094	\$ 230,735	\$ 194,194	\$ 180,568
Debt Limit -8.625% of Equalized Valuation	45,588	44,209	34,993	31,599	30,561	24,096	20,881	19,901	16,749	15,574
Less:										
Outstanding debt applicable to limit	13,965	15,015	15,490	8,665	9,195	7,588	7,950	4,027	4,284	4,564
Legal Debt Margin	\$ 31,623	\$ 29,194	\$ 19,503	\$ 22,934	\$ 21,366	\$ 16,508	\$ 12,930	\$ 15,873	\$ 12,466	\$ 11,010
Total debt applicable to the limit as a percentage of debt limit	30.63%	33.96%	44.27%	27.42%	30.09%	31.49%	38.08%	20.24%	25.58%	29.31%

Chapter 50 Illinois Compiled Statutes 405/1 provides, "no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979...

VILLAGE OF LEMONT, ILLINOIS

Water Fund

Schedule of Revenue Bond Coverage

Last Ten Fiscal Years

April 30, 2007

Fiscal Year Ended	(1) Gross Revenue	(2) Direct Operating Expenses	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage
				Principal	(3) Interest	Total	
1998	3,091,379	1,132,599	1,958,780	35,000	241,922	276,922	7.07
1999	2,807,324	1,407,480	1,399,844	-	-	-	-
2000	2,381,819	2,278,484	103,335	-	-	-	-
2001	3,156,631	2,120,071	1,036,560	-	-	-	-
2002	2,792,998	1,129,447	1,663,551	-	-	-	-
2003	2,769,340	1,681,308	1,088,032	-	-	-	-
2004	2,929,975	1,464,533	1,465,442	-	-	-	-
2005	3,320,894	1,506,624	1,814,270	-	-	-	-
2006	4,251,734	2,436,038	1,815,696	-	-	-	-
2007	3,909,648	2,092,251	1,817,397	-	-	-	-
85							

(1) Excludes interest earned on investments with escrow agent

(2) Excludes depreciation and amortization

(3) Excludes interest paid by escrow agent

VILLAGE OF LEMONT, ILLINOIS

Demographic Statistics

Last Ten Fiscal Years

April 30, 2007

Fiscal Year Ended	Population	Per Capita Income	Personal Income	Median Age	School Enrollment	% Bachelors Degree or Higher	Unemployment Percentage
1998	11,375	20,001	\$ 227,510,257	35.6	1929	19.1	2.6
1999	11,375	20,341	\$ 231,375,657	35.6	1929	19.1	2.6
2000	13,098	28,354	\$ 371,380,692	38.3	3600	32.0	3.4
2001	13,098	29,426	\$ 385,422,596	38.3	3600	32.0	3.4
2002	13,098	29,838	\$ 390,822,367	38.3	3600	32.0	3.4
2003	13,098	30,251	\$ 396,223,532	38.3	3600	32.0	3.4
2004	13,098	30,877	\$ 404,433,283	38.3	3600	32.0	3.4
2005	15,614	31,867	\$ 497,573,012	38.3	3600	32.0	3.4
2006	15,614	32,609	\$ 509,161,487	38.3	3600	32.0	3.4
2007	15,614	33,652	\$ 525,439,380	38.3	3600	32.0	3.4

U.S. Census Bureau 1990,2002; Special Census 1997 Special Census November 2004

U.S. Census Bureau, based on adjustments made through Chicago CPI

VILLAGE OF LEMONT, ILLINOIS

Schedule of Principal Employers

As of April 30, 2007

<u>Employer</u>		<u>Product/Business</u>	<u>Approximate Employment</u>	
			<u>2007</u>	<u>1998</u>
Argonne National Laboratory	(a)	U.S. Government Research Facility	2,900	6,707
Citgo Refinery	(a)	Gasoline and Petroleum Products	525	700
K-Five Construction Corp.		Roadway Construction / Asphalt	450	0
Mother Theresa Home/ Franciscan Village		Nursing Home / Assisted Living	350	175
Lemont-Bromberek School District 113A		Public Elementary Education	319	278
Jewel-Osco		Grocery / Drug Store	175	235
Lemont Nursing and Rehabilitation Center		Nursing Home	165	195
Target		Retail Store	170	0
Lemont High School District 210		Public Secondary Education	190	0
Kohl's		Department Store	110	0
IMTT Lemont		Chemical Manufacturing / Processing	105	0
K.A. Steel		Chemical Products Terminal	100	0
Austeel Lemont Company		Steel fabrication	0	253
Rock Creek Center		Psychiatric Hospital	0	225
Chipain's Finer Foods		Grocery Store	0	101
Clipper Express Company		Interstate Commodities Freight	0	100

VILLAGE OF LEMONT, ILLINOIS

Full Time Equivalent Village Government

Employees by Function

Last Ten Fiscal Years

April 30, 2007

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Public Safety	29	29	29	28	28	28	25	26	26	24
Public Works	28	28	28	26	28	27	25	24	24	23
Community Development	3	3	3	3	3	3	3	3	3	3
General Government	8	8	7	7	8	8	8	9	8	8
Water and Sewerage (Combined with Public Works)	0	0	0	0	0	0	0	0	0	0
Total	68	68	67	64	67	66	61	62	61	58

VILLAGE OF LEMONT, ILLINOIS

Operating Indicators by Function

Last Six Fiscal Years

April 30, 2007

Function:	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Public safety:						
Police department:						
Physical Arrests (1)	166	539	476	462	330	260
Parking Violations	1413	n/a	n/a	n/a	n/a	n/a
Traffic Violations	573	n/a	n/a	n/a	n/a	n/a
Public works:						
Street lights repaired	73	161	137	175	237	n/a
Alleys Paved	1	5	n/a	n/a	n/a	n/a
Water and sewerage:						
Water Main Breaks	20	n/a	n/a	n/a	n/a	n/a
Rated Daily Pumping capacity (gallons)	5,472,000	5,429,000	4,100,000	4,176,000	4,800,000	4,800,000
Average Daily Pumpage (gallons)	1,800,000	1,700,000	1,500,000	1,500,000	1,200,000	1,200,000
Maximum Daily Pumpage (gallons)	4,300,000	3,400,000	3,900,000	2,500,000	3,853,000	4,200,000
Number of Accounts in Service	5,220	5,174	5,000	5,000	4,661	4,500

Prior to April 30, 2006, information is unavailable for the number of arrests, violations, water main breaks, and alleys paved.

(1) All information is collected on a calendar year basis

VILLAGE OF LEMONT, ILLINOIS

Capital Asset Statistics by Function

Last Six Fiscal Years

April 30, 2007

Function:	2007	2006	2005	2004	2003	2002
Public safety:						
Police department:						
Police Stations	2	1	1	1	1	1
Number of Police Units	27	27	24	22	22	22
Public works:						
Miles of streets	141	122	110	110	110	110
Number of street lights	791	791	781	775	500	500
Miles of Alleys	7.8	7.8	3.7	3.7	3.7	3.7
Water and sewerage:						
Miles of water mains	81	75	73	73	73	70
Fire hydrants	1,380	1,277	1,220	1,200	N/A	N/A
Sanitary sewers (miles)	79	67	65	65	65	65
Storm sewers (miles)	74	65	n/a	n/a	n/a	n/a
Storm sewer Manholes	720	631	547	524	n/a	n/a
Sanitary sewer Manholes	2,110	1,892	1,508	1,486	n/a	n/a