

VILLAGE OF VILLA PARK, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED APRIL 30, 2006

Prepared by:

Robert Niemann, Village Manager
Eric Dubrowski, Finance Director

VILLAGE OF VILLA PARK, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>INTRODUCTORY SECTION</u>	
Officers and Officials	i
Organizational Structure	ii
Certificate of Achievement for Excellence in Financial Reporting	iii
Letter of Transmittal	iv - ix
<u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 13
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Assets	14 - 15
Statement of Activities.....	16 - 17
Fund Financial Statements	
Balance Sheet – Governmental Funds	18
Reconciliation of Total Governmental Fund Balance to Net Assets of Governmental Activities.....	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Net Assets – Proprietary Funds	22 - 23
Statement of Revenues, Expenses, and Changes in Net Assets – Proprietary Funds.....	24
Statement of Cash Flows – Proprietary Funds.....	25
Statement of Fiduciary Net Assets – Pension Trust Funds.....	26
Statement of Changes in Fiduciary Net Assets – Pension Trust Funds	27
Notes to the Financial Statements.....	28 - 69

VILLAGE OF VILLA PARK, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress - Illinois Municipal Retirement Fund..... 70
Schedule of Funding Progress - Police Pension Fund 71
Schedule of Funding Progress - Firefighters' Pension Fund 72
Schedule of Employer Contributions – Illinois Municipal Retirement Fund 73
Schedule of Employer Contributions – Police Pension Fund 74
Schedule of Employer Contributions – Firefighters' Pension Fund 75
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual – General Fund..... 76

OTHER SUPPLEMENTARY INFORMATION

Schedule of Revenues – Budget and Actual – General Fund 77 –78
Schedule of Expenditures – Budget and Actual – General Fund 79
Schedule of Detailed Expenditures – Budget and Actual – General Fund 80 - 92
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Debt Service Fund..... 93
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Capital Projects Fund..... 94
Combining Balance Sheet – Nonmajor Governmental Funds 95 - 96
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds..... 97 - 98
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Recreation Fund – Special Revenue Fund 99
Schedule of Expenditures – Budget and Actual – Recreation Fund –
Special Revenue Fund..... 100 – 101
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Northeast DuPage Special Recreation Fund – Special Revenue Fund 102
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Tax Increment Financing Fund – Special Revenue Fund 103
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Tax Increment Financing Two Fund – Special Revenue Fund..... 104
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Parks Fund – Special Revenue Fund..... 105
Schedule of Expenditures – Budget and Actual – Parks Fund – Special Revenue Fund..... 106 - 107
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Motor Fuel Tax Fund – Special Revenue Fund 108

VILLAGE OF VILLA PARK, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>FINANCIAL SECTION - Continued</u>	
OTHER SUPPLEMENTARY INFORMATION - Continued	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – South Villa Sewer Service District Fund – Special Revenue Fund	109
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Hotel/Motel Tax Fund – Special Revenue Fund	110
Schedule of Revenues, Expenditures, and Changes in Net Assets – Budget and Actual – Water Supply – Enterprise Fund	111
Schedule of Operating Expenses – Budget and Actual – Water Supply – Enterprise Fund	112 - 113
Schedule of Revenues, Expenditures, and Changes in Net Assets – Budget and Actual – Waste Water – Enterprise Fund	114
Schedule of Operating Expenses – Budget and Actual – Waste Water – Enterprise Fund	115 - 116
Schedule of Revenues, Expenditures, and Changes in Net Assets – Budget and Actual – Swim Pool – Enterprise Fund	117
Schedule of Operating Expenses – Budget and Actual – Swim Pool – Enterprise Fund	118
Combining Statement of Net Plan Assets – Pension Trust Funds	119
Combining Statement of Changes in Net Plan Assets – Pension Trust Funds	120
Schedule of Changes in Net Plan Assets – Budget and Actual – Police Pension – Pension Trust Fund	121
Schedule of Changes in Net Plan Assets – Budget and Actual – Firefighters’ Pension – Pension Trust Fund	122
<u>SUPPLEMENTAL SECTION</u>	
Villa Park Public Library – Component Unit	
Balance Sheet	123
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	124
Schedule of Expenditures – Budget and Actual	125 – 126
Long-Term Debt Requirements	
General Obligation Corporate Purpose Bonds, Series 1998	127
General Obligation Refunding Bonds, Series 2003	128
Debt Certificates, Series 2003A	129
Debt Certificates, Series 2004	130
General Obligation Limited Bonds, Series 2005	131

VILLAGE OF VILLA PARK, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>STATISTICAL SECTION (Unaudited)</u>	
Government-Wide Revenues by Function	132
Government-Wide Expenses by Function	133
General Governmental Revenues by Source.....	134 - 135
General Governmental Expenditures by Function	136 - 137
Property Tax Levies and Collections	138
Property Tax Equalized Assessed Valuations, Rates, and Extensions.....	139 - 140
Assessed and Estimated Actual Value of Taxable Property	141
Property Tax Rates - Direct and Overlapping Governments	142 - 143
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita	144
Schedule of Direct and Overlapping Debt	145
Ratio of Annual Debt Service Expenditures for General Obligation Debt to Total General Governmental Expenditures	146
Demographic Statistics.....	147
Property Value, Construction, and Bank Deposits.....	148
Schedule of Principal Taxpayers.....	149
Schedule of Major Insurance in Force	150
Miscellaneous Statistics	151 - 152

INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Villa Park including: List of Officers and Officials, Organizational Chart, Certificate of Achievement for Excellence in Financial Reporting, and Letter of Transmittal from Finance Director.

VILLAGE OF VILLA PARK, ILLINOIS

Officers and Officials

April 30, 2006

VILLAGE PRESIDENT

Joyce Stupegia

BOARD OF TRUSTEES

Richard Hian

Thomas Cullerton

Ray "Doc" Hensley

John Vargas

VILLAGE CLERK

Connie McCrun

VILLAGE MANAGER

Robert Niemann

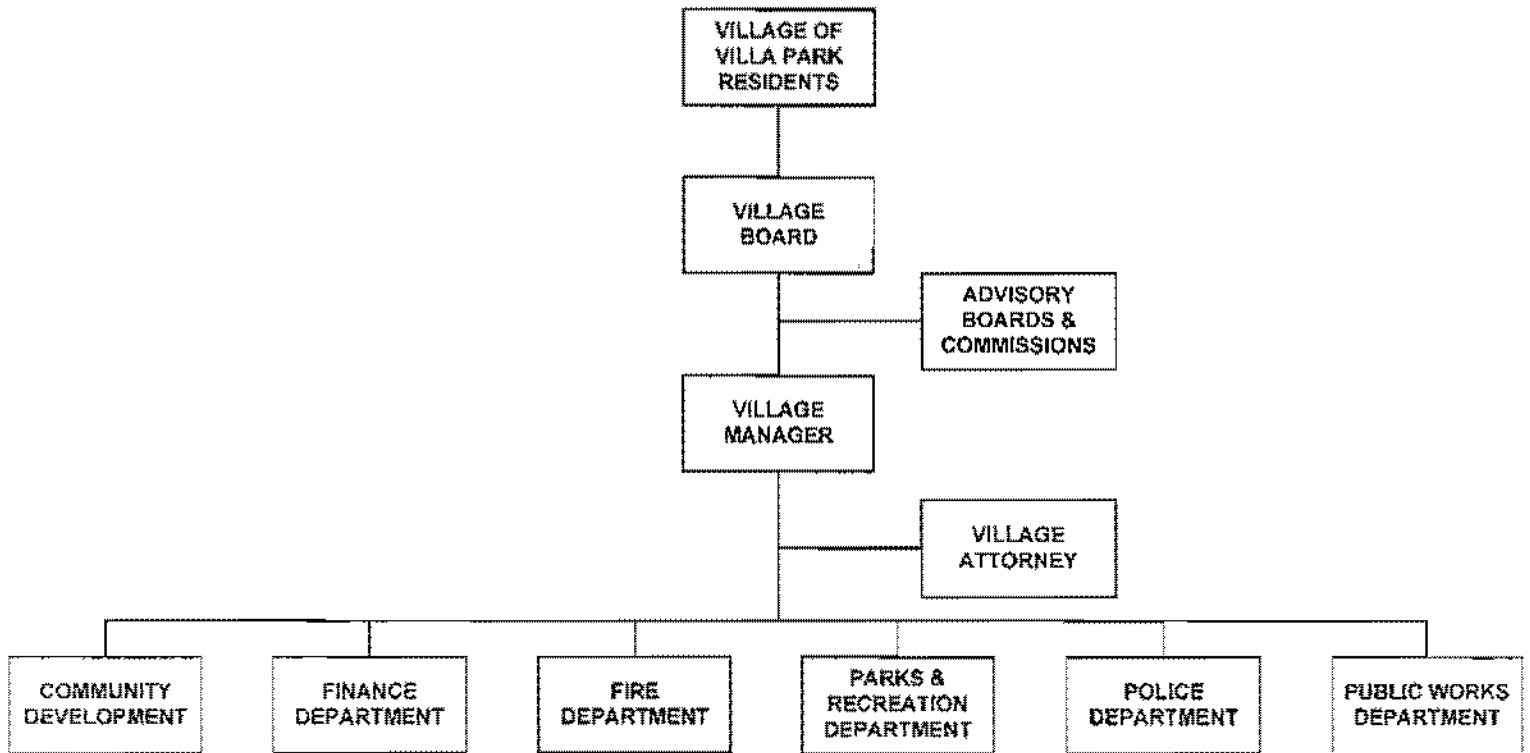
FINANCE DIRECTOR

Eric Dubrowski

ASSISTANT FINANCE DIRECTOR

Shannon Lump

Village of Villa Park Organizational Structure



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Villa Park,
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2005

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



Carla E. Fudge

President

Jeffrey R. Emmer

Executive Director

September 1, 2006

The Honorable Joyce Stupegia, Village President
Members of the Board of Trustees
Citizens of the Village of Villa Park

The comprehensive annual financial report of the Village of Villa Park, Illinois, for the fiscal year ended April 30, 2006, is hereby submitted as mandated by state statutes. These statutes require that the Village issue annually a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Villa Park. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village of Villa Park's financial statements in conformity with GAAP. Because of the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Villa Park for the fiscal year ended April 30, 2006, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements for the fiscal year ended April 30, 2006, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to

accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

Profile of the Village of Villa Park

The Village of Villa Park, "The Garden Village," was incorporated in 1915 and is strategically located adjacent to interstate highways and rail lines. It is just 17 miles west of downtown Chicago and only 12 miles from O'Hare Airport. The Village is located in east central DuPage County, one of the fastest growing counties in the nation.

The Village currently has a land area of 4.6 square miles and a population of 22,517. The Village is empowered to levy a property tax on real property located within its boundaries. The Village also has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the Village Board.

The Village operates under the Village Board/Manager form of government. Policy making and legislative authority are vested in the Village Board, which consists of a President and a six-member board of trustees. The board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the Village Manager. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the village and for appointing the heads of the village's departments. The Village President and Trustees are elected on a village-wide basis and hold office for a term of four years.

The Village provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets and other infrastructure; recreational activities and cultural events; and the operating of the water and wastewater facilities. The Villa Park Public Library is reported as a discretely presented component unit to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit their budget requests to the Village Manager on or before the first Friday in January of each year. The Village Manager uses these requests as the starting point for developing the proposed budget. The Village Manager then presents this proposed budget to the Village Board on or before March 15th of each year. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30th of each year; the close of the Village's previous fiscal year. The appropriated budget is prepared by fund and department (e.g. police). The Village Manager may make transfers of appropriations within a department. Budget transfers between departments require approval of the Village Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Corporate Fund, this

comparison is presented on page 76 as required supplementary information and on pages 77 – 92 presented in other supplementary information subsection of this report. For governmental funds, other than the General Corporate Fund, with appropriated budgets, this comparison is presented in other supplementary information fund subsection of this report, which starts on page 93.

Major Initiatives

The Village staff, following specific directives of the Village Board and the Village Manager, has been involved in a variety of projects throughout the year; projects which reflect the Village's commitment to ensuring that its citizens are able to live and work in an enviable environment. The most significant of these projects are discussed more thoroughly below:

- Staff worked diligently to promote and educate the residents about the sales tax referendum which was successfully approved on March 21, 2006.
- Received grant funding for all four of our STP grant applications and on CMAQ grant applications. The grants will cover 70-80% of the total cost (\$1,802,462 in grants) of construction. These projects include resurfacing of Madison Street, north Ardmore Avenue and St. Charles Road and total reconstruction of Sunset from Westmore to the western boundary of Villa Park.
- Completed relocation to the new Public Works Operations Center, completed demolition of old Public Works building and reconstructed Village Hall parking lot. Staff designed the parking lot, installed the new storm sewer and other underground utilities and re-striped the parking lot.
- Completed a water distribution system master plan. Updated Capital Improvement Program to incorporate the recommendations. Submitted a \$2 million loan fund application to the IEPA for replacement of water mains on the "ABC" streets and a \$348,000 loan fund application for replacement of the North Villa Lift Station.
- Placed in service a new 2006 Ford Medtec Advanced Life Support ambulance to replace a 1999 ambulance resulting in less down time and maintenance costs and enhanced service to our residents.
- Initiated the North Avenue Corridor Tax Increment Finance District with a private consultant and staff input. The TIF should be implemented by 1/1/2007.
- Developed and implemented action plan for DUI enforcement resulting in IDOT first place award and AAIM program first place award.
- The Manager completed negotiations with the Village's three labor unions to agree on new contracts. All new contracts expire April 30, 2009.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village operates.

Local economy. The Village of Villa Park's labor force of 13,308, accounts for 2.6% of the total labor force for DuPage County. Based on employment figures supplied by the Northeastern Illinois Planning Commission for calendar year 2005, Villa Park's annual unemployment rate was 5.7%, an increase from the rate of 5.4% in calendar year 2004. DuPage County's unemployment rate in calendar year 2005 was 4.7%, which is a drop from 4.9% in 2004. Approximately 70% of the village's labor force work in the private sector - mostly in retail trade or business services. Villa Park's largest employers are either retail businesses (Wal-Mart, Target, K-Mart) or public administration (School Districts 45, 48 and 88 and the Village of Villa Park). United Rental Industries and ConXAll are the largest manufacturing employers.

While landlocked with less than 2% of developable land remaining, in FY 2005-06, the Village of Villa Park enjoyed \$6,581,000 in new single family residential construction value based on the issuance of twenty five building permits for new single family homes; \$3,333,560 in residential remodeling or additions (over \$25,000) and over \$1.6 million in commercial buildout or remodelings. There were two new commercial developments (Terrace Carpets, 206 E. St. Charles Road and Advantage Auto at 860 N. Addison and two new industrial developments at 44 and 50 E. Hill Street.

Long-term financial planning. The Village witnessed some cosmetic changes this year to the Village Hall in Fiscal Year 2005-06 and it is anticipated that some additional renovations will be made in Fiscal Year 2006-07. Future expenditures that will have a significant impact on the Village's operations deal primarily on capital projects dealing with infrastructure upgrades. The Village has been falling behind on its road projects and vehicle replacement plan due to shortfalls in the economy. These expenditures, when combined with increases in operating costs are resulting in tremendous pressure on the Village's reserves. A 0.5% non home rule sales tax will begin to be collected in January 2007 and all monies collected from this source will go directly into the newly established Roads Fund (formerly a component of the Capital Projects Fund). This will help fund the road projects in Villa Park, but there is still a strain on the operations end of the Village due to increasing costs due to increases for utilities, salaries, benefits, pension requirements, etc. There is also a need to replace Village vehicles. All of these expenditures seem to outpace revenue streams, in particular the tax capped property tax. Rate analysis must be performed on all levels and new sources of revenue must be examined on a regular basis. Expenditures must continue to be examined on a regular basis to ensure that there is a lack of waste in governmental spending.

Cash Management policies and practices. Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, obligations of the U.S. Treasury, the State Treasurer's investment pool (Illinois Funds), and the Illinois Metropolitan Investment Fund (IMET). The maturities of the investments range from immediately accessible (Illinois Funds) to 2 to 3 years (IMET). The maturities on the U.S. Treasury obligations range from 180 days to 5 years.

Risk management. The Village participates in a public entity risk pool to protect against casualty risk losses. The Intergovernmental Risk Management Agency (IRMA) insures first party property losses, third party liability claims, worker's compensation claims and Public Official Liability claims. Third party coverage is currently maintained for health risk losses. In addition, various control techniques, including accident prevention training and a safety incentive program, have continued during the year to minimize accident-related losses.

Pension and other post employment benefits. The Village sponsors two single-employer defined benefit pension plans for its sworn police officers and firefighter/paramedics. Each year, an independent actuary from the Illinois Department of Insurance Pension Division calculates the amount of the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the Village fully funds each year's annual required contribution to the pension plans as determined by the actuary. As a result of the Village's conservative funding policy, the Village has succeeded, as of April 30, 2006, in funding 73.0% and 81.3%, respectively of the actuarial accrued liabilities of the police and firefighter plans. The remaining unfunded amount is being systematically funded over 29 years as part of the annual required contribution calculated by the actuary.

The Village also provides pension benefits for its non-public safety employees. These benefits are provided through a state-wide plan managed by the Illinois Municipal Retirement Plan (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond our contractual payments to IMRF.

Additional information on the Village's pension arrangements can be found in Note 4, starting on page 63, in the financial statements.

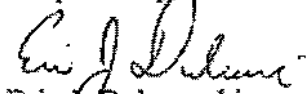
Awards and acknowledgments. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Villa Park for its comprehensive annual financial report (CAFR) for the fiscal year ended April 30, 2005. This was the sixteenth consecutive year that the Village has received this prestigious national award. In order to be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the Village also received the GFOA's Distinguished Budget Presentation Award for its annual budget for the fiscal year beginning May 1, 2005. In order to qualify for this award, the Village's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I wish to express my appreciation to all members of the Department who assisted and contributed to its preparation. Credit also must be given to the Village President, Trustees of the Village Board and Village Manager Bob Niemann for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Villa Park's finances.

Respectfully submitted,



Eric J. Dubrowski
Finance Director

FINANCIAL SECTION

This section includes:

- **Independent Auditors' Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining and Individual Fund Statements and Schedules**

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.

INDEPENDENT AUDITORS' REPORT

August 22, 2006

The Honorable Village President
Members of the Board of Trustees
Village of Villa Park, Illinois

We have audited the accompanying financial statements of the governmental activities, the business type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Villa Park, Illinois as of and for the year ended April 30, 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Villa Park, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Villa Park, Illinois as of April 30, 2006, and the respective changes in financial position and cash flows, were applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund schedules, as well as the information listed as supplemental and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of Villa Park, Illinois. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

Village of Villa Park, Illinois

August 22, 2006

Page 2

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

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

Lauterbach + Amen LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF VILLA PARK, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2006

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iv) and the Village's financial statements (beginning on page 14).

Financial Highlights

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$51,241,172 (*net assets*). Of this amount, \$14,670,298 (*unrestricted net assets*) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net assets decreased by \$814,844. This reflects the excess of current revenues over current expenses, offset by the systematic and planned consumption of the Village's capital assets that is quantified as depreciation expense. Total depreciation expense for the year was \$2,321,107.
- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$10,442,803, an increase of \$1,948,865 in comparison with the prior year. Approximately 73.4% of this total amount, \$7,668,322, is available for spending at the Village's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, the unreserved fund balance of the General Corporate Fund was \$4,155,257, or 26% of total General Corporate Fund expenditures.
- The Village's total debt increased by \$1,700,000 (20.5%) during the current fiscal year. This was the result of the issuance of \$2,675,000 of limited tax general obligation bonds and scheduled principal repayments.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 14-17) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long term obligations using the accrual basis of accounting and economic resources measurement focus.

(See independent auditor's report)

VILLAGE OF VILLA PARK, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Statement of Activities (see pages 16-17) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including public safety (police and fire), public works, engineering, culture-recreation and administration. Shared state sales, local utility and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water, Wastewater and Swim Pool), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

The Governmental Funds' (see pages 18-21) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police and Firefighters Pension Trust, see pages 26-27). While these Funds represent trust responsibilities of the Village, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 22-25) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 19 and 21). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column in the Government-wide statements.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement #34 (GASB 34) requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful lives. If a road or similar project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

(See independent auditor's report)

**VILLAGE OF VILLA PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Financial Analysis of the Village as a Whole

In accordance with GASB Statement No. 34, The Village is not required to restate prior periods for the purpose of providing comparative information. Since comparative information is available this fiscal year, a comparative analysis of Government-wide information will be presented.

GOVERNMENT-WIDE STATEMENT

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets:

**Table 1
Statement of Net Assets
As of April 30, 2006
(in millions)**

	Governmental Activities 2006	Governmental Activities 2005	Business-type Activities 2006	Business-type Activities 2005	Total Primary Government 2006	Total Primary Government 2005
Current assets	17.0	14.0	4.9	4.8	21.9	18.8
Non current assets	34.2	36.5	16.6	17.2	50.8	53.7
Total assets	51.2	50.5	21.5	22.0	72.7	72.5
Current liabilities	8.0	7.5	0.4	0.5	8.4	8.0
Long-term liabilities	13.0	11.9	0.1	0.1	13.1	12.0
Total liabilities	21.0	19.4	0.5	0.6	21.5	20.0
Net assets:						
Invested in capital assets, net of debt	20.3	22.7	16.2	16.7	36.4	39.4
Restricted	0.1					
Unrestricted	9.8	8.5	4.8	4.7	14.6	13.1
Total net assets	30.2	31.2	21.0	21.4	51.2	52.5

For more detailed information see the Statement of Net Assets (pages 14-15).

The largest portion of the Village's net assets (71%) reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, infrastructure and construction in progress), less any debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide service to citizens; consequently these assets are not available for spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

(See independent auditor's report)

**VILLAGE OF VILLA PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation.

Net Results of Activities -- which will impact (increase/decrease) current assets and unrestricted net assets.

Borrowing for Capital -- which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital -- which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital -- which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

Principal Payment on Debt -- which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

Reduction of Capital Assets through Depreciation -- which will reduce capital assets and invested in capital assets, net of debt.

Current Year Impacts

The Village's \$0.8 million dollar decrease in combined net assets (which is the Village's bottom line) was the result of the governmental activities net assets decreasing by \$1.1 million and the business-type activities net assets decreasing by \$0.3 million. This decrease is due in part to the recognition of \$2.3 million in depreciation on the Village's capital assets.

The net assets of the Village are not restricted. The remaining balance of unrestricted net assets, \$14.7 million, may be used to meet the Village's ongoing obligations to citizen 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.

(See independent auditor's report)

**VILLAGE OF VILLA PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Changes in Net Assets

The following chart shows the revenue and expenses of the governmental activities.

**Table 2
Changes in Net Assets
For the Fiscal Year Ended April 30, 2006
(in millions)**

	Governmental Activities 2006	Governmental Activities 2005	Business-type Activities 2006	Business-type Activities 2005	Total Primary Government 2006	Total Primary Government 2005
REVENUES						
Program Revenues:						
Charges for services	47	34	40	37	87	71
Operating grants and contributions	09					
Capital grants and contributions	02	07			02	07
General revenues:						
Property taxes	52	50			52	50
Sales and use taxes	50	47			50	47
Other taxes	46	51			46	51
Other	06	05	02	01	08	06
Total Revenues	212	194	42	38	245	232
EXPENSES						
General Government	68	59			68	59
Public Safety	81	79			81	79
Public Works	42	35			42	35
Parks & Recreation	22	21			22	21
Water Supply			29		29	00
Waste Water			15		15	00
Swim Pool			03	03	03	03
Interest Expense	04	05			04	05
Total Expenses	217	199	47	03	264	302
CHANGE IN NET ASSETS	(05)	(05)	(05)	35	(19)	30

2006 Governmental Activities Revenues



- Charges for services
- Operating grants and contributions
- Capital grants and contributions
- Property taxes
- Sales and use taxes
- Other taxes
- Other

2006 Governmental Activities Expenses



- General Government
- Public Safety
- Public Works
- Parks & Recreation
- Water Supply
- Waste Water
- Swim Pool
- Interest Expense

(See independent auditor's report)

**VILLAGE OF VILLA PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

There are eight basic impacts on revenues and expenses as reflected below.

Normal Impacts

Revenues:

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village Board approved rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fees, building fees, etc.).

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring – certain recurring revenues (state shared revenue, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts on Investment Income – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 70% of the Village's operating costs.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

(See independent auditor's report)

**VILLAGE OF VILLA PARK, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

Current Year Impacts

Governmental Activities

Revenue:

For the fiscal year ended April 30, 2006, revenues from the governmental activities totaled \$21.2 million.

Property tax revenues continue to be the Village’s largest revenue source, coming in at \$5.2 million with shared state sales tax revenues a close second at \$5.0 million. Property tax revenues and sales tax revenues, combined with the local utility tax and shared state income tax revenues total \$14.3 million and represent 67.5% of the total Governmental Funds revenue.

Expenses:

For the fiscal year ended April 30, 2006, expenses for governmental activities totaled \$21.7 million.

It is important that the Village provide competitive compensation levels for our employees. The FY 2006 expenses included funding a 4% general salary adjustment for full time employees. IMRF Retirement Fund Expenses increased from 8.85% in Calendar Year 2005 to 12.38% in Calendar Year 2006. Fire and Police Pension expenditures have grown due to larger numbers of retirees and active member in the fund. Health benefit costs continue to climb and there was a sizeable increase in the premiums during Fiscal year 2006. Operating costs were also inflated due to the unusually high fuel and utility costs associated with Hurricane Katrina and the events in the Middle East.

Current capital asset additions totaled \$0.5 million, primarily related to the new Police Department building. Infrastructure assets included roads, bridges, rights-of-ways, and storm sewer system. The infrastructure for the water and sewer system and the two swim pools was included previously on an annual basis.

Business-type Activities

Revenue:

For the fiscal year ended April 30, 2006, revenues from the business-type activities totaled \$4.2 million.

The obvious major revenue source is Charges for Services to run the operations of the water and wastewater system. Revenues from the two swim pools represent 3.6% of the total.

Expenses:

For the fiscal year ended April 30, 2006, expenses for business-type activities totaled \$4.7 million, including \$0.9 million of depreciation charged to the business-type activities of the primary government.

The Water Supply, Waste Water and Swim Pool funds follow the same strict spending guidelines imposed on the Governmental Funds.

(See independent auditor’s report)

VILLAGE OF VILLA PARK, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At April 30, 2006, the governmental funds (as presented on the balance sheet on page 18) reported a combined fund balance of \$17.0 million. The majority of these assets (\$8.8 million) are within the General Fund. Included in this year's decrease in fund balance is the issuance of \$2,675,000 in limited tax general obligation bonds in both the Debt Service and Capital Projects Funds. The Capital Projects Fund became the Road Fund and will be reflected in the Fiscal Year 2006-07 Comprehensive Annual Financial Report.

General Fund Budgetary Highlights

At the end of the fiscal year the Village Board prepares year-end budget adjustments in order to provide formal spending authority for activity that took place during the year that was not anticipated when the original budget document was prepared. Below is a table that reflects the original and revised budget and the actual for the revenues and expenditures for the General Corporate Fund.

Table 3
General Corporate Fund Budgetary Highlights
 (in millions)

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
Revenues and Transfers In			
Taxes	10.8	10.9	12.2
Intergovernmental	0.0	0.1	0.2
Transfers In	0.5	0.5	0.5
Other	4.0	4.1	4.5
Total	<u>15.3</u>	<u>15.6</u>	<u>17.4</u>
Expenditures and Transfers Out			
Expenditures	15.8	16.1	16.0
Transfers	1.0	1.0	2.0
Total	<u>16.8</u>	<u>17.1</u>	<u>18.0</u>
Change in Fund Balance	<u>(1.5)</u>	<u>(1.5)</u>	<u>(0.6)</u>

The General Corporate Fund actual revenues were \$2.1 million more than the original budget amount. General Corporate Fund actual expenditures were \$0.2 million more than the original budget amount. However, a very large share of both of these expenditures deals with a pass through of funds in the General Fund. The property taxes related to the Fire and Police Pensions must pass through the General Fund on the way to the Pension Funds. It has not been past practice in the Village to account for the funds in this manner, but it is a preferred practice and has changed per the Fiscal Year 2005-06 audit. The Police and Firefighter Pension Contributions for Fiscal Year 2005-06 total \$1,045,697. Sales tax revenue was slightly lower than expected (less than \$0.1 million lower than anticipated), but the State Income taxes were \$0.15 million higher than anticipated. We also received some additional grant revenues that were that were unanticipated in the budget. This led to both unanticipated increases in

(See independent auditor's report)

**VILLAGE OF VILLA PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

both revenues and expenditures. The Fiscal Year 2005-06 budget was balanced when all operating funds were examined, but corporate transfers to operating funds like Parks, Recreation and non operating funds like Capital Projects for street projects and vehicle replacement hurt the general corporate fund. A more accurate accounting of these monies would be to incorporate the Parks and Recreation Funds into the General Corporate Fund. Also, the new 0.5% sales tax as a dedicated funding source will help relieve the pressure placed on the General Corporate Fund to transfer monies as a primary internal funding source.

Capital Assets

At the end of Fiscal Year 2006, the Village had a combined total of capital assets of \$49.5 million invested in a broad range of capital assets including land, buildings, vehicles, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 4 below). This amount represents a net decrease (including additions and deletions) over 2005 of \$1.4 million.

**Table 4
Total Capital Assets at Year End
Net of Depreciation
(in millions)**

	<u>Governmental Activities</u> 2006	<u>Business-type Activities</u> 2006	<u>Total Primary Government</u> 2006
Land	2.7	0.1	2.8
Construction on progress	0.0		0
Buildings	5.4	1.0	6.4
Improvements other than buildings	0.6		0.6
Equipment	0.8	0.3	1.1
Vehicles	1.1	0.1	1.2
Infrastructure	22.7		22.7
Water improvements		3.6	3.6
Wastewater improvements		2.8	2.8
Wet Weather Flow Treatment Facility		8.3	8.3
Total capital assets	<u>33.3</u>	<u>16.2</u>	<u>49.5</u>

(See independent auditor's report)

**VILLAGE OF VILLA PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

The following reconciliation summarizes the changes in Capital Assets which are presented in detail on pages 49-50 in Note 3.

**Table 5
Change in Capital Assets
(in millions)**

	<u>Governmental Activities 2006</u>	<u>Business-type Activities 2006</u>	<u>Total Primary Government 2006</u>
Beginning Balance	34.2	16.7	50.9
Additions			
Depreciable	1.0	0.4	1.4
Non-depreciable	0		0
Retirements			
Depreciable	(0.2)	0.0	(0.2)
Non-depreciable	(0.4)		(0.4)
Depreciation	(1.4)	(0.9)	(2.3)
Retirements	0.2	0.0	0.2
Ending Balance	<u>33.3</u>	<u>16.2</u>	<u>49.5</u>

The Governmental Activities net decrease of \$0.8 million in Capital Assets was due to depreciation expenses, a smaller than usual number of street improvements being made and the removal of construction in progress as a non-depreciable capital asset. The value of the Village's Business-type Activities' decreased by \$0.5 million in fiscal year 2005-06. Depreciation of current assets outweighed the cost of the additions to the capital assets. The majority of the additions were improvements made to both the water and wastewater systems.

Debt Outstanding

The Village has a legal debt limitation not to exceed 8.625% of the total equalized assessed valuation of the taxable property with the Village boundaries. This means that the total of bonds, notes, warrants or any other type of general obligation issued or outstanding will not be greater than 8.625%. The following types of obligations are not considered in determining the debt limitations: certain revenue bonds, special assessment bonds, special service area bonds and alternate revenue bonds.

At April 30, 2006, Villa Park had a number of debt issues outstanding. These issues included \$10,000,000 of general obligation bonds. Under current state statute, the Village's general obligation bonded debt issuances are subject to a legal limitation based on \$578,798,768 of total assessed value of real property. As of April 30, 2006 the village's general obligation bonded debt, applicable to the debt limit, of \$10,000,000 was well below the legal limit of \$49,921,394.

(See independent auditor's report)

VILLAGE OF VILLA PARK, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Due to property tax limitations, the ability to issue bonds in the future is severely hampered. In order to issue bonds, a referendum must be approved by a majority of voters in Villa Park. As presented above, the Village is well within the existing debt levels and will continue to be so in the future.

Additional information on the Village's long-term bonded debt can be found in Note 3 to the basic financial statements.

Economic Factors

Providing quality government services funded by a tax base that is 78% residential is a daunting challenge and there are few short-term prospects available to improve the distribution of the tax base, Village management maintains a fairly optimistic outlook despite the economic slowdown being experienced nationally as well as locally. The effects of increased fuel prices in recent years is having a negative impact on the local economy and the increasing cost of utilities should climb in Fiscal Year 2006-07 as they had done in Fiscal Year 2005-06. There are hopes that new development in town will enhance the Village's revenue base and allow for the current level of service appreciated by its residents and business owners.

The unemployment rate for the Village is currently 5.7 percent. This is slightly higher than the DuPage County unemployment rate of 4.7 percent. However, it is lower than the 6-County Service Area unemployment rate of 5.9 percent. These figures are supplied by the by the Northeastern Illinois Planning Commission for December 2005.

Sales tax within the Village is a reliable indicator of retail sales economy. Sales tax was up 6.1% percent from fiscal year 2005. A large area of growth was due to the sales use tax. The sales use tax is assessed upon "tax free" tangible personal property purchased by a resident of the assessing state for use, storage or consumption of goods in that state (not for resale), *regardless of where the purchase took place*. The sales tax revenue figures were strong, despite nearly zero percent growth sales tax revenues for some of the larger retailers in town.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Eric J. Dubrowski, Finance Director, Village of Villa Park, 20 S. Ardmore Avenue, Villa Park, IL 60181.

(See independent auditor's report)

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide Financial Statements
- Fund Financial Statements
 - Governmental Funds
 - Proprietary Funds
 - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Net Assets

April 30, 2006

See Following Page

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Net Assets
April 30, 2006

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Public Library
ASSETS				
Current Assets				
Cash and Investments	\$ 8,284,276	4,263,148	12,547,424	888,738
Receivables - Net	6,111,000	679,781	6,790,781	1,606,374
Due From Other Governments	1,710,063	-	1,710,063	-
Internal Balances	3,059	(3,059)	-	-
Prepays	899,756	-	899,756	56,000
Total Current Assets	17,008,154	4,939,870	21,948,024	2,551,112
Noncurrent Assets				
Capital Assets				
Nondepreciable Capital Assets	2,653,791	99,520	2,753,311	204,040
Depreciable Capital Assets	47,733,121	30,438,293	78,171,414	1,668,361
Depreciation	(17,062,763)	(14,328,771)	(31,391,534)	(664,085)
Total Capital Assets	33,324,149	16,209,042	49,533,191	1,208,316
Other Assets				
Investment in Joint Venture	913,363	-	913,363	-
Water Purchase Rights	-	435,427	435,427	-
	913,363	435,427	1,348,790	-
Total Noncurrent Assets	34,237,512	16,644,469	50,881,981	1,208,316
Total Assets	51,245,666	21,584,339	72,830,005	3,759,428

The accompanying notes to the financial statements are an integral part of this statement.

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Public Library
LIABILITIES				
Current Liabilities				
Accounts Payable	508,097	207,574	715,671	18,455
Accrued Payroll and Related	192,674	15,818	208,492	18,975
Accrued interest payable	124,319	-	124,319	-
Deposits payable	644,251	182,335	826,586	-
Unearned Revenues	5,220,329	-	5,220,329	1,606,375
Current portion long-term debt	1,301,050	28,057	1,329,107	-
Total Current Liabilities	7,990,720	433,784	8,424,504	1,643,805
Noncurrent Liabilities				
Net Pension Obligation	12,054	-	12,054	-
Compensated Absences Payable	1,224,202	112,214	1,336,416	-
General Obligation Bonds Payable	9,070,000	-	9,070,000	-
Debt Certificates Payable	2,905,000	-	2,905,000	-
Unamortized Loss on Refunding	(159,141)	-	(159,141)	-
Total Noncurrent Liabilities	13,052,115	112,214	13,164,329	-
Total Liabilities	21,042,835	545,998	21,588,833	1,643,805
NET ASSETS				
Invested in capital assets - net of related debt	20,268,195	16,209,042	36,477,237	1,208,316
Restricted - Debt Service	93,637	-	93,637	-
Unrestricted	9,840,999	4,829,299	14,670,298	907,307
Total Net Assets	30,202,831	21,038,341	51,241,172	2,115,623

The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Activities
Year Ended April 30, 2006

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 6,828,864	3,481,586	-	-
Public Safety	8,065,833	578,703	210,435	194,970
Public Works	4,217,737	-	649,192	-
Culture and Recreation	2,176,193	598,240	-	-
Interest on Long-Term Debt	389,205	-	-	-
Total Governmental Activities	21,677,832	4,658,529	859,627	194,970
Business-Type Activities				
Water Supply	2,874,045	2,799,624	-	-
Waste Water	1,492,803	1,068,433	-	-
Swim Pool	301,215	157,142	-	-
Total Business-Type Activities	4,668,063	4,025,199	-	-
	26,345,895	8,683,728	859,627	194,970
Component Unit - Public Library	1,715,376	91,585	27,773	-

General Revenues
Taxes
Property Taxes
Sales and Use Taxes
Income Taxes
Utility Taxes
Other Taxes
Interest Income
Miscellaneous
Transfers

Change in Net Assets

Net Assets - Beginning as Restated

Net Assets - Ending

The notes to the financial statements are an integral part of this statement.

Net Expense/Revenue			
Governmental Activities	Primary Government		Component Unit
	Business-Type Activities	Total	Public Library
(3,347,278)	-	(3,347,278)	-
(7,081,725)	-	(7,081,725)	-
(3,568,545)	-	(3,568,545)	-
(1,577,953)	-	(1,577,953)	-
(389,205)	-	(389,205)	-
(15,964,706)	-	(15,964,706)	-
-	(74,421)	(74,421)	-
-	(424,370)	(424,370)	-
-	(144,073)	(144,073)	-
-	(642,864)	(642,864)	-
(15,964,706)	(642,864)	(16,607,570)	-
-	-	-	(1,596,018)
5,162,955	-	5,162,955	1,572,405
4,987,737	-	4,987,737	-
1,741,725	-	1,741,725	-
2,428,701	-	2,428,701	-
508,880	-	508,880	52,139
320,561	160,764	481,325	28,634
423,455	57,948	481,403	17,920
(83,618)	83,618	-	-
15,490,396	302,330	15,792,726	1,671,098
(474,310)	(340,534)	(814,844)	75,080
30,677,141	21,378,875	52,056,016	2,040,543
30,202,831	21,038,341	51,241,172	2,115,623

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2006

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total
ASSETS					
Cash and Investments	\$ 2,775,526	217,956	3,637,376	1,653,418	8,284,276
Receivables - Net of Allowances					
Property Taxes	2,615,379	1,289,297	-	1,315,651	5,220,327
Accounts	767,981	-	-	23,508	791,489
Other	-	-	40,229	58,955	99,184
Due from Other Governments	1,710,063	-	-	-	1,710,063
Due from Other Funds	3,059	-	-	-	3,059
Prepays	899,756	-	-	-	899,756
Total Assets	8,771,764	1,507,253	3,677,605	3,051,532	17,008,154
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	293,559	-	163,384	51,154	508,097
Accrued Payroll	163,561	-	1,156	27,957	192,674
Deposits Payable	644,251	-	-	-	644,251
Unearned Revenues	2,615,380	1,289,297	-	1,315,652	5,220,329
Total Liabilities	3,716,751	1,289,297	164,540	1,394,763	6,565,351
Fund Balances					
Reserved for Prepays	899,756	-	-	-	899,756
Reserved for Special Revenues	-	-	-	1,656,769	1,656,769
Reserved for Debt Service	-	217,956	-	-	217,956
Unreserved	4,155,257	-	3,513,065	-	7,668,322
Total Fund Balances	5,055,013	217,956	3,513,065	1,656,769	10,442,803
Total Liabilities and Fund Balances	8,771,764	1,507,253	3,677,605	3,051,532	17,008,154

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Assets - Governmental Activities**

April 30, 2006

Total Governmental Fund Balances	\$ 10,442,803
 Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	33,324,149
Net assets of the Joint Venture are reported in the Statement of Net Assets of governmental activities, but are not reported in the fund financial statements.	913,363
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(12,054)
Compensated Absences Payable	(1,530,252)
General Obligation Bonds Payable	(10,000,000)
Debt Certificates Payable	(2,970,000)
Unamortized Loss on Refunding	159,141
Accrued Interest Payable	<u>(124,319)</u>
 Net Assets of Governmental Activities	 <u>30,202,831</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2006

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total
Revenues					
Taxes	\$ 12,154,404	1,289,469	-	1,386,125	14,829,998
Licenses and Permits	1,139,441	-	194,970	-	1,334,411
Charges for Services	2,364,870	-	-	598,240	2,963,110
Fines and Forfeitures	555,978	-	-	-	555,978
Intergovernmental	210,435	-	-	649,192	859,627
Interest	164,516	11,261	85,613	59,171	320,561
Miscellaneous	147,101	129,560	68,045	78,749	423,455
Total Revenues	16,736,745	1,430,290	348,628	2,771,477	21,287,140
Expenditures					
Current					
General Government	5,902,706	-	-	576,317	6,479,023
Public Safety	7,769,080	-	-	5,827	7,774,907
Public Works	2,311,740	-	-	-	2,311,740
Culture and Recreation	-	-	-	2,109,228	2,109,228
Capital Outlay	-	-	1,444,055	-	1,444,055
Debt Service					
Principal Retirement	-	1,040,000	-	-	1,040,000
Interest and Fiscal Charges	-	433,720	-	-	433,720
Bond Issuance Costs	-	12,843	-	-	12,843
Total Expenditures	15,983,526	1,486,563	1,444,055	2,691,372	21,605,516
Excess (Deficiency) of Revenues over Expenditures	753,219	(56,273)	(1,095,427)	80,105	(318,376)
Other Financing Sources (Uses)					
Debt Issuance	-	336,984	2,338,016	-	2,675,000
Payments to Escrow Agent	-	(324,141)	-	-	(324,141)
Transfers In	518,003	-	475,000	829,000	1,822,003
Transfers Out	(1,021,500)	-	-	(884,121)	(1,905,621)
	(503,497)	12,843	2,813,016	(55,121)	2,267,241
Net Change in Fund Balances	249,722	(43,430)	1,717,589	24,984	1,948,865
Fund Balances - Beginning as Restated	4,805,291	261,386	1,795,476	1,631,785	8,493,938
Fund Balances - Ending	5,055,013	217,956	3,513,065	1,656,769	10,442,803

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities

Year Ended April 30, 2006

Net Change in Fund Balances - Total Governmental Funds \$ 1,948,865

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.

Capital Outlays	543,571
Depreciation Expense	(1,386,659)

The net effect of various miscellaneous transactions involving capital assets
is to decrease net assets

Disposals - cost	(201,500)
Disposals - accumulated depreciation	201,500

The net loss of the Village's investment in Joint Venture has been reported on the
Statement of Activities, but since it does not provide current resources, it is not
reported as an expenditure in the governmental funds.

(46,185)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Additions to Net Pension Obligation	(29,827)
Additions to Compensated Absences Payable	(250,574)
Issuance of General Obligation Bonds	(2,675,000)
Payment to Escrow Agent	324,141
Retirement of debt	1,040,000

Changes to accrued interest on long-term debt in the statement of activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

57,358

Changes in Net Assets of Governmental Activities

(474,310)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Net Assets - Proprietary Funds
 April 30, 2006

	Business-Type Activities - Enterprise Funds			
	Water Supply	Waste Water	Nonmajor	Totals
			Swim Pool	
ASSETS				
Current Assets				
Cash and Investments	\$ 3,239,358	999,687	24,103	4,263,148
Receivables - Net of Allowances				
Accounts	465,570	169,282	-	634,852
Other	36,243	8,686	-	44,929
Total Current Assets	3,741,171	1,177,655	24,103	4,942,929
Noncurrent Assets				
Capital Assets				
Nondepreciable	52,667	46,853	-	99,520
Depreciable	9,029,561	19,719,481	1,689,251	30,438,293
	9,082,228	19,766,334	1,689,251	30,537,813
Accumulated depreciation	(5,272,019)	(8,375,323)	(681,429)	(14,328,771)
	3,810,209	11,391,011	1,007,822	16,209,042
Other Assets				
Water Purchase Rights	435,427	-	-	435,427
Total Noncurrent Assets	4,245,636	11,391,011	1,007,822	16,644,469
Total Assets	7,986,807	12,568,666	1,031,925	21,587,398

The notes to the financial statements are an integral part of this statement.

	Water Supply	Waste Water	Nonmajor Swim Pool	Totals
LIABILITIES				
Current Liabilities				
Accounts Payable	142,000	59,956	5,618	207,574
Due to Other Funds	1,669	1,390	-	3,059
Accrued Payroll	8,849	6,969	-	15,818
Deposits Payable	174,419		7,916	182,335
Compensated Absences Payable	17,088	10,969	-	28,057
	<u>344,025</u>	<u>79,284</u>	<u>13,534</u>	<u>436,843</u>
Noncurrent Liabilities				
Compensated Absences Payable	68,340	43,874	-	112,214
Total Liabilities	<u>412,365</u>	<u>123,158</u>	<u>13,534</u>	<u>549,057</u>
NET ASSETS				
Invested in Capital Assets	3,810,209	11,391,011	1,007,822	16,209,042
Unrestricted	3,764,233	1,054,497	10,569	4,829,299
Total Net Assets	<u>7,574,442</u>	<u>12,445,508</u>	<u>1,018,391</u>	<u>21,038,341</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Revenues, Expenses, and Changes in
 Net Assets - Proprietary Funds
 Year Ended April 30, 2006

	Business-Type Activities - Enterprise Funds			Totals
	Water Supply	Waste Water	Nonmajor Swim Pool	
Operating Revenues				
Charges for Services	\$ 2,751,566	1,010,711	157,142	3,919,419
Operating Expenses				
Administration	1,071,136	684,345	64,787	1,820,268
Operations	1,434,326	254,515	137,768	1,826,609
Maintenance	-	-	55,370	55,370
Depreciation and Amortization	368,583	553,943	43,290	965,816
Total Operating Expenses	2,874,045	1,492,803	301,215	4,668,063
Operating Income (Loss)	(122,479)	(482,092)	(144,073)	(748,644)
Nonoperating Revenues				
Interest Income	125,394	35,255	115	160,764
Connection Fees	48,058	57,722	-	105,780
Other Income	29,863	23,976	4,109	57,948
	203,315	116,953	4,224	324,492
Net Income (Loss) Before Transfers	80,836	(365,139)	(139,849)	(424,152)
Transfers In	-	2,118	81,500	83,618
Change in Net Assets	80,836	(363,021)	(58,349)	(340,534)
Net Assets - Beginning	7,493,606	12,808,529	1,076,740	21,378,875
Net Assets - Ending	7,574,442	12,445,508	1,018,391	21,038,341

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Cash Flows - Proprietary Funds
Year Ended April 30, 2006

	Business-Type Activities - Enterprise Funds			Total
	Water Supply	Waste Water	Nonmajor Pool Fund	
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 2,770,121	1,074,764	161,251	4,006,136
Payments to Suppliers	(2,096,193)	(557,596)	(104,466)	(2,758,255)
Payments to Employees	(472,081)	(358,159)	(148,653)	(978,893)
	201,847	159,009	(91,868)	268,988
Cash Flows from Noncapital Financing Activities				
Transfers In	-	2,118	81,500	83,618
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(314,148)	(91,483)	(8,207)	(413,838)
Cash Flows from Investing Activities				
Interest Received	125,394	35,255	115	160,764
Net Change in Cash and Cash Equivalents	13,093	104,899	(18,460)	99,532
Cash and Cash Equivalents - Beginning	3,226,265	894,788	42,563	4,163,616
Cash and Cash Equivalents - Ending	3,239,358	999,687	24,103	4,263,148
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(122,479)	(482,092)	(144,073)	(748,644)
Adjustments to Reconcile Operating Income to Net Cash Provided by (used in) Operating Activities:				
Depreciation and Amortization Expense	368,583	553,943	43,290	965,816
Other Income	77,921	81,698	4,109	163,728
(Increase) Decrease in Current Assets	(59,366)	(17,645)	-	(77,011)
Increase (Decrease) in Current Liabilities	(62,812)	23,105	4,806	(34,901)
Net Cash Provided by Operating Activities	201,847	159,009	(91,868)	268,988

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Net Assets - Fiduciary Funds
April 30, 2006

	<u>Pension Trust</u>
Assets	
Cash and Cash Equivalents	\$ 10,700,801
Investments	
U.S. Government Securities	7,922,408
Equity Mutual Funds	11,079,149
Annuities	2,688,587
Receivables	
Accrued Interest	<u>227,099</u>
Total Assets	<u>32,618,044</u>
Liabilities	
Accounts Payable	<u>4,034</u>
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial schedules)	 <u><u>32,614,010</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

Statement of Changes in Net Assets - Fiduciary Funds
Year Ended April 30, 2006

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 1,045,697
Contributions - Plan Members	491,756
	<u>1,537,453</u>
Investment Income	
Investment Earnings	3,667,556
Net Change in Fair Value	(467,664)
	<u>3,199,892</u>
Less Investment Expenses	-
Net Investment Income	<u>3,199,892</u>
Total Additions	<u>4,737,345</u>
Deductions	
Administration	39,956
Benefits and Refunds	1,504,201
	<u>1,544,157</u>
Total Deductions	<u>1,544,157</u>
Change in Net Assets	3,193,188
Net Plan Assets Held in Trust for Pension Benefits	
Net Assets - Beginning	<u>29,420,822</u>
Net Assets - Ending	<u><u>32,614,010</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF VILLA PARK, ILLINOIS

**Notes to the Financial Statements
April 30, 2006**

	PAGE
NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	
Reporting Entity	30
Blended Component Units.....	30 - 31
Discretely Presented Component Unit	31
Basis of Presentation	
Government-Wide Statements.....	32
Fund Financial Statements.....	33
Governmental Funds	33
General Fund.....	33
Special Revenue Funds	34
Debt Service Funds	34
Capital Projects Fund.....	34
Permanent Fund	34
Proprietary Funds	34
Enterprise Funds	34
Fiduciary Funds	35
Pension Trust Funds.....	35
Measurement Focus and Basis of Accounting.....	35
Measurement Focus	35 - 36
Basis of Accounting.....	36 - 37
Assets, Liabilities, and Net Assets or Equity	
Cash and Investments	37
Interfund Receivables, Payables and Activity.....	37 - 38
Prepays	38
Receivables.....	38
Capital Assets	38 - 39
Intangible Assets – Water Purchase Rights.....	39
Compensated Absences	40
Long-Term Obligations.....	40
Unearned Revenue.....	40
Fund Balance Restatements.....	41
NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY	
Budgetary Information.....	41 - 42
Excess of Actual Expenditures/Expenses over Budget in Individual Funds.....	42
NOTE 3 – DETAIL NOTES ON ALL FUNDS	
Deposits and Investments.....	42 - 43
Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk.....	44 - 45
Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk	45 - 46
Firefighters’ Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk	47 - 48
Property Taxes	48

VILLAGE OF VILLA PARK, ILLINOIS

**Notes to the Financial Statements
April 30, 2006**

	PAGE
NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued	
Capital Assets	
Governmental Activities.....	49
Business-Type Activities.....	50 - 51
Component Unit – Public Library.....	51
Interfund Receivables, Payables and Transfers	
Interfund Balances.....	52
Interfund Transfers.....	52
Long-Term Debt	
General Obligation Bonds.....	53 – 54
Debt Certificates.....	54 – 55
Long-Term Liability Activity.....	55
Debt Service Requirements to Maturity.....	56
Legal Debt Margin.....	57
Bond Defeasances.....	57
Fund Equity	
Fund Balance Restatements.....	58
NOTE 4 – OTHER INFORMATION	
Risk Management.....	58
Intergovernmental Risk Management Agency (IRMA).....	58
Post-Employment Benefits.....	59
Deferred Compensation Plan.....	59
Contingent Liabilities	
Litigation.....	59
Grants.....	59
DuPage Water Commission (DWC).....	59
Commitments	
DuPage Water Commission (DWC).....	60
Sales Tax Agreements.....	60 - 61
Other Commitments.....	61
Joint Ventures	
Sugar Creek Golf Course.....	62
Employee Retirement System – Defined Benefit Pension Plans.....	63
Plan Descriptions, Provisions and Funding Policies	
Illinois Municipal Retirement System.....	63
Police Pension Plan.....	63 - 64
Firefighters’ Pension Plan.....	65
Summary of Significant Accounting Policies and Plan Asset Matters	
Basis of Accounting.....	66
Method Used to Value Investments.....	66
Significant Investments.....	66
Related Party Transactions.....	66
Annual Pension Cost and Net Pension Obligation/Asset.....	67 - 68
Trend Information.....	69

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Villa Park, Illinois, incorporated in 1915, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, water services, wastewater services, swimming pool services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP in the United States). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant of the Village's accounting policies established in GAAP in the United States and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Villa Park
Blended Component Units:	Police Pension Employees Retirement System Firefighters' Pension Employees Retirement System
Discretely Presented Component Unit:	Villa Park Public Library

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 described above and whose governing body is the same or substantially the same as the Village Board or the Component unit provides services entirely to the Village. These component units' funds are blended into those of the Village's by appropriate activity type to compose the primary government presentation.

Discretely Presented Component Units - Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Blended Component Units

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a nine-member pension board. The Village's President, Treasurer, Clerk, Attorney and Fire Chief, one elected pension beneficiary and three elected firefighters constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the FPERS 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 firefighters. The FPERS is reported as a pension trust fund.

Discretely Presented Component Unit

Villa Park Public Library

The Villa Park Public Library (Library) operates and maintains the Village's public library facilities. The Library's Board is elected by the voters of the Village. The Library may not issue bonded debt, and its annual budget and property tax levy are subject to the Village Board's approval. The Library does not prepare separate financial statements. It consists of a single governmental (general) fund.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Financial Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police and fire safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water supply, waste water, and swimming pool activities are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, income taxes, interest income, etc).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net assets resulting from the current year's activities.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains nine nonmajor special revenue funds.

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Capital Projects Fund is a major fund and accounts for the resources accumulated for the acquisition and construction of major capital projects not financed by proprietary funds.

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs, that is, for the benefit of the Village or its citizenry. The Village maintains one nonmajor permanent fund.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds, the Water Supply Fund and the Waste Water Fund. The Water Supply Fund accounts for the provision of water services to the residents of Villa Park. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection. The Waste Water Fund accounts for sewer repair and improvement services to the residents of Villa Park. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations maintenance, financing and related debt service and billing and collection.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources for pension benefit payments. The Firefighters' Pension Fund accounts for the accumulation of resources for pension benefit payments.

The Village's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, income taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds, and of the Village's internal service funds are charges to customers for sales and services.

The Village 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 and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Assets are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are amounts provided with a requirement of repayment.

Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings, and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide Statement of Net Assets, except for amounts between similar activities, which have been eliminated.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Interfund Receivables, Payables and Activity – Continued

Services provided and used are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund Balance Sheets or fund Statements of Net Assets.

Reimbursements repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers are flows of assets (such as cash or goods) without equivalent flows of assets in return and without the requirement of repayment. In governmental funds, transfers are reported as other financing uses in the fund making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

Prepays

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, and grants. Business-type activities report utility charges as their major receivables.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000, or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Capital Assets – Continued

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Building and Improvements	35 Years
Vehicles and Equipment	2 - 30 Years
Streets	35 Years
Storm and Sanitary Sewers and Water Mains	40 - 50 Years
Bridges	25 - 50 Years

Intangible Assets – Water Purchase Rights

The Village is a customer of the DuPage Water Commission and has executed a Water Supply Contract with the Commission for a term ending in 2014. The contract provides that the Village pay its proportionate share of “fixed costs” (debt service and capital costs) to the Commission, such obligation being unconditional and irrevocable whether or not water is ever delivered. These costs were being capitalized until such time as the Commission began to deliver water, and were being amortized using the straight-line method over the remaining term of the contract, and expensed along with the other “operation and maintenance” charges from the commission. The DuPage Water Commission began delivering water in April of 1992.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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.

Unearned Revenue

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Fund Equity

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

- a) The Village Manager submits to the Village Board of Trustees a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted by the Village to obtain taxpayer comments.
- c) Subsequently, the budget is adopted by the Village Board. This is the Village’s legal budgetary document. The budget ordinance is enacted through passage of a Village ordinance.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

- d) Formal budgetary integration is employed as a management control device during the year for the general fund and for certain special revenue, debt service and capita projects funds.
- e) Budgets for the general, special revenue (except for Drug Control), debt service and capital projects funds are adopted on a basis consistent with generally accepted accounting principles.
- f) Appropriations lapse at year end.
- g) Transfers between line items and departments may be made by administrative action; however, amounts to be transferred between funds would require Village Board approval. The level of legal control is the individual fund budget in total.
- h) Budgeted amounts are as originally adopted, with the exceptions of Board approved transfers which were not material in relation to the budgets taken as a whole.
- i) The Drug Control Fund was not budgeted for in the current year.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget for the fiscal year.

Fund	Amount
Northeast DuPage Special Recreation	\$ 9,339
Parks	22,544
Firefighters' Pension	8,033

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds, and the Illinois Metropolitan Investment Fund.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets.

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is an investment fund under the Illinois Municipal Code. IMET invests exclusively in U.S. government-backed securities. The Board consists of Illinois municipal officers. Investments in IMET are valued at the share price, the price for which the investment could be sold.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$6,322,118 and the bank balances totaled \$6,781,993.

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1 to 5
Federal Home Loan Mortgage Corporation	\$ 573,476	573,476	-
Federal Home Loan Banks	1,102,565	247,203	855,362
Federal National Mortgage Association	795,549	-	795,549
Illinois Funds	3,481,303	3,481,303	-
Illinois Metropolitan Investment Fund	272,413	272,413	-
	<u>6,225,306</u>	<u>4,574,395</u>	<u>1,650,911</u>

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that the investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements. Specifically, unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than 3 years from the date of purchase. Reserve funds may be invested in securities exceeding 3 years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Village's investment policy further states each investment that is made shall seek to ensure that capital losses are avoided, whether they are from default or erosion of market values. At year-end, the Village's investment in U.S. Government Agencies are all rated AAA by Standard & Poor's, and the Village's investment in the Illinois Funds and the Illinois Metropolitan Investment Fund were rated AAAM by Standard & Poor's.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that all funds on deposit in banks in excess of FDIC limits be secured by some form of collateral. The Village shall enter in to a collateral agreement with any financial institution willing to pledge such collateral; this agreement shall outline the types of assets that may be placed as collateral, the amount of collateral required and the placement procedures. The Village shall accept any of the following securities as collateral: negotiable full-faith and credit obligations of the United States Government, negotiable obligations of any agency or instrumentality of the United States Government. Pledged collateral will be held in safekeeping and evidenced by a safekeeping agreement. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy states that securities will be held by an independent third party custodian designated by the Treasurer and evidenced by safekeeping receipts and a written custodial agreement. At year-end, the Village's investments U.S. Government Agencies are all insured or registered with the Village or its agent in the Village's name and the Village's investment in the Illinois Fund and the Illinois Metropolitan Investment Trust are noncategorizable.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that investments shall be diversified to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types, maturities and/or individual financial institutions. At year-end, the Village's investment in the Illinois Funds of \$3,481,303 represents more than 5 percent of the total cash and investment portfolio.

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$10,099,738 and the bank balances totaled \$10,099,738.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1 to 5	6 to 10
U.S. Treasury Strips	\$ 210,863	-	210,863	-
Federal National Mortgage Association	1,446,780	-	966,530	480,250
Illinois Funds	40,168	40,168	-	-
	<u>1,697,811</u>	<u>40,168</u>	<u>1,177,393</u>	<u>480,250</u>

Interest Rate Risk. The Fund does not have a formal investment policy that limits interest rate risk.

Credit Risk. The Fund does not have a formal investment policy that limits the Fund's exposure to credit risk. At year-end, the Fund's investments in U.S. Government Treasuries and Agencies were all rated AAA rated by Standard & Poor's. The Fund's investment in the Illinois Funds was also AAAM rated by Standard & Poor's.

Custodial Credit Risk. The Fund does not have a formal investment policy that limits the Fund's exposure to custodial credit risk. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investment in U.S. Treasuries and Agencies are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investment in the Illinois Funds is noncategorizable.

Concentration Risk. The Fund does not have a formal investment policy that limits the Fund's exposure to concentration risk. In addition to the securities and fair values listed above, the Fund also has \$7,697,079 invested in mutual funds and \$2,688,587 invested in annuities. At year-end, the has no investments over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations).

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$340,341 and the bank balances totaled \$304,341.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Notes	\$ 1,484,464	-	997,114	-	487,350
Federal Home Loan Mortgage Corporation	387,152	-	-	-	387,152
Federal Home Loan Banks	2,355,356	-	1,557,403	797,953	-
Federal Farm Credit Banks	381,252	-	-	381,252	-
Federal National Mortgage Association	1,656,541	-	745,628	724,757	186,156
Illinois Funds	220,554	220,554	-	-	-
	6,485,319	220,554	3,300,145	1,903,962	1,060,658

Interest Rate Risk. The Fund's investment policy states that each investment that is made shall seek to insure that capital losses are avoided, whether they are from default of erosion of market value. The investment portfolio shall remain sufficiently liquid to enable the Fund's Board to meet all operating requirement, insurance premiums, and settlement of claims which may be reasonably anticipated.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund's investment policy helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. At year-end, the Fund's investments in U.S. Government and Agencies securities were all rated AAA rated by Standard & Poor's. Standard & Poor's rated the Fund's investment in the Illinois Funds AAAm.

Custodial Credit Risk. The Fund's investment policy states that all funds on deposit in banks in excess of FDIC limits be secured by some form of collateral. The Fund shall enter into a collateral agreement with any financial institution willing to pledge said collateral; this agreement shall outline the types of assets that may be placed as collateral, the amount of collateral required and the placement procedures. The Fund shall accept any of the following securities as collateral: negotiable full-faith and credit obligations of the United States Government, negotiable obligations of any agency or instrumentality of the United States Government. The amount of collateral provided will not be less than 110% of the fair market value of the net amount of funds secured. Pledged collateral will be held in safekeeping and evidenced by a safekeeping agreement. All investments of the Fund shall be clearly held and accounted for to indicate ownership by the Board. The Fund will direct the registration of securities in its own name or in the name of a nominee created for the express purpose of registration of securities by a state bank, national bank or trust company authorized to do business in the State of Illinois. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investments in U.S. Treasury and Agency Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investment in the Illinois Funds is noncategorizable.

Concentration Risk. The Fund's investment policy states that investments shall be diversified to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types, maturities and/or individual financial institutions. At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$3,382,070 invested in mutual funds. At year-end, the Fund has over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard mutual funds of \$3,382,070.

PROPERTY TAXES

Property taxes for 2005 attach as an enforceable lien on January 1, 2005, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, 2006, and September 1, 2006. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases and Transfers	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,653,791	-	-	2,653,791
Construction in Progress	417,490	-	417,490	-
	<u>3,071,281</u>	<u>-</u>	<u>417,490</u>	<u>2,653,791</u>
Depreciable Capital Assets				
Buildings	6,947,134	-	-	6,947,134
Improvements	1,384,290	-	-	1,384,290
Equipment	1,429,324	152,499	-	1,581,823
Vehicles	3,300,690	599,436	201,500	3,698,626
Infrastructure	33,912,122	209,126	-	34,121,248
	<u>46,973,560</u>	<u>961,061</u>	<u>201,500</u>	<u>47,733,121</u>
Less Accumulated Depreciation				
Buildings	1,350,076	135,656	-	1,485,732
Improvements	716,988	70,238	-	787,226
Equipment	697,064	90,587	-	787,651
Vehicles	2,518,633	243,419	201,500	2,560,552
Infrastructure	10,594,843	846,759	-	11,441,602
	<u>15,877,604</u>	<u>1,386,659</u>	<u>201,500</u>	<u>17,062,763</u>
Total Depreciable Capital Assets, Net	<u>31,095,956</u>	<u>(425,598)</u>	<u>-</u>	<u>30,670,358</u>
Total Capital Assets, Net	<u>34,167,237</u>	<u>(425,598)</u>	<u>417,490</u>	<u>33,324,149</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 53,082
Public Safety	261,099
Public Works	1,005,513
Culture and Recreation	66,965
	<u>1,386,659</u>

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 99,520	-	-	99,520
Depreciable Capital Assets				
Waterworks System Improvements	6,048,429	209,413	-	6,257,842
Wastewater System Improvements	5,123,513	180	-	5,123,693
Wet Weather Flow Treatment Facility	13,813,363	-	-	13,813,363
Swim Pool Facility	1,447,063	110,265	-	1,557,328
Equipment and Vehicles	3,636,075	93,980	43,988	3,686,067
	<u>30,068,443</u>	<u>413,838</u>	<u>43,988</u>	<u>30,438,293</u>
Less Accumulated Depreciation				
Waterworks System Improvements	2,500,247	191,823	-	2,692,070
Wastewater System Improvements	2,108,378	147,735	-	2,256,113
Wet Weather Flow Treatment Facility	5,180,011	345,336	-	5,525,347
Swim Pool Facility	538,858	43,550	-	582,408
Equipment and Vehicles	3,110,817	206,004	43,988	3,272,833
	<u>13,438,311</u>	<u>934,448</u>	<u>43,988</u>	<u>14,328,771</u>
Total Depreciable Capital Assets, Net	<u>16,630,132</u>	<u>(520,610)</u>	-	<u>16,109,522</u>
Total Capital Assets, Net	<u>16,729,652</u>	<u>(520,610)</u>	-	<u>16,209,042</u>

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities – Continued

Depreciation expense was charged to business-type as follows:

Water Supply	\$ 337,215
Waste Water	553,943
Swim Pool	<u>43,290</u>
	<u>934,448</u>

Component Unit – Public Library

Component Unit – Public Library capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases/ Transfers	Ending Balances
Nondepreciable Capital Assets				
Land	\$ -	204,040	-	204,040
Depreciable Capital Assets				
Buildings and Improvements	1,568,839	55,735	53,012	1,571,562
Equipment	72,257	53,012	28,470	96,799
	<u>1,641,096</u>	<u>108,747</u>	<u>81,482</u>	<u>1,668,361</u>
Less Accumulated Depreciation				
Buildings and Improvements	587,412	24,741	-	612,153
Equipment	37,809	42,593	28,470	51,932
	<u>625,221</u>	<u>67,334</u>	<u>28,470</u>	<u>664,085</u>
Total Depreciable Capital Assets, Net	<u>1,015,875</u>	<u>41,413</u>	<u>53,012</u>	<u>1,004,276</u>
Total Capital Assets, Net	<u>1,015,875</u>	<u>245,453</u>	<u>53,012</u>	<u>1,208,316</u>

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Water Supply	\$ 1,669
General	Waste Water	1,390
		<u>3,059</u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

	Transfer Out		Totals
	General	Nonmajor Governmental	
Transfer In			
General	\$ -	518,003	518,003
Capital Projects	475,000	-	475,000
Nonmajor Governmental	465,000	364,000	829,000
Waste Water	-	2,118	2,118
Nonmajor Business-Type	81,500	-	81,500
	<u>1,021,500</u>	<u>884,121</u>	<u>1,905,621</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Corporate Purpose Bonds Series of 1998, dated September 1, 1998, provide for annual retirement of principal of \$195,000 to \$380,000 through September 2018. Interest is at a rates of 4.50% to 4.55%.	Debt Service	\$ 3,930,000		200,000	3,730,000
Limited Bonds Sereis of 2001, dated February 15, 2001, provide for retirement of principal of \$275,000 and \$285,000 in 2004 and 2005, respectively. Interest is at a rate of 4.1%.	Debt Service	285,000		285,000	-
Limited Bonds Series of 2002, dated February 15, 2002, provide for retirement of principal of \$225,000 and \$235,000 in 2004 and 2005, respectively. Interest is at a rates of 2.75% to 3.25%.	Debt Service	235,000		235,000	-

VILLAGE OF VILLA PARK, ILLINOIS

**Notes to the Financial Statements
April 30, 2006**

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Refundings/ Retirements	Ending Balances
General Obligation Refunding Bonds Series of 2003, dated June 15, 2003, provide for retirement of principal of \$240,000 to \$470,000 through December 2015. Interest is at a rate of 2.00% to 3.30%	Debt Service	\$ 3,850,000		255,000	3,595,000
General Obligation Refunding Bonds Series of 2005, dated October 17, 2005, provide for retirement of principal of \$230,000 to \$525,000 through December 2011. Interest is at a rate of 3.50%	Debt Service	-	2,675,000	-	2,675,000
		<u>8,300,000</u>	<u>2,675,000</u>	<u>975,000</u>	<u>10,000,000</u>

Debt Certificates

Debt certificates currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Refundings/ Retirements	Ending Balances
Debt certificates, series 2003A, dated September 15, 2003, provide for annual retirement of principal of \$50,000 to \$120,000 through December 15, 2022. Interest is at a rate of 3.10% to 4.90%. Proceeds were used for land acquisition. Debt payments are made from Sugar Creek Golf Course reimbursements.	Debt Service	\$ 1,550,000	-	65,000	1,485,000

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Certificates – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Refundings/ Retirements	Ending Balances
Debt certificates, series 2004, dated July 15, 2004, provide for annual retirement of principal of \$35,000 to \$130,000 through December 15, 2023. Interest is at a rate of 3.15% to 5.00%	Debt Service	\$ 1,650,000	-	* 165,000	1,485,000
		<u>3,200,000</u>	-	<u>230,000</u>	<u>2,970,000</u>

* Refunded

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Obligation	\$ (17,773)	29,827	-	12,054	-
Compensated Absences	1,279,678	501,148	250,574	1,530,252	306,050
General Obligation Bonds	8,300,000	2,675,000	975,000	10,000,000	930,000
Debt Certificates	3,200,000	-	230,000	2,970,000	65,000
	<u>12,761,905</u>	<u>3,205,975</u>	<u>1,455,574</u>	<u>14,512,306</u>	<u>1,301,050</u>
Business-Type Activities					
Compensated Absences	\$ 132,512	15,518	7,759	140,271	28,057

The General Fund makes payments on the net pension obligation. The Debt Service Fund makes payments on the general obligation bonds and debt certificates. Compensated absences for governmental activities are generally liquidated by the general fund.

VILLAGE OF VILLA PARK, ILLINOIS

**Notes to the Financial Statements
April 30, 2006**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending April 30	Governmental Activities			
	General		Debt	
	Obligation Bonds		Certificates	
	Principal	Interest	Principal	Interest
2007	\$ 930,000	378,584	65,000	62,162
2008	985,000	332,380	65,000	60,115
2009	1,025,000	299,330	140,000	123,320
2010	1,070,000	264,105	140,000	118,664
2011	1,125,000	227,405	145,000	113,520
2012	865,000	188,240	150,000	108,020
2013	670,000	157,820	160,000	102,096
2014	705,000	133,520	160,000	95,776
2015	745,000	107,535	170,000	89,296
2016	795,000	79,665	175,000	82,282
2017	345,000	49,367	180,000	74,710
2018	360,000	33,670	190,000	66,925
2019	380,000	12,292	200,000	58,470
2020	-	-	210,000	49,320
2021	-	-	220,000	39,503
2022	-	-	230,000	29,217
2023	-	-	240,000	18,006
2024	-	-	130,000	6,304
	<u>10,000,000</u>	<u>2,263,913</u>	<u>2,970,000</u>	<u>1,297,706</u>

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes 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 the 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".

Assessed Valuation - 2005	<u>\$ 578,798,768</u>
Legal Debt Limit - 8.625% of Assessed Value	49,921,394
Amount of Debt Applicable to Limit General Obligation Bonds	<u>10,000,000</u>
Legal Debt Margin	<u>39,921,394</u>

Bond Defeasances

On October 17, 2005, the Village issued \$2,675,000 par value alternate revenue refunding bonds, Series 2005 to refund \$130,000 of the Debt Certificate Series of 2004. The Village defeased bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payment on the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the Village reduced its total debt service by \$12,843 and obtained an economic gain of \$10,133.

During prior years, the Village defeased general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Since the requirements which normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's general purpose financial statements. Defeased bonds in the amount of \$3,685,000 are still outstanding as of the date of this report.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE RESTATEMENTS

Beginning fund balance of \$5,144,627 in the General Fund was increased by \$157,948 to reflect an error in recognition of compensated absences and was decreased by \$497,283 to reflect correction of an error in recognition of insurance related deposits, resulting in restated beginning fund balance of \$4,805,291. Beginning fund balances in the Park Fund and Recreation Fund of \$8,913 and \$57,965, respectively were increased by \$8,202 and \$15,368, respectively, resulting in restated beginning fund balances of \$17,115 and \$73,333, respectively. Beginning fund balances in these two funds were restated to reflect correction of an error in recognition of compensated absences.

NOTE 4 – OTHER INFORMATION

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; natural disasters; and injuries to the Village's employees. These risks are provided for through a limited self-insurance program and private insurance coverage. The Village has purchased insurance from private insurance companies, covered risks included medical, dental, life and other. Premiums have been displayed as expenditures/expenses in appropriate funds. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

Intergovernmental Risk Management Agency (IRMA)

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

The 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, and IRMA has a mix of self-insurance and commercial insurance at various amounts about 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 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.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits described, the Village provides post-employment health care benefits, in accordance with the personnel policy manuals to all employees who terminate employment with the Village. For all terminations except retirement, the employee may, at his option, exercise his rights under COBRA. Employees who terminate with the Village at retirement may also elect to remain on the Village's group health insurance plan indefinitely with or without dependent coverage, providing the retiree pays the monthly premium. Retired or terminated employees pay 100 percent of the cost of the health insurance premiums.

DEFERRED COMPENSATION PLAN

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, deaths or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in Trust for the exclusive benefit of all participants and beneficiaries. It is the opinion of the Village's legal counsel that the Village has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. As the plan assets are held in trust for the sole benefit of the participants, they are not reported on the Village's balance sheet.

CONTINGENT LIABILITIES

Litigation

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

Grants

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

DuPage Water Commission (DWC)

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

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

COMMITMENTS

DuPage Water Commission (DWC)

The Village is a customer of the DuPage Water Commission and has executed a Water Supply Contract with the Commission for a term ending in 2014. The contract provides that the Village pay its proportionate share of “fixed costs” (debt service and capital costs) to the Commission, such obligation being unconditional and irrevocable. The Village has capitalized these costs paid prior to the delivery of water, and is amortizing them beginning in fiscal year 1993, using the straight-line method over the remaining term of the contract. Beginning in fiscal year 1993, these costs are being expensed along with the other “operation and maintenance” charges from the Commission. Anticipated fixed costs are as follows:

Fiscal Year Ending April 30	Amount
2007	\$ 320,593
2008	320,593
2009	320,593
2010	320,593
2011	320,593
Thereafter	<u>961,787</u>
	<u><u>2,564,752</u></u>

These amounts are estimates which have been calculated using the Village’s current allocation percentage of 2.4%. In future years the estimates and the allocation percentage will be subject to change. Estimates for the remaining years of the contract are not currently available. However, the Village does not expect the minimum amounts for the remaining years of the contract to vary materially from the amounts presented above.

Sales Tax Agreements

The Village has an agreement with a retailer whereby the municipal based sales tax of this retailer is frozen at a base plus a 4% increase each year, and all sales taxes collected in excess of that base are to be rebated to the retailer. The agreement expires during the year ended April 30, 2007, or when the present value of payments to the retailer discounted at 10% are \$1,400,000. During the year ended April 30, 2006 the Village collected and rebated \$232,277 of sales tax to this retailer. Cumulative payments through April 30, 2006 are \$1,745,076, which represents a discounted value of \$786,743.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

COMMITMENTS – Continued

Sales Tax Agreements – Continued

The Village has an agreement with an automobile dealership based upon sales tax revenue generated and paid by this dealership during the calendar year. The Village will remit 50% of sales tax revenue paid by this dealership or \$114,250 per year, whichever is less. The agreement expires on December 31, 2006, or when the total payments to the dealership are \$1,142,500. For the year ended April 30, 2006, the Village collected and will rebate \$108,837 of sales tax to this dealership. Cumulative payments through April 30, 2006 are \$1,020,891.

The Village has an agreement with an automobile dealership based upon sales tax revenue generated and paid by this dealership during the calendar year. The Village will remit 30% of sales tax revenue paid by this dealership. The agreement expires on April 30, 2015, or when total payments to the dealership are \$1,500,000. For the year ended April 30, 2005, the Village collected and will rebate \$49,418 of sales tax to this dealership. Cumulative payments through April 30, 2006 are \$95,653.

The Village has an agreement with a dealership based upon sales tax revenue generated and paid by this dealership during the calendar year. The Village will remit 30% of sales tax revenue paid by this dealership or \$60,000 per year, whichever is less. The agreement expires on June 30, 2014 or when total payments to the dealership are \$600,000. For the year ended April 30, 2006, the Village collected and will rebate \$33,291 of sales tax to this dealership. Cumulative payments through April 30, 2006 are \$40,997.

Other Commitments

The Village is to remit to a retailer within the Tax Increment Financing (TIF) District the first \$2,500,000 of incremental property taxes collected plus 6% interest on the outstanding unremitted amount through December 1, 2013. During the year ended April 30, 2006, the Village collected and remitted \$108,509 in incremental tax revenue to the retailer. The remaining commitment at April 30, 2006, including interest, is \$2,928,327.

Under a second agreement, the Village has also issued debt on behalf of the Tax Increment Financing District Two. During 2002 notes were issued in the original amounts totaling \$3,270,000 and bear interest at 8.50%. Payment of the notes is solely from the incremental property taxes of the TIF District. As of April 30, 2006, the outstanding balance, including interest accrued, is \$3,473,224. The agreement with the TIF developer and the debt holders allows the developer and the Village to equally split the first \$100,000 of incremental taxes each year, while 82% of the excess is paid on the debt (applied first to interest, then to principal) with the remaining 18% retained by the Village. For the year ended April 30, 2006, interest was paid on the notes in the amount of \$467,808.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES

Sugar Creek Golf Course

The Village and the Elmhurst Park District (District) have entered into a joint agreement for the operation and maintenance of a nine hole golf course facility known as Sugar Creek Golf Course. The agreement provides that the District and Village share equally in the ownership of all property and in any profits and deficits resulting from golf course operations. All operations of the golf course have been funded entirely by user fee and accordingly, neither the District nor the Village made any contributions to golf operations during the current year. Complete financial statements of the Sugar Creek Golf Course may be obtained from the Elmhurst Park District, 225 Prospect Avenue, Elmhurst, Illinois

Management consists of an Administrative Board comprised of seven members, three Board members are appointed by the Village and three Board members are appointed by the District, with the seventh Board member being appointed by the Village or the District in alternate years. The District does not exercise any control over the activities of the golf course beyond its representation on the Board of Directors.

The latest available financial statements of the Golf Course, dated December 31, 2005, report the following:

	Total	Village's Share
Current Assets	\$ 377,958	188,979
Capital Assets	4,442,284	2,221,142
Other Long-Term Assets	12,445	6,223
Total Assets	<u>4,832,687</u>	<u>2,416,344</u>
Liabilities	3,005,961	1,502,981
Equity	<u>1,826,726</u>	<u>913,363</u>
Total Liabilities and Equity	<u>4,832,687</u>	<u>2,416,344</u>
Revenues	964,953	482,477
Expenses	<u>1,057,323</u>	<u>528,662</u>
Change in Net Assets	<u>(92,370)</u>	<u>(46,185)</u>

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 20 South Ardmore Avenue, Villa Park, IL 60181-2696. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2005 was 8.85 percent.

Police Pension Plan

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan – Continued

At fiscal year end the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	27
Current Employees	
Vested	29
Nonvested	<u>12</u>
	<u>68</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit 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. Employees 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.

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

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

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan

The Firefighters' Pension Plan is a single-employer defined pension plan that covers all sworn fire personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At fiscal year end the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	6
Current Employees	
Vested	10
Nonvested	<u>16</u>
	<u>32</u>

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank at the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

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

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Significant Investments

The investments in state and local securities in the Police and Firefighters' plans are investments (other than U.S. Government and U.S. Government - guaranteed obligations) in any one organization that represent 5 percent or more of net assets available for benefits. Information for IMRF is not available.

Related Party Transactions

There are no securities of the Village or any other related parties included in plan assets, including any loans.

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation/Asset

The Village annual required contribution for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	8.85%	20.87%	19.10%
Employee	4.50%	9.91%	9.46%
Annual Pension Cost	\$452,783	\$620,469	\$328,656
Contributions Made	\$452,783	\$680,002	\$365,695
Actuarial Valuation Date	12/31/03	4/30/05	4/30/05
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	27 Years	28 Years	28 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.50%	5.00%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation/Asset – Continued

The pension liability as determined in accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers." The IMRF plan does not have a net pension obligation. The pension asset for the Police and Firefighters' Pension Plans is as follows:

	Police Pension	Firefighters' Pension	Totals
Annual Required Contribution	\$ 621,113	323,177	944,290
Interest on the NPO	(1,628)	384	(1,244)
Adjustment to the ARC	984	(5,863)	(4,879)
Annual Pension Cost	620,469	317,698	938,167
Actual Contribution	585,163	323,177	908,340
Increase in the NPO	35,306	(5,479)	29,827
NPO Beginning of Year	(23,252)	5,479	(17,773)
NPO End of Year	12,054	-	12,054

VILLAGE OF VILLA PARK, ILLINOIS

Notes to the Financial Statements
April 30, 2006

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

The Village's annual required contribution for the current year and related information for each plan is as follows:

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2004	\$ 338,997	\$ 510,066	\$ 284,954
	2005	401,513	509,547	339,408
	2006	452,783	620,469	328,656
Actual Contributions	2004	338,997	511,566	286,532
	2005	401,513	585,163	323,177
	2006	452,783	680,002	365,695
Percentage of APC Contributed	2004	100.00%	100.29%	100.55%
	2005	100.00%	114.84%	95.22%
	2006	100.00%	109.59%	111.27%
Net Pension Obligation/ (Asset)	2004	-	(22,644)	(12,330)
	2005	-	(23,252)	5,479
	2006	-	12,054	-

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- **Schedule of Funding Progress**
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- **Employer Contributions**
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- **Budgetary Comparison Schedule – General Fund**

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF VILLA PARK, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
 Schedule of Funding Progress
 April 30, 2006

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2000	\$ 11,952,060	\$ 11,404,441	104.80%	\$ (547,619)	\$ 4,488,007	(12.20%)
2001	12,283,831	11,545,069	106.40%	(738,762)	4,564,934	(16.18%)
2002	13,262,134	12,955,600	102.37%	(306,534)	4,746,483	(6.46%)
2003	13,690,754	13,882,579	98.62%	191,825	4,977,931	3.85%
2004	12,895,183	14,582,234	88.43%	1,687,051	4,993,943	33.78%
2005	14,298,752	16,037,377	89.16%	1,738,625	5,116,194	33.98%

VILLAGE OF VILLA PARK, ILLINOIS

Police Pension Fund

Required Supplementary Information
 Schedule of Funding Progress
 April 30, 2006

Actuarial Valuation April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2000	\$ 17,430,192	\$ 21,115,542	82.55%	\$ 3,685,350	\$ 2,474,541	148.93%
2001	17,688,829	22,191,718	79.71%	4,502,889	2,689,314	167.44%
2002	N/A	N/A	N/A	N/A	N/A	N/A
2003	N/A	N/A	N/A	N/A	N/A	N/A
2004	19,762,636	26,313,768	75.10%	6,551,132	2,591,485	252.79%
2005	20,157,495	27,628,434	72.96%	7,470,939	2,803,581	266.48%

VILLAGE OF VILLA PARK, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
 Schedule of Funding Progress
 April 30, 2006

Actuarial Valuation April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2000	\$ 6,674,216	6,629,920	100.67%	\$ (44,296)	\$ 1,552,833	(2.85%)
2001	7,060,975	7,479,369	94.41%	418,394	1,590,910	26.30%
2002	8,616,863	9,035,468	95.37%	418,605	1,825,594	22.93%
2003	N/A	N/A	N/A	N/A	N/A	N/A
2004	8,678,693	10,056,107	86.30%	1,377,414	1,531,803	89.92%
2005	9,263,329	11,393,962	81.30%	2,130,633	1,653,516	128.85%

VILLAGE OF VILLA PARK, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Employer Contributions
April 30, 2006

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2000	\$ 368,914	\$ 368,914	100.00%
2001	397,149	397,149	100.00%
2002	339,848	339,848	100.00%
2003	338,997	338,997	100.00%
2004	401,513	401,513	100.00%
2005	452,783	452,783	100.00%

VILLAGE OF VILLA PARK, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
April 30, 2006

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2001	\$ 444,960	\$ 442,641	100.52%
2002	531,982	531,544	100.08%
2003	477,390	456,686	104.53%
2004	511,566	510,066	100.29%
2005	585,163	621,113	94.21%
2006	680,002	688,009	98.84%

VILLAGE OF VILLA PARK, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
April 30, 2006

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2001	\$ 140,824	\$ 140,824	100.00%
2002	212,786	212,786	100.00%
2003	253,323	242,571	104.43%
2004	286,532	284,954	100.55%
2005	323,177	339,408	95.22%
2006	365,695	399,136	91.62%

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 10,794,795	10,884,795	12,154,404
Licenses and Permits	980,150	1,038,623	1,139,441
Charges for Services	2,296,681	2,296,681	2,364,870
Fines and Forfeitures	523,000	523,000	555,978
Intergovernmental	-	85,327	210,435
Interest	165,000	165,000	164,516
Miscellaneous	105,700	107,800	147,101
Total Revenues	14,865,326	15,101,226	16,736,745
Expenditures			
General Government	5,780,082	5,855,572	5,902,706
Public Safety	7,625,954	7,863,481	7,769,080
Highways and Streets	2,382,660	2,376,710	2,311,740
Total Expenditures	15,788,696	16,095,763	15,983,526
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	(923,370)	(994,537)	753,219
Other Financing Sources (Uses)			
Transfers In	507,500	507,500	518,003
Transfers Out	(1,021,500)	(1,021,500)	(1,021,500)
	(514,000)	(514,000)	(503,497)
Net Change in Fund Balance			
	(1,437,370)	(1,508,537)	249,722
Fund Balance - Beginning as Restated			4,805,291
Fund Balance - Ending			5,055,013

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental General, Debt Service and Capital Projects Funds
- Combining Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules -- Nonmajor Governmental Funds
- Budgetary Comparison Schedules -- Enterprise Funds
- Combining Schedules – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund accounts for resources devoted to finance the services traditionally associated with local government. Included in these services are police protection, public works, building safety and general administration of the Village. Any other activity for which a special fund has not been created is accounted for in the general fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to finance particular activities and is created out of revenue of specific taxes or other earmarked revenue. Such funds are authorized by statutory provisions to pay for certain activities with some special form of continuing revenue.

Drug Control Fund

The Drug Control Fund is used to account for allocation of state and federal funds seized in drug related arrests. Funds are authorized to further enhance drug related programs.

Recreation Fund

The Recreation Fund is used to account for specific tax levy money required by law to be used for paying the costs of recreation facilities and related programs. Financing is provided by an annual property tax levy.

Northeast DuPage Special Recreation Fund

The Northeast DuPage Special Recreation Fund is used to account for specific tax levy money required by law to be used for paying the costs of recreational services to handicapped and disabled people within the Village of Villa park. Financing is provided by an annual property tax levy.

Tax Increment Financing (TIF) Funds

The Tax Increment Financing Fund is used to account for development in the TIF Districts. Financing is provided by an annual property tax levy.

Parks Fund

The Parks Fund is used to account for specific tax levy money required by law to be used for paying the costs of the development and maintenance of local park facilities. Financing is provided by an annual property tax levy.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS - Continued

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the operation of street maintenance programs and capital projects as authorized by the Illinois Department of Transportation. Financing is provided from the Village's share of gasoline taxes.

South Villa Sewer Special Service District Fund

The South Villa Sewer Special Service District Fund is used to account for specific tax levy money required by law to be used for paying the costs of installation and maintenance of sewer lines. Financing is provided by an annual property tax levy.

Hotel/Motel Tax Fund

The Hotel/Motel Tax Fund is used to account for specific hotel tax money restricted to certain uses by Village ordinance.

DEBT SERVICE FUND

The Debt Service Fund was established to finance and account for the payment of interest and principal on all general obligation and special service area debt other than that payable exclusively from special assessments and debt issued for and serviced by a governmental enterprise.

Villa Park's Debt Service fund is legal in nature. It was established in accordance with statutes and/or bond indentures. Inclusion of debt service fund provision in the indenture indicates to the buyer that the timing of the acquisition of assets with which to satisfy maturing debt has been formalized and that an adequate administrative approach to servicing the debt will be followed.

CAPITAL PROJECTS FUND

Capital Projects Fund was established to account for the resources expended to acquire assets of a relatively permanent nature. (Special Revenue and Enterprise Fund resources are not included in this category.) This fund evolved from the need for special account for assets. The Capital Projects Fund provides a formal mechanism which enables administrators to ensure that revenue designated for certain purposes are properly used.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS

The Enterprise Funds were established to account for the financing of self-supporting activities of governmental units which render services to the general public on a user charge basis. The Enterprise Funds are maintained on the accrual basis of accounting.

Water Supply Fund

The Water Supply fund is used to account for the provision of water services to the residents of Villa Park. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service, and billing collection.

Waste Water Fund

The Waster Water Fund is used to account for sewer repair and improvement services to the residents of Villa Park. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service, and billing collection.

Swim Pool Fund

The Swim Pool Fund is used to account for the operations and maintenance of the pool facilities. All activities necessary to such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and cash admissions.

TRUST FUNDS

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources for pension benefit payments.

Firefighters' Pension Fund

The Firefighters' Pension fund is used to account for the accumulation of resources for pension benefit payments.

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
Year Ended April 30, 2006**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 1,529,342	1,529,342	2,562,748
Personal Property Replacement Taxes	6,000	6,000	38,267
Sales Taxes	5,053,972	5,053,972	4,987,737
Utility Taxes	2,305,656	2,395,656	2,428,701
State Income Taxes	1,567,325	1,567,325	1,741,725
Amusement Taxes	69,500	69,500	98,331
Other Taxes	263,000	263,000	296,895
	<u>10,794,795</u>	<u>10,884,795</u>	<u>12,154,404</u>
Licenses and Permits			
Licenses	82,000	82,000	76,934
Vending Licenses	4,500	4,500	4,400
Dog Licenses	800	800	717
Building Permits	235,000	275,000	281,283
C.N.W. Parking Permits	48,000	48,000	44,050
C.N.W. Parking Fees	72,000	72,000	70,057
Franchise Fees	245,000	263,473	303,213
Contractor's Registration Fees	5,500	5,500	8,100
Other Licenses and Fees	287,350	287,350	350,687
	<u>980,150</u>	<u>1,038,623</u>	<u>1,139,441</u>
Charges for Services			
Administrative	470,000	470,000	492,730
Financial Services	12,000	12,000	12,300
Auxiliary Police Services	29,000	29,000	22,725
Resident Fees	994,500	994,500	1,005,301
Garage Services	540,181	540,181	569,298
Reimbursement from other funds	125,000	125,000	142,318
Other Charges for Services	126,000	126,000	120,198
	<u>2,296,681</u>	<u>2,296,681</u>	<u>2,364,870</u>
Fines and Forfeits			
Police Fines	480,000	480,000	481,428
False Alarm Fines	5,500	5,500	2,750

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Fines and Forfeits - Continued			
Liquor Fines	\$ 2,500	2,500	5,000
DUI Technology Fines	25,000	25,000	55,977
Late Charges	10,000	10,000	10,823
	<u>523,000</u>	<u>523,000</u>	<u>555,978</u>
Intergovernmental			
Federal Grant	-	85,327	85,328
Police Department	-	-	40,968
OJP Grant	-	-	7,817
Miscellaneous Grant	-	-	76,322
	<u>-</u>	<u>85,327</u>	<u>210,435</u>
Interest	165,000	165,000	164,516
Miscellaneous			
Police Training Reimbursement	3,000	3,000	-
Miscellaneous Revenue	35,200	37,300	74,828
D.A.R.E./Liaison Officers Reimbursement	60,000	60,000	64,748
Disposal of Capital Assets	7,500	7,500	7,525
	<u>105,700</u>	<u>107,800</u>	<u>147,101</u>
Total Revenues	<u>14,865,326</u>	<u>15,101,226</u>	<u>16,736,745</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
General Government			
Public Affairs	\$ 1,875,580	1,891,080	1,854,723
Administration	3,904,502	3,964,492	4,047,983
	<u>5,780,082</u>	<u>5,855,572</u>	<u>5,902,706</u>
Public Safety			
Police	867,524	867,524	820,104
Records	816,938	820,438	784,332
Detectives	363,741	444,541	451,789
Patrol	2,971,543	3,037,643	3,088,222
Administrative Support - Fire	417,290	506,100	513,507
Prevention - Fire	27,000	27,467	23,461
Protection - Fire	37,140	37,140	32,692
Operations - Ambulance Services/Paramedics	2,124,778	2,122,628	2,054,973
	<u>7,625,954</u>	<u>7,863,481</u>	<u>7,769,080</u>
Highways and Streets			
Public Works	37,195	37,195	23,361
Garage	540,181	561,181	568,717
Engineering	157,907	167,907	155,309
Administration - Streets	1,207,987	1,207,987	1,169,199
Street Lighting/Traffic Control	149,344	149,344	151,961
Storm Sewers	19,332	19,332	19,314
Maintenance of Streets	165,114	165,114	132,144
Forestry - Streets	105,600	68,650	91,735
	<u>2,382,660</u>	<u>2,376,710</u>	<u>2,311,740</u>
Total Expenditures	<u>15,788,696</u>	<u>16,095,763</u>	<u>15,983,526</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
General Government			
Public Affairs			
Salaries			
Elected Officials	\$ 26,000	26,000	22,784
Part-Time	500	500	-
Legal Notices	700	1,200	1,222
Police and Firefighter Pension Contributions	1,010,500	1,010,500	1,009,324
Training and Conferences	11,000	8,000	6,634
Senior Citizen Cab Subsidy	9,500	8,500	4,777
Appreciation Dinner and Awards	6,000	6,000	4,774
Legal Services	170,000	170,000	193,096
Printing Services	11,500	11,500	7,529
Other Contractual Services	561,545	561,545	520,643
Dues and Publications	32,135	33,135	31,307
Other Supplies	2,000	3,500	3,033
Environmental Concerns Commission	700	700	306
Senior Citizen Commission	2,000	2,000	2,042
Traffic and Safety Commission	600	600	600
Planning and Zoning Commission	2,000	3,000	3,517
Fire and Police Commission	18,400	33,900	36,669
Historic Preservation Commission	2,000	2,000	1,791
Economic Development Commission	500	500	198
Cable TV Commission	2,500	2,500	214
Community Pride Commission	5,500	5,500	4,263
	<u>1,875,580</u>	<u>1,891,080</u>	<u>1,854,723</u>
Administration			
Manager			
Salaries - Full-Time	84,186	84,186	87,425
Training and Conferences	1,500	1,500	720
Other Contractual Services	1,280	1,280	143
Dues & Publications	800	800	-
Other Supplies	1,800	1,800	1,616
Capital Outlay	4,500	4,500	1,194
Non-Capital outlay	300	300	-
	<u>94,366</u>	<u>94,366</u>	<u>91,098</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
 Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration - Continued			
Finance			
Salaries			
Full-Time	\$ 560,682	539,532	524,121
Part-Time	-	21,150	20,910
Overtime Full-Time	750	750	-
Training and Conferences	2,800	2,800	1,065
Printing Services	2,150	2,150	744
Other Contractual Services	50,980	50,980	47,516
Dues and Publications	2,325	2,325	1,636
Other Supplies	2,875	2,875	2,243
Capital Outlay	500	500	192
	<u>623,062</u>	<u>623,062</u>	<u>598,427</u>
Community Development			
Salaries			
Full-Time	329,252	329,252	328,573
Part-Time	20,290	20,290	19,955
Overtime Full-Time	1,750	2,750	2,699
Training and Conferences	1,900	1,900	1,201
Printing Services	1,600	1,600	1,436
Maintenance of Mobile Equipment	7,140	7,140	3,810
Maintenance of Office Equipment	2,805	2,805	2,419
Inspector Fees	1,600	1,600	1,410
Other Contractual Services	10,025	9,025	6,929
Uniforms	1,185	1,185	1,185
Dues and Publications	2,530	2,530	2,061
Gasoline	1,885	1,885	2,103
Motor Vehicle Parts and Accessories	1,105	1,105	999
Office Supplies	2,650	2,650	2,472
Photography Materials and Supplies	150	150	46
Other Supplies	600	600	506
Capital Outlay	2,600	2,600	2,002
Non-Capital Outlay	400	400	203
	<u>389,467</u>	<u>389,467</u>	<u>380,009</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration - Continued			
Central Services			
Postage	\$ 28,000	28,000	27,342
Telephone	65,000	65,000	61,239
Employee Benefits	200,000	200,000	175,933
Other Insurance	452,000	452,000	562,467
Insurance Claim Losses	5,000	5,000	2,507
Maintenance of Office Equipment	13,440	13,440	7,300
Rental of Equipment	3,250	3,250	2,538
Other Contractual Services	-	45	45
Commodities	17,500	17,455	17,669
Capital Outlay	50,148	37,148	35,469
Non-Capital Outlay	2,000	2,000	1,707
	<u>836,338</u>	<u>823,338</u>	<u>894,216</u>
Illinois Municipal Retirement			
Fund System Contributions	379,385	417,385	456,421
Social Security Contributions	265,785	291,285	311,243
Medicare Contributions	102,337	111,837	120,082
	<u>747,507</u>	<u>820,507</u>	<u>887,746</u>
Sanitation			
Contractual Service	985,801	985,801	985,030
Building and Grounds			
Salaries			
Full-Time	47,299	47,299	47,432
Part-Time	12,535	12,535	13,982
Overtime Full-Time	5,287	5,417	6,484
Utilities			
Electric	600	600	519
Gas	14,375	30,045	32,883
Heating and Air Conditioning Maintenance Service	3,800	3,800	3,463
Water and Sewer Service	2,200	2,395	2,394
Other Contractual Services	41,920	46,292	50,818

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration - Continued			
Building and Grounds - Continued			
Uniforms	\$ 395	395	395
Janitorial Supplies	6,500	7,540	8,136
Building Maintenance Supplies	3,450	3,450	2,893
Other Supplies	4,600	5,544	5,554
Capital Outlay	82,700	60,339	35,555
Non-Capital Outlay	2,300	2,300	949
	<u>227,961</u>	<u>227,951</u>	<u>211,457</u>
Total Administration	<u>3,904,502</u>	<u>3,964,492</u>	<u>4,047,983</u>
Total General Government	<u>5,780,082</u>	<u>5,855,572</u>	<u>5,902,706</u>
Public Safety			
Police			
Administration			
Salaries			
Full-Time	157,794	157,794	157,263
Part-Time	31,460	31,460	29,914
Overtime Full-Time	2,200	2,200	2,144
Training and Conferences	2,090	2,090	863
Telephone	6,380	6,380	6,643
Legal Services	700	700	365
Employee Benefits	628,000	628,000	589,189
Other Insurance	1,000	1,000	825
Insurance Claim Losses	12,000	12,000	8,379
Post-Retirement Losses	15,000	15,000	13,500
Other Contractual Services	2,280	2,280	2,451
Uniforms	550	550	550
Dues and Publications	1,220	1,220	1,182
Office Supplies	3,000	3,000	2,990
Other Supplies	3,850	3,850	3,846
	<u>867,524</u>	<u>867,524</u>	<u>820,104</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
 Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police - Continued			
Records			
Salaries			
Full-Time	\$ 451,364	451,364	438,820
Overtime Full-Time	6,500	10,000	11,481
Training and Conferences	1,600	1,600	796
Printing Services	6,500	6,500	5,599
Maintenance of Office Equipment	3,640	3,640	3,364
Maintenance of Radio Equipment	13,502	13,502	12,270
DuComm	324,336	324,336	303,537
Other Contractual Services	8,946	8,946	7,915
Uniforms	550	550	550
	<u>816,938</u>	<u>820,438</u>	<u>784,332</u>
Detectives			
Salaries			
Full-Time	283,984	338,284	341,538
Overtime Full-Time	34,400	60,900	69,825
Training and Conferences	1,500	1,500	1,182
Rental of Equipment	825	825	548
Other Contractual Services	27,262	27,262	26,048
Uniforms	2,200	2,200	2,200
Dues and Publications	1,385	1,385	1,365
Photography Materials and Supplies	2,500	2,500	1,942
Other Supplies	1,725	1,725	1,441
Capital Outlay	7,000	7,000	4,900
Non-Capital Outlay	960	960	800
	<u>363,741</u>	<u>444,541</u>	<u>451,789</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police - Continued			
Patrol			
Salaries			
Full-Time	\$ 2,246,172	2,112,672	2,128,748
Full-Time CSO's	158,238	158,238	159,080
Part-Time Aux. Commercial	2,000	2,000	482
Part-Time	49,110	49,110	48,943
Overtime Full-Time	227,810	334,810	374,139
Full-Time Commercial	20,000	23,600	21,994
Overtime CSO's	3,500	3,500	3,069
Training and Conferences	13,098	13,098	7,804
Maintenance of Mobile Equipment	92,077	93,277	108,092
Contract/Maintenance of Mobile Equipment	2,000	17,000	3,143
Maintenance of Radio Equipment	1,000	-	-
Rental of Equipment	1,500	1,500	-
Animal Hospital	3,400	3,400	2,235
Other Contractual Services	14,087	14,087	9,754
Uniforms	25,065	25,065	23,103
Dues and Publications	2,010	2,010	1,991
Gasoline	61,508	78,008	76,734
Motor Vehicle Parts and Accessories	23,988	23,988	25,422
Range Supplies	2,500	2,500	2,460
Other Supplies	6,780	20,080	20,297
Capital Outlay	9,410	53,410	64,823
Non-Capital outlay	6,290	6,290	5,909
	<u>2,971,543</u>	<u>3,037,643</u>	<u>3,088,222</u>
Fire			
Administrative Support - Fire			
Salaries - Full-Time	232,802	224,365	228,984
Training and Conferences	2,470	2,470	2,248
Telephone	2,300	4,915	4,571
Legal Services	300	50	-
Printing Services	1,500	1,000	899
Employee Benefits	37,550	32,550	29,519

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire - Continued			
Administrative Support - Fire - Continued			
Insurance Claim Losses	\$ 5,000	3,000	2,429
Post-Retirement Losses	1,500	5,500	5,500
Maintenance of Mobile Equipment	27,623	28,000	30,779
Contractual Maintenance of Mobile Equipment	2,000	8,625	5,125
Maintenance of Office Equipment	3,664	2,459	2,304
Maintenance of Radio Equipment	2,100	1,985	1,445
Building Maintenance	6,300	4,800	4,427
DuComm	28,971	26,471	26,408
Rental of Equipment	300	300	115
Other Contractual Services	9,200	14,350	14,244
Uniforms	800	800	800
Dues and Publications	3,000	3,000	2,969
Gasoline	8,295	9,500	9,388
Motor Vehicle Parts and Accessories	9,665	11,100	11,530
Building Maintenance Supplies	3,500	3,600	3,535
Office Supplies	2,200	2,200	2,154
Photography Materials and Supplies	300	300	179
Other Supplies	2,800	3,040	2,977
Capital Outlay	7,500	95,787	105,475
Non-Capital Outlay	850	1,133	917
Reserve: Foreign Fire Insurance	14,800	14,800	14,586
	<u>417,290</u>	<u>506,100</u>	<u>513,507</u>
Prevention - Fire			
Salaries - Part-Time	20,000	20,000	16,583
Training and Conferences	1,000	1,000	942
Program Supplies	3,850	4,317	3,889
Office Supplies	200	-	-
Photo Material and Supplies	200	200	167
Other Supplies	500	700	687
Non-Capital Outlay	1,250	1,250	1,193
	<u>27,000</u>	<u>27,467</u>	<u>23,461</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire - Continued			
Protection - Fire			
Training and Conferences	\$ 7,050	7,050	3,885
Other Contractual Services	12,550	13,720	13,479
Uniforms	6,925	6,925	6,719
Chemicals	500	500	452
Dues and Publications	965	965	829
Other Supplies	5,400	4,230	3,547
Capital Outlay	2,700	2,700	2,580
Non-Capital Outlay	1,050	1,050	1,201
	<u>37,140</u>	<u>37,140</u>	<u>32,692</u>
Operations - Ambulance Services/Paramedics			
Salaries			
Full-Time	1,590,277	1,424,000	1,401,253
Overtime	91,000	259,000	251,628
Training and Conferences	1,000	1,000	500
Telephone	1,300	1,300	1,237
Employee Benefits	319,065	313,292	277,485
Insurance Claim Losses	2,500	4,400	5,171
Maintenance of Mobile Equipment	15,350	17,500	18,302
Contractual Maintenance of Mobile Equipment	1,000	1,000	354
Maintenance of Radio Equipment	500	500	20
DuComm	28,971	26,848	26,408
Other Contractual Services	34,300	34,300	33,955
Uniforms/Clothing Allowance	9,600	9,733	9,733
Gasoline	5,885	7,575	7,384
Motor Vehicle Parts	4,330	4,400	4,117
Other Supplies	6,600	6,530	6,304
Capital Outlay	11,800	10,350	10,315
Non-Capital Outlay	1,300	900	807
	<u>2,124,778</u>	<u>2,122,628</u>	<u>2,054,973</u>
Total Public Safety	<u>7,625,954</u>	<u>7,863,481</u>	<u>7,769,080</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
 Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Highways and Streets			
Public Works			
C and NW Parking Lot			
Salaries - Part-Time	\$ 10,070	10,070	9,686
Utilities			
Electric	4,200	4,200	3,708
Gas	2,600	2,925	3,240
Water & Sewer Service	100	250	249
Other Contractual Services	6,325	5,775	4,124
Other Supplies	1,700	1,775	1,776
Capital Outlay	12,200	12,200	578
	<u>37,195</u>	<u>37,195</u>	<u>23,361</u>
Garage			
Salaries			
Full-Time	226,601	226,601	226,707
Overtime	5,000	5,000	4,094
Temporary	6,780	6,780	7,230
Training and Conferences	1,000	1,000	997
Telephone	550	550	414
Uniform Service	2,100	2,100	1,916
Employee Benefits	35,190	35,190	34,726
Insurance Claim Losses	1,000	1,000	249
Maintenance of Mobile Equipment	1,500	5,500	5,000
Contractual Maintenance of Mobile Equipment	300	600	511
Rental of Equipment	240	200	165
Other Contractual Services	5,325	5,325	4,377
Uniforms	840	880	880
Chemicals	3,000	2,000	2,761
Dues and Publications	265	265	174
Engine Oil	7,000	7,000	5,344
Gas and Diesel Fuel	138,400	160,400	173,933
Motor Vehicle Parts and Accessories	92,240	87,940	86,823

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Garage - Continued			
Office Supplies	\$ 500	500	476
Hand Tools	1,000	1,000	689
Other Supplies	8,000	8,000	7,609
Capital Outlay	1,500	1,500	1,500
Non-Capital Outlay	1,850	1,850	2,142
	<u>540,181</u>	<u>561,181</u>	<u>568,717</u>
Engineering			
Salaries			
Full-Time	120,338	120,338	120,684
Overtime Full-Time	3,090	2,980	1,498
Training and Conferences	800	800	581
Telephone	350	350	171
Maintenance of Mobile Equipment	3,069	3,069	2,625
Contractual Maintenance of Mobile Equipment	500	500	-
Maintenance of Office Equipment	1,000	1,100	1,096
Rental of Equipment	2,100	2,100	2,100
Engineering Services	10,000	20,000	10,590
Other Contractual Services	3,800	3,800	3,700
Uniforms	790	790	790
Dues and Publications	645	645	366
Gasoline	1,100	1,100	1,140
Motor Vehicle Parts and Accessories	825	825	662
Office Supplies	400	400	405
Other Supplies	1,000	1,000	793
Capital Outlay	8,100	8,110	8,108
	<u>157,907</u>	<u>167,907</u>	<u>155,309</u>
Administration - Streets			
Salaries			
Full-Time	774,652	774,652	766,090
Overtime	33,500	33,500	26,650
Temporary	9,600	9,600	6,108
Legal Notices	900	931	930

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Administration - Streets - Continued			
Training and Conferences	\$ 4,500	4,500	3,911
Telephone	850	850	354
Employee Benefits	159,000	159,000	162,997
Insurance Claim Losses	7,500	7,500	11,855
Maintenance of Mobile Equipment	113,214	110,214	97,667
Contractual Maintenance of Office Equipment	11,000	11,000	7,170
Maintenance of Office Equipment	2,200	2,200	1,193
Maintenance of Radio Equipment	2,022	2,022	2,022
DuPage County Computer Services	5,400	5,400	4,500
Rental of Equipment	550	550	447
Other Contractual Services	5,222	6,222	6,177
Uniforms	5,135	5,535	5,530
Dues and Publications	2,155	2,155	1,351
Gasoline	23,435	26,435	27,571
Motor Vehicle Parts and Accessories	43,152	41,721	32,693
Office Supplies	1,300	1,300	1,250
Other Supplies	2,200	2,200	2,232
Non-Capital Outlay	500	500	501
	<u>1,207,987</u>	<u>1,207,987</u>	<u>1,169,199</u>
Street Lighting/Traffic Control			
Utilities	107,000	107,000	111,771
Rental of Equipment	250	250	-
Other Contractual Services	14,194	9,094	7,694
Hand Tools	400	400	-
Barricades	3,000	3,000	1,480
Street Lighting Materials	5,700	5,700	4,765
Pavement Marking Materials	500	4,800	4,772
Street Sign Materials	11,000	11,000	12,955
Other Supplies	1,200	1,200	70
Capital Outlay	6,100	6,900	8,454
	<u>149,344</u>	<u>149,344</u>	<u>151,961</u>

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
 Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Storm Sewers			
Engineering	\$ 2,550	2,550	2,550
Other Contractual Services	2,082	2,082	2,080
Hand Tools	300	300	4
Asphalt Mix	1,500	1,500	1,093
Stone	2,500	1,200	2,500
Concrete - Redi Mix	2,000	2,700	2,679
Precast/Concrete Items	3,000	3,000	2,966
Cast Iron Items	2,000	2,600	2,600
Pipes and Culverts	2,000	2,000	2,011
Other Supplies	1,400	1,400	831
	<u>19,332</u>	<u>19,332</u>	<u>19,314</u>
Maintenance of Streets			
Disposal Expense	17,000	18,000	18,613
Other Contractual Services	58,100	56,250	48,329
Hand Tools	250	250	-
Salt/Cinder/Calcium Chloride	63,664	63,664	44,589
Asphalt Mix	14,000	14,000	10,700
Stone	1,550	2,400	2,312
Concrete - Redi Mix	1,600	1,600	84
Crack Sealant	3,450	3,450	1,506
Other Supplies	5,500	5,500	6,011
	<u>165,114</u>	<u>165,114</u>	<u>132,144</u>
Forestry - Streets			
Rental of Equipment			
Disposal Costs	6,500	6,500	3,951
Mosquito Abatement	34,000	34,000	34,000
Tree Removal	15,000	15,000	12,070
Other Contractual Services	37,500	550	34,756
Hand Tools	300	300	311

VILLAGE OF VILLA PARK, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
 Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Forestry - Streets - Continued			
Other Supplies	\$ 1,500	1,500	826
Capital Outlay	800	800	338
Non-Capital Outlay	10,000	10,000	5,483
	<u>105,600</u>	<u>68,650</u>	<u>91,735</u>
 Total Highway and Streets	 <u>2,382,660</u>	 <u>2,376,710</u>	 <u>2,311,740</u>
 Total Expenditures	 <u>15,788,696</u>	 <u>16,095,763</u>	 <u>15,983,526</u>

VILLAGE OF VILLA PARK, ILLINOIS

Debt Service Fund

**Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,277,778	1,277,778	1,289,469
Interest	10,000	10,000	11,261
Miscellaneous			
Reimbursements	133,000	133,000	129,560
Total Revenues	<u>1,420,778</u>	<u>1,420,778</u>	<u>1,430,290</u>
Expenditures			
Debt Service			
Principal Retirement	1,075,000	1,075,000	1,040,000
Interest and Fiscal Charges	470,782	470,782	433,720
Bond Issuance Costs	-	-	12,843
Total Expenditures	<u>1,545,782</u>	<u>1,545,782</u>	<u>1,486,563</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(125,004)</u>	<u>(125,004)</u>	<u>(56,273)</u>
Other Financing Sources (Uses)			
Debt Issuance	-	336,984	336,984
Payments to Escrow Agent	-	(324,141)	(324,141)
.	-	12,843	12,843
Net Change in Fund Balance	<u>(125,004)</u>	<u>(112,161)</u>	<u>(43,430)</u>
Fund Balance - Beginning			<u>261,386</u>
Fund Balance - Ending			<u>217,956</u>

VILLAGE OF VILLA PARK, ILLINOIS

Capital Projects Fund

**Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 3,424,920	3,424,920	194,970
Interest	-	-	85,613
Miscellaneous			
Reimbursements	40,500	40,500	3,562
Other	22,500	22,500	64,483
Total Revenues	<u>3,487,920</u>	<u>3,487,920</u>	<u>348,628</u>
Expenditures			
Capital Outlay			
Salaries	48,899	48,899	40,437
Construction	231,500	451,000	429,935
Commodities	800	1,750	1,765
Capital Program			
Engineering	362,319	367,319	338,853
Contractual Services	4,965,590	5,060,590	633,065
Total Expenditures	<u>5,609,108</u>	<u>5,929,558</u>	<u>1,444,055</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,121,188)</u>	<u>(2,441,638)</u>	<u>(1,095,427)</u>
Other Financing Sources			
Debt Issuance	-	-	2,338,016
Transfers In	475,000	475,000	475,000
	<u>475,000</u>	<u>475,000</u>	<u>2,813,016</u>
Net Change in Fund Balance	<u>(1,646,188)</u>	<u>(1,966,638)</u>	1,717,589
Fund Balance - Beginning			<u>1,795,476</u>
Fund Balance - Ending			<u><u>3,513,065</u></u>

VILLAGE OF VILLA PARK, ILLINOIS

Combining Balance Sheet

Nonmajor Governmental Funds

April 30, 2006

See Following Page

VILLAGE OF VILLA PARK, ILLINOIS

Combining Balance Sheet

Nonmajor Governmental Funds

April 30, 2006

	Special Revenue			
	Drug Control	Recreation	Northeast Dupage Special Recreation	Tax Increment Financing
ASSETS				
Cash and Investments	\$ 90,638	84,994	12,815	18,703
Receivables - Net of Allowances				
Property Taxes	-	235,965	182,078	100,113
Accounts	-	-	-	-
Other	508	6,850	-	-
Total Assets	91,146	327,809	194,893	118,816
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	87	34,588	-	-
Accrued Payroll	-	18,129	-	-
Unearned Revenues	-	235,965	182,079	100,113
Total Liabilities	87	288,682	182,079	100,113
Fund Balances				
Reserved for Special Revenues	91,059	39,127	12,814	18,703
Total Liabilities and Fund Balances	91,146	327,809	194,893	118,816

Special Revenue							
Tax Increment Financing Two	Parks	Motor Fuel Tax	South Villa Sewer Special Service District	Hotel/Motel Tax	Permanent Fund Working Cash	Totals	
376,186	83,205	273,416	56	13,405	700,000	1,653,418	
553,589	243,906	-	-	-	-	1,315,651	
-	-	-	-	13,451	10,057	23,508	
-	-	51,597	-	-	-	58,955	
929,775	327,111	325,013	56	26,856	710,057	3,051,532	
-	16,479	-	-	-	-	51,154	
-	9,828	-	-	-	-	27,957	
553,589	243,906	-	-	-	-	1,315,652	
553,589	270,213	-	-	-	-	1,394,763	
376,186	56,898	325,013	56	26,856	710,057	1,656,769	
929,775	327,111	325,013	56	26,856	710,057	3,051,532	

VILLAGE OF VILLA PARK, ILLINOIS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

**Nonmajor Governmental Funds
Year Ended April 30, 2006**

	Special Revenue			
	Drug Control	Recreation	Northeast Dupage Special Recreation	Tax Increment Financing
Revenues				
Taxes	\$ -	231,443	174,699	108,509
Charges for Services	-	598,240	-	-
Intergovernmental	-	-	-	-
Interest	3,224	-	-	1,964
Miscellaneous	15,380	20,042	28,770	-
Total Revenues	18,604	849,725	203,469	110,473
Expenditures				
General Government	-	-	-	108,509
Public Safety	5,827	-	-	-
Culture and Recreation	-	1,348,931	182,309	-
Total Expenditures	5,827	1,348,931	182,309	108,509
Excess (Deficiency) of Revenues over Expenditures	12,777	(499,206)	21,160	1,964
Other Financing Sources (Uses)				
Transfers In	-	465,000	-	-
Transfers Out	-	-	-	-
	-	465,000	-	-
Net Change in Fund Balances	12,777	(34,206)	21,160	1,964
Fund Balances - Beginning as Restated	78,282	73,333	(8,346)	16,739
Fund Balances - Ending	91,059	39,127	12,814	18,703

Special Revenue						
Tax Increment Financing Two	Parks	Motor Fuel Tax	South Villa Sewer Special Service District	Hotel/Motel Tax	Permanent Fund Working Cash	Totals
556,696	237,252	-	2,139	75,387	-	1,386,125
-	-	-	-	-	-	598,240
-	-	649,192	-	-	-	649,192
18,369	1,962	13,064	5	-	20,583	59,171
-	14,557	-	-	-	-	78,749
575,065	253,771	662,256	2,144	75,387	20,583	2,771,477
467,808	-	-	-	-	-	576,317
-	-	-	-	-	-	5,827
-	577,988	-	-	-	-	2,109,228
467,808	577,988	-	-	-	-	2,691,372
107,257	(324,217)	662,256	2,144	75,387	20,583	80,105
-	364,000	-	-	-	-	829,000
-	-	(800,000)	(2,118)	(64,000)	(18,003)	(884,121)
-	364,000	(800,000)	(2,118)	(64,000)	(18,003)	(55,121)
107,257	39,783	(137,744)	26	11,387	2,580	24,984
268,929	17,115	462,757	30	15,469	707,477	1,631,785
376,186	56,898	325,013	56	26,856	710,057	1,656,769

VILLAGE OF VILLA PARK, ILLINOIS

Recreation Fund - Special Revenue Fund

**Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 234,235	234,235	231,443
Charges for Services			
Program Revenue	452,000	452,000	536,801
Building Resale	15,000	15,000	21,038
Building Rental	40,000	40,000	40,401
Interest	1,000	1,000	-
Miscellaneous	17,500	17,500	20,042
Total Revenues	<u>759,735</u>	<u>759,735</u>	<u>849,725</u>
Expenditures			
Culture and Recreation			
Administration	616,953	616,953	603,909
Building and Grounds	228,461	244,651	254,579
Summer Programs	136,447	149,926	145,857
Fall-Winter Programs	371,305	342,225	344,586
Total Expenditures	<u>1,353,166</u>	<u>1,353,755</u>	<u>1,348,931</u>
Excess (Deficiency) of Revenues over Expenditures	(593,431)	(594,020)	(499,206)
Other Financing Sources			
Transfer In	465,000	465,000	465,000
Net Change in Fund Balance	<u>(128,431)</u>	<u>(129,020)</u>	(34,206)
Fund Balance - Beginning as Restated			<u>73,333</u>
Fund Balance - Ending			<u><u>39,127</u></u>

VILLAGE OF VILLA PARK, ILLINOIS

Recreation - Special Revenue Fund

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Culture and Recreation			
Administration			
Salaries			
Full-Time	\$ 381,572	381,572	385,097
Part-Time	11,979	11,979	12,798
Overtime	1,340	1,522	1,857
Car Allowance	17,760	17,760	17,581
Training and Conferences	2,760	2,578	2,560
Mileage Reimbursement	900	1,045	1,166
Postage	4,940	4,940	4,396
Telephone	20,998	20,998	17,287
Printing Services	17,500	17,500	16,743
Employee Benefits	109,500	109,500	104,342
Insurance Claim Losses	1,500	2,325	2,325
Maintenance of Office Equipment	2,419	3,434	2,735
Rental of Equipment	5,940	5,940	5,866
Other Contractual Services	25,975	23,990	17,668
Dues and Publications	1,970	1,970	1,859
Office Supplies	8,200	8,200	7,876
Non-Capital Outlay	1,700	1,700	1,753
	616,953	616,953	603,909
Building and Grounds			
Salaries			
Full-Time	125,006	125,006	125,364
Part-Time	24,258	24,773	27,818
Overtime	17,446	19,850	25,635
Utilities			
Electric	10,500	10,500	7,205
Gas	15,000	25,000	28,273
Heating/Air Conditioning Maintenance Services	2,400	2,400	557
Water and Sewer Service	1,400	1,474	1,474
Disposal Costs	200	200	80
Other Contractual Services	6,161	8,022	8,292
Janitorial Supplies	6,000	7,336	7,956

VILLAGE OF VILLA PARK, ILLINOIS

Recreation Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Building and Grounds - Continued			
Building Maintenance Supplies	\$ 4,000	4,000	4,017
Other Supplies	800	800	389
Capital Outlay	12,800	12,800	16,435
Noncapital Outlay	2,490	2,490	1,084
	<u>228,461</u>	<u>244,651</u>	<u>254,579</u>
Summer Programs			
Salaries - Part-Time	68,145	82,960	83,538
Training and Conferences	125	125	-
Transportation	5,530	6,151	6,152
Rental of Equipment	3,630	1,673	2,663
Officiating Services	4,959	3,357	2,726
Other Contractual Services	25,978	25,978	20,631
Program Supplies	25,580	27,182	27,643
Capital Outlay	2,500	2,500	2,504
	<u>136,447</u>	<u>149,926</u>	<u>145,857</u>
Fall-Winter Programs			
Salaries - Part-Time	186,117	171,852	179,206
Training and Conferences	2,400	2,400	852
Transportation	2,900	2,900	2,747
Rental of Equipment	5,400	5,893	6,866
Rental/Lease	7,360	6,867	5,487
Officiating Services	5,085	5,085	3,198
Other Contractual Services	92,833	78,018	83,254
Dues and Publications	570	570	-
Program Supplies	51,805	51,805	48,394
Resale Items	13,240	13,240	7,075
Capital Outlay	725	853	853
Non-Capital Outlay	2,870	2,742	6,654
	<u>371,305</u>	<u>342,225</u>	<u>344,586</u>
 Total Expenditures	 <u>1,353,166</u>	 <u>1,353,755</u>	 <u>1,348,931</u>

VILLAGE OF VILLA PARK, ILLINOIS

Northeast DuPage Special Recreation - Special Revenue Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 172,970	172,970	174,699
Miscellaneous	-	-	28,770
Total Revenues	<u>172,970</u>	<u>172,970</u>	<u>203,469</u>
Expenditures			
Culture and Recreation			
Contributions	122,000	122,000	174,699
Capital Outlay	50,970	50,970	7,610
Total Expenditures	<u>172,970</u>	<u>172,970</u>	<u>182,309</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	21,160
Fund Balance - Beginning			<u>(8,346)</u>
Fund Balance - Ending			<u><u>12,814</u></u>

VILLAGE OF VILLA PARK, ILLINOIS

Tax Increment Financing - Special Revenue Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 121,334	121,334	108,509
Interest	500	500	1,964
Total Revenues	<u>121,834</u>	<u>121,834</u>	<u>110,473</u>
Expenditures			
General Government	<u>121,304</u>	<u>121,304</u>	<u>108,509</u>
Net Change in Fund Balance	<u>530</u>	<u>530</u>	1,964
Fund Balance - Beginning			<u>16,739</u>
Fund Balance - Ending			<u><u>18,703</u></u>

VILLAGE OF VILLA PARK, ILLINOIS

Tax Increment Financing Two - Special Revenue Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 534,980	554,980	556,696
Interest	3,000	12,218	18,369
Total Revenues	<u>537,980</u>	<u>567,198</u>	<u>575,065</u>
Expenditures			
General Government	<u>438,591</u>	<u>467,809</u>	<u>467,808</u>
Net Change in Fund Balance	<u>99,389</u>	<u>99,389</u>	107,257
Fund Balance - Beginning			<u>268,929</u>
Fund Balance - Ending			<u>376,186</u>

VILLAGE OF VILLA PARK, ILLINOIS

Parks - Special Revenue Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 227,606	237,252	237,252
Interest	500	1,758	1,962
Miscellaneous	7,500	14,557	14,557
Total Revenues	<u>235,606</u>	<u>253,567</u>	<u>253,771</u>
Expenditures			
Culture and Recreation			
Administration	109,752	127,632	142,337
Operation	427,731	427,812	435,651
Total Expenditures	<u>537,483</u>	<u>555,444</u>	<u>577,988</u>
Excess (Deficiency) of Revenues over Expenditures	(301,877)	(301,877)	(324,217)
Other Financing Sources			
Transfers In	<u>364,000</u>	<u>364,000</u>	<u>364,000</u>
Net Change in Fund Balance	<u>62,123</u>	<u>62,123</u>	39,783
Fund Balance - Beginning as Restated			<u>17,115</u>
Fund Balance - Ending			<u>56,898</u>

VILLAGE OF VILLA PARK, ILLINOIS

Parks - Special Revenue Fund

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Culture and Recreation			
Administration			
Salary - Full-Time	\$ 46,697	46,697	50,415
Legal Services	300	300	-
Training and Conferences	2,220	1,812	872
Telephone	3,800	3,800	3,155
Utilities			
Electric	275	275	233
Gas	3,500	6,263	6,549
Water and Sewer Services	500	500	480
Employee Benefits	45,600	57,685	70,109
Insurance Claim Losses	2,500	5,532	6,255
Other Contractual Services	300	708	708
Uniforms	3,410	3,410	3,160
Office Supplies	650	650	401
	<u>109,752</u>	<u>127,632</u>	<u>142,337</u>
Building and Grounds			
Salaries			
Full-Time	254,955	254,955	255,260
Part-Time	50,800	50,800	51,462
Overtime	17,191	17,691	25,823
Maintenance of Mobile Equipment	18,415	14,415	13,624
Contractual Maintenance of Mobile Equipment	1,000	764	730
Maintenance of Radio Equipment	2,400	2,400	2,584
Disposal Costs	900	400	-
Other Contractual Services	2,800	2,800	2,528
Grounds Supplies	9,000	8,859	8,496
Turf Supplies	5,500	4,000	1,960
Gasoline	11,650	10,650	11,028
Motor Vehicle Parts and Accessories	4,500	3,500	4,451
Building Maintenance Supplies	1,480	1,864	2,083
Playground Equipment	1,800	1,942	1,943
Athletic Field Materials	5,900	5,107	5,460

VILLAGE OF VILLA PARK, ILLINOIS

Parks - Special Revenue Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended April 30, 2006**

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Building and Grounds - Continued			
Electrical Supplies	\$ 800	894	894
Hand Tools	700	513	274
General Equipment Parts	4,700	6,387	7,000
Other Supplies	1,275	1,275	933
Capital Outlay	28,800	32,283	32,356
Noncapital Outlay	3,165	6,313	6,762
	<u>427,731</u>	<u>427,812</u>	<u>435,651</u>
 Total Expenditures	 537,483	 555,444	 577,988

VILLAGE OF VILLA PARK, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotment	\$ 638,357	638,357	649,192
Interest	500	500	13,064
Total Revenues	<u>638,857</u>	<u>638,857</u>	<u>662,256</u>
Expenditures			
Public Works	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	638,857	638,857	662,256
Other Financing (Uses)			
Transfer Out	<u>(800,000)</u>	<u>(800,000)</u>	<u>(800,000)</u>
Net Change in Fund Balance	<u>(161,143)</u>	<u>(161,143)</u>	<u>(137,744)</u>
Fund Balance - Beginning			<u>462,757</u>
Fund Balance - Ending			<u><u>325,013</u></u>

VILLAGE OF VILLA PARK, ILLINOIS

South Villa Sewer Special Service District - Special Revenue Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 2,118	2,118	2,139
Interest	2	2	5
Total Revenues	<u>2,120</u>	<u>2,120</u>	<u>2,144</u>
Expenditures			
General Government	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,120	2,120	2,144
Other Financing (Uses)			
Transfer Out	<u>(2,118)</u>	<u>(2,118)</u>	<u>(2,118)</u>
Net Change in Fund Balance	<u>2</u>	<u>2</u>	26
Fund Balance - Beginning			<u>30</u>
Fund Balance - Ending			<u>56</u>

VILLAGE OF VILLA PARK, ILLINOIS

Hotel/Motel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Hotel/Motel Taxes	\$ 64,000	64,000	75,387
Expenditures			
General Government	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	64,000	64,000	75,387
Other Financing (Uses)			
Transfer Out	(64,000)	(64,000)	(64,000)
Net Change in Fund Balance	-	-	11,387
Fund Balance - Beginning			15,469
Fund Balance - Ending			26,856

VILLAGE OF VILLA PARK, ILLINOIS

Water Supply - Enterprise Fund

Schedule of Revenues, Expenses, and Changes in
Net Assets - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,885,525	2,885,525	2,751,566
Operating Expenses			
Administration	1,108,445	1,118,960	1,071,136
Operations	1,978,897	1,968,382	1,434,326
Depreciation and Amortization	-	-	368,583
Total Operating Expenses	3,087,342	3,087,342	2,874,045
Operating Income (Loss)	(201,817)	(201,817)	(122,479)
Nonoperating Revenues			
Interest Income	45,000	45,000	125,394
Connection Fees	45,000	45,000	48,058
Other Income	20,000	20,000	29,863
	110,000	110,000	203,315
Change in Net Assets	(91,817)	(91,817)	80,836
Net Assets - Beginning			7,493,606
Net Assets - Ending			7,574,442

VILLAGE OF VILLA PARK, ILLINOIS

Water Supply - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Administration			
Salary			
Full-Time	\$ 399,807	399,807	407,281
Overtime	46,800	46,800	46,259
Temporary	43,450	43,450	18,541
Training and Conferences	4,200	4,200	4,641
Legal Notices	750	750	131
Postage	1,400	1,400	-
Telephone	4,500	4,900	4,964
Employee Benefits	148,808	148,808	131,916
Insurance Claim Losses	2,500	2,500	2,235
Maintenance of Mobile Equipment	18,415	18,415	12,938
Contractual Maintenance of Mobile Equipment	1,200	1,200	801
Maintenance of Office Equipment	800	800	185
Rental of Equipment	545	545	393
Engineering Services	16,000	16,000	15,266
Administrative Services	371,681	371,681	371,681
Other Contractual Services	20,925	24,000	22,020
Uniforms	1,975	2,765	2,765
Dues and Publications	1,868	1,868	1,607
Gasoline	9,692	15,192	14,738
Motor Vehicle Parts and Accessories	6,029	6,029	4,902
Office Supplies	800	800	723
Other Supplies	900	900	1,024
Noncapital Outlay	1,000	1,000	999
Capital Outlay	4,400	5,150	5,126
	<u>1,108,445</u>	<u>1,118,960</u>	<u>1,071,136</u>
Water Operations			
Purchase of Water	1,202,134	1,181,719	1,072,834
Utilities			
Electric	14,000	14,000	11,834
Gas	8,100	9,100	9,494
Maintenance of Controls	5,000	5,000	2,328
Meter Repairs	14,000	14,000	13,897
Disposal Expense	25,000	25,000	24,820

VILLAGE OF VILLA PARK, ILLINOIS

Water Supply - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Water Operations - Continued			
Engineering Services	\$ 107,163	107,163	99,817
Laboratory Testing	3,500	7,400	6,985
Other Contractual Services	47,300	47,300	36,676
Chemicals	200	200	171
Hand Tools	500	500	17
Asphalt Mix	5,500	7,500	8,392
Stone	22,000	22,000	21,988
Concrete - Redi Mix	10,000	10,700	13,221
Valves	5,000	5,000	4,925
Watermain Repair Parts	10,000	10,300	10,822
Service Connection Materials	5,000	5,000	4,072
Water Meters	35,000	37,000	38,859
Fire Hydrant Parts	10,000	10,000	3,949
Other Supplies	10,000	10,000	9,492
Noncapital Outlay	650	650	667
Capital Outlay	438,850	438,850	39,066
	<u>1,978,897</u>	<u>1,968,382</u>	<u>1,434,326</u>
Depreciation and Amortization	-	-	368,583
	<u>3,087,342</u>	<u>3,087,342</u>	<u>2,874,045</u>

VILLAGE OF VILLA PARK, ILLINOIS

Waste Water - Enterprise Fund

Schedule of Revenues, Expenses, and Changes in
Net Assets - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 957,600	957,600	1,010,711
Operating Expenses			
Administration	678,379	683,979	684,345
Operations	430,278	424,678	254,515
Depreciation	-	-	553,943
Total Operating Expenses	1,108,657	1,108,657	1,492,803
Operating Income (Loss)	(151,057)	(151,057)	(482,092)
Nonoperating Revenues			
Interest Income	13,000	13,000	35,255
Disposal of Capital Assets	11,500	11,500	-
Connection Fees	60,000	60,000	57,722
Other Income	25,000	25,000	23,976
	109,500	109,500	116,953
Net Income (Loss) Before Transfers	(41,557)	(41,557)	(365,139)
Transfers In	2,118	2,118	2,118
Change in Net Assets	(39,439)	(39,439)	(363,021)
Net Assets - Beginning			12,808,529
Net Assets - Ending			12,445,508

VILLAGE OF VILLA PARK, ILLINOIS

Waste Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Administration			
Salary			
Full-Time	\$ 319,149	319,149	322,067
Overtime	25,623	25,623	24,737
Temporary	24,730	13,630	11,355
Training and Conferences	3,200	3,200	2,539
Legal Notices	750	750	48
Telephone	2,250	2,250	1,065
Employee Benefits	99,880	99,880	106,262
Insurance Claim Losses	2,500	5,600	5,584
Maintenance of Mobile Equipment	15,350	20,350	20,788
Contractual Maintenance of Mobile Equipment	1,000	1,000	483
Maintenance of Office Equipment	800	800	-
Rental of Equipment	545	545	402
Engineering Services	12,550	12,550	11,066
Administrative Services	121,049	121,049	121,049
Other Contractual Services	20,070	23,070	21,786
Uniforms	1,975	875	1,975
Dues and Publications	8,260	9,360	9,355
Gasoline	7,923	10,523	10,330
Motor Vehicle Parts and Accessories	3,175	6,175	5,407
Office Supplies	800	800	652
Other Supplies	1,400	1,400	1,270
Noncapital Outlay	1,000	1,000	999
Capital Outlay	4,400	4,400	5,126
	<u>678,379</u>	<u>683,979</u>	<u>684,345</u>
Sanitary Sewer Operations			
Utilities			
Electric	35,000	21,000	21,220
Gas	18,000	15,400	15,431
Lombard Sewer Service	2,500	2,500	1,038
Maintenance of Controls	5,000	5,000	4,129
Rental of Equipment	500	500	-
Disposal Expense	12,000	23,000	22,975
Engineering Services	56,169	56,169	54,685

VILLAGE OF VILLA PARK, ILLINOIS

Waste Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
 Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Sanitary Sewer Operations - Continued			
Laboratory Testing	\$ 6,000	6,000	854
Other Contractual Services	48,500	38,500	37,470
Chemicals	7,000	6,300	3,209
Hand Tools	500	500	342
Asphalt Mix	2,500	2,500	2,190
Stone	9,000	19,000	18,980
Concrete - Redi Mix	6,000	6,000	4,072
Manhole Materials	10,000	10,000	8,260
Sewermain Repair Parts	2,500	2,700	2,667
Other Supplies	10,000	10,500	10,903
Noncapital Outlay	1,000	1,000	1,000
Capital Outlay	198,109	198,109	45,090
	<u>430,278</u>	<u>424,678</u>	<u>254,515</u>
Depreciation	-	-	553,943
Total Operating Expenses	<u>1,108,657</u>	<u>1,108,657</u>	<u>1,492,803</u>

VILLAGE OF VILLA PARK, ILLINOIS

Swim Pool - Enterprise Fund

Schedule of Revenues, Expenses, and Changes in
Net Assets - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 156,000	160,288	157,142
Operating Expenses			
Administration	65,095	65,432	64,787
Operations	131,729	136,202	137,768
Maintenance	60,427	59,905	55,370
Depreciation	-	-	43,290
Total Operating Expenses	257,251	261,539	301,215
Operating Income (Loss)	(101,251)	(101,251)	(144,073)
Nonoperating Revenues			
Interest Income	750	750	115
Other Income	6,250	6,250	4,109
	7,000	7,000	4,224
Net Income (Loss) Before Transfers	(94,251)	(94,251)	(139,849)
Transfers In	81,500	81,500	81,500
Change in Net Assets	(12,751)	(12,751)	(58,349)
Net Assets - Beginning			1,076,740
Net Assets - Ending			1,018,391

VILLAGE OF VILLA PARK, ILLINOIS

Swim Pool - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Administration			
Salary - Temporary	\$ 24,080	24,091	24,091
Telephone	2,915	2,915	2,362
Utilities			
Electric	15,000	15,000	14,198
Gas	15,000	15,026	15,027
Water and Sewer Services	5,000	7,700	7,711
Office Supplies	2,500	100	888
Capital Outlay	600	600	510
	<u>65,095</u>	<u>65,432</u>	<u>64,787</u>
Operations			
Salary - Temporary	107,624	112,035	112,035
Other Contractual Services	2,200	800	800
Program Supplies	4,055	4,055	4,442
Uniforms	2,700	2,700	2,589
Resale Items	13,400	14,862	15,053
Capital Outlay	1,750	1,750	2,849
	<u>131,729</u>	<u>136,202</u>	<u>137,768</u>
Maintenance			
Salary - Temporary	12,527	12,527	12,527
Rental of Equipment	300	300	-
Other Contractual Services	2,500	489	468
Chemicals	14,000	19,466	19,467
Janitorial Supplies	1,100	1,100	1,282
Building Maintenance Supplies	700	-	-
General Equipment Parts	4,650	7,244	7,881
Noncapital Outlay	1,700	1,700	836
Capital Outlay	22,950	17,079	12,909
	<u>60,427</u>	<u>59,905</u>	<u>55,370</u>
Depreciation			
	-	-	43,290
Total Operating Expenses	<u>257,251</u>	<u>261,539</u>	<u>301,215</u>

VILLAGE OF VILLA PARK, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Plan Assets
April 30, 2006**

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
Assets			
Cash and Cash Equivalents	\$ 10,139,906	560,895	10,700,801
Investments			
U.S. Government and Agency Securities	1,657,643	6,264,765	7,922,408
Mutual Funds	7,697,079	3,382,070	11,079,149
Annuities	2,688,587	-	2,688,587
Receivables			
Accrued Interest	153,967	73,132	227,099
Total Assets	<u>22,337,182</u>	<u>10,280,862</u>	<u>32,618,044</u>
Liabilities			
Accounts Payable	640	3,394	4,034
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial schedules)	<u>22,336,542</u>	<u>10,277,468</u>	<u>32,614,010</u>

VILLAGE OF VILLA PARK, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Plan Net Assets
Year Ended April 30, 2006

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 680,002	365,695	1,045,697
Contributions - Plan Members	266,599	225,157	491,756
Total Contributions	946,601	590,852	1,537,453
Investment Income			
Investment Earnings	3,310,296	357,260	3,667,556
Net Change in Fair Value	(886,867)	419,203	(467,664)
	2,423,429	776,463	3,199,892
Less Investment Expenses	-	-	-
Net Investment Income	2,423,429	776,463	3,199,892
Total Additions	3,370,030	1,367,315	4,737,345
Deductions			
Administration	10,897	29,059	39,956
Benefits and Refunds	1,180,086	324,115	1,504,201
Total Deductions	1,190,983	353,174	1,544,157
Change in Net Assets	2,179,047	1,014,141	3,193,188
Net Plan Assets Held in Trust for Pension Benefits			
Net Assets - Beginning	20,157,495	9,263,327	29,420,822
Net Assets - Ending	22,336,542	10,277,468	32,614,010

VILLAGE OF VILLA PARK, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 677,900	677,900	680,002
Contributions - Plan Members	260,000	264,500	266,599
Total Contributions	937,900	942,400	946,601
Investment Income			
Investment Earnings	382,100	382,100	3,310,296
Net Change in Fair Value	-	-	(886,867)
	382,100	382,100	2,423,429
Less Investment Expenses	-	-	-
Net Investment Income	382,100	382,100	2,423,429
Total Additions	1,320,000	1,324,500	3,370,030
Deductions			
Administration	6,000	10,500	10,897
Benefits and Refunds	1,233,750	1,233,750	1,180,086
Total Deductions	1,239,750	1,244,250	1,190,983
Change in Net Assets	80,250	80,250	2,179,047
Net Plan Assets Held in Trust for Pension Benefits			
Net Assets - Beginning			20,157,495
Net Assets - Ending			22,336,542

VILLAGE OF VILLA PARK, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 365,600	365,600	365,695
Contributions - Plan Members	158,418	216,918	225,157
Total Contributions	524,018	582,518	590,852
Investment Income			
Investment Earnings	573,992	573,992	357,260
Net Change in Fair Value	-	-	419,203
	573,992	573,992	776,463
Less Investment Expenses	-	-	-
Net Investment Income	573,992	573,992	776,463
Total Additions	1,098,010	1,156,510	1,367,315
Deductions			
Administration	25,121	28,621	29,059
Benefits and Refunds	261,520	316,520	324,115
Total Deductions	286,641	345,141	353,174
Change in Net Assets	811,369	811,369	1,014,141
Net Plan Assets Held in Trust for Pension Benefits			
Net Assets - Beginning			9,263,327
Net Assets - Ending			10,277,468

SUPPLEMENTAL SECTION

VILLAGE OF VILLA PARK, ILLINOIS

Villa Park Public Library - Component Unit

Balance Sheet

April 30, 2006

ASSETS

Cash and Investments	\$ 888,738
Receivables - Net of Allowances	
Property Taxes	1,606,374
Prepays	<u>56,000</u>
Total Assets	<u><u>2,551,112</u></u>

LIABILITIES AND
FUND BALANCES

Liabilities	
Accounts Payable	18,455
Accrued Payroll	18,975
Unearned Revenues	<u>1,606,375</u>
Total Liabilities	<u><u>1,643,805</u></u>
Fund Balances	
Reserved for Prepays	56,000
Unreserved	<u>851,307</u>
Total Fund Balances	<u><u>907,307</u></u>
Total Liabilities and Fund Balances	<u><u>2,551,112</u></u>

VILLAGE OF VILLA PARK, ILLINOIS

Villa Park Public Library - Component Unit

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,573,166	1,573,166	1,572,405
Personal Property Replacement Taxes	54,000	54,000	52,139
Charges for Services			
Fines and Fees	72,000	74,000	82,797
Intergovernmental			
Grants	27,000	28,000	27,773
Interest	12,000	12,000	28,632
Miscellaneous	21,000	21,000	26,708
Total Revenues	<u>1,759,166</u>	<u>1,762,166</u>	<u>1,790,454</u>
Expenditures			
Culture and Recreation			
Administration	1,530,477	1,770,578	1,656,713
Operation	266,688	270,580	251,102
Total Expenditures	<u>1,797,165</u>	<u>2,041,158</u>	<u>1,907,815</u>
Net Change in Fund Balance	<u>(37,999)</u>	<u>(278,992)</u>	(117,361)
Fund Balance - Beginning			<u>1,024,668</u>
Fund Balance - Ending			<u>907,307</u>

VILLAGE OF VILLA PARK, ILLINOIS

Villa Park Public Library - Component Unit

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Culture and Recreation			
Administration			
Salaries			
Full-Time	\$ 480,059	476,500	457,381
Part-Time	427,006	402,000	369,063
Custodians	28,100	31,000	29,969
Training and Conference	400	400	-
Postage	6,300	9,000	8,278
Telephone	6,100	5,500	5,850
Legal Services	-	10,400	10,841
Utility - Gas	8,395	14,000	10,780
Maintenance/Repair of Heating and Air Conditioning	18,420	15,700	14,199
Water and Sewer Service	1,200	1,500	1,220
Printing Service	-	8,200	6,190
In-Service Activities - Trustees	400	400	180
Employee Benefits	99,300	88,300	80,758
Staff Recognition	2,000	1,400	1,251
In-Service Activities - Staff	6,575	4,000	2,727
Recruitment	500	270	262
Binding	1,250	700	654
OCLC	4,500	4,500	4,110
Landscaping	500	250	8
Other Insurance	63,000	63,000	42,223
Maintenance of Office Equipment	4,220	3,600	4,243
Rental/Lease Equipment	-	7,343	7,105
Disposal Expense	-	1,400	1,470
Other Contractual Services	68,463	62,725	58,716
Dues and Memberships	500	500	320
Janitorial Supplies	14,205	12,340	10,441
Other Supplies	43,000	27,800	27,422
Capital Outlay	51,890	308,188	305,394
IMRF Contribution	60,532	74,500	66,333
Social Security Contribution	58,915	57,299	52,316
Medicare Contribution	14,027	13,643	12,235
Contingency	6,000	9,500	10,054
Automation Charges	54,720	54,720	54,720
Total Administration	1,530,477	1,770,578	1,656,713

VILLAGE OF VILLA PARK, ILLINOIS

Villa Park Public Library - Component Unit

Schedule of Expenditures - Budget and Actual - Continued
 Year Ended April 30, 2006

	Budget		Actual
	Original	Final	
Culture and Recreation (Continued)			
Operations			
Youth			
Training and Conference	\$ 9,800	9,800	7,791
Other Contractual Services	8,600	8,600	7,054
Dues and Memberships	2,250	2,250	2,252
CD Rom	500	500	-
High School Paperbacks	500	500	88
Books	46,962	48,350	45,553
Reference Materials	7,225	7,225	8,346
Periodicals	1,900	1,900	1,324
Audio Visual Materials	9,482	9,658	9,893
Total Youth	87,219	88,783	82,301
Audit			
Other Contractual Services	4,200	4,000	2,998
CD Rom	1,000	1,000	-
Books	61,312	63,140	62,863
Reference Materials	84,197	84,197	76,961
Periodicals	9,700	9,700	7,665
Audio Visual Materials	15,160	16,160	15,521
Professional Books	2,000	1,700	1,240
Professional Periodicals	1,900	1,900	1,553
Total Audit	179,469	181,797	168,801
Total Operations	266,688	270,580	251,102
Total Expenditures	1,797,165	2,041,158	1,907,815

VILLAGE OF VILLA PARK, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Corporate Purpose Bonds Series of 1998

April 30, 2006

Date of Issue	September 1, 1998
Date of Maturity	September 1, 2018
Authorized Issue	\$4,900,000
Denomination of Bonds	\$5,000
Interest Rate	4.50% - 4.55%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	LaSalle National Trust, N. A.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2005	235-276	\$ 210,000	168,555	378,555	2006	84,277	2006	84,277
2006	277-320	220,000	159,105	379,105	2007	79,553	2007	79,553
2007	321-367	235,000	149,205	384,205	2008	74,602	2008	74,602
2008	368-416	245,000	138,630	383,630	2009	69,315	2009	69,315
2009	417-467	255,000	127,605	382,605	2010	63,803	2010	63,803
2010	468-521	270,000	116,130	386,130	2011	58,065	2011	58,065
2011	522-577	280,000	103,980	383,980	2012	51,990	2012	51,990
2012	578-636	295,000	91,380	386,380	2013	45,690	2013	45,690
2013	637-698	310,000	78,105	388,105	2014	39,052	2014	39,052
2014	699-763	325,000	64,155	389,155	2015	32,078	2015	32,078
2015	764-832	345,000	49,367	394,367	2016	24,684	2016	24,684
2016	833-904	360,000	33,670	393,670	2017	16,835	2017	16,835
2017	905-980	380,000	12,295	392,295	2018	8,645	2018	8,645
		<u>3,730,000</u>	<u>1,292,182</u>	<u>5,022,182</u>	<u>648,589</u>		<u>648,589</u>	

VILLAGE OF VILLA PARK, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Refunding Bonds Series of 2003
April 30, 2006**

Date of Issue	June 15, 2003
Date of Maturity	December 15, 2015
Authorized Issue	\$4,130,000
Denomination of Bonds	\$5,000
Interest Rate	2.00% - 3.30%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	LaSalle National Trust, N. A.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2005	108-161	\$ 270,000	100,800	370,800	2006	50,400	2006	50,400
2006	162-219	290,000	95,400	385,400	2007	47,700	2007	47,700
2007	220-279	300,000	88,875	388,875	2008	44,438	2008	44,438
2008	280-343	320,000	81,375	401,375	2009	40,687	2009	40,687
2009	344-412	345,000	73,375	418,375	2010	46,688	2010	46,688
2010	413-485	365,000	64,060	429,060	2011	32,030	2011	32,030
2011	486-563	390,000	53,840	443,840	2012	26,920	2012	26,920
2012	564-645	410,000	42,140	452,140	2013	21,070	2013	21,070
2013	646-732	435,000	29,430	464,430	2014	14,715	2014	14,715
2014	733-826	470,000	15,510	485,510	2015	7,755	2015	7,755
		<u>3,595,000</u>	<u>644,805</u>	<u>4,239,805</u>	<u>332,403</u>		<u>332,403</u>	

VILLAGE OF VILLA PARK, ILLINOIS

Schedule of Long-Term Debt Requirements

Debt Certificates Series of 2003A
April 30, 2006

Date of Issue	September 15, 2003
Date of Maturity	December 15, 2022
Authorized Issue	\$1,600,000
Denomination of Bonds	\$5,000
Interest Rate	3.10% - 4.90%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	LaSalle National Trust, N. A.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2005	24-36	\$ 65,000	62,162	127,162	2006	31,081	2006	31,081
2006	37-49	65,000	60,115	125,115	2007	30,058	2007	30,058
2007	50-63	70,000	58,068	128,068	2008	29,034	2008	29,034
2008	64-77	70,000	55,862	125,862	2009	27,931	2009	27,931
2009	78-92	75,000	53,342	128,342	2010	26,671	2010	26,671
2010	93-107	75,000	50,642	125,642	2011	25,321	2011	25,321
2011	108-123	80,000	47,718	127,718	2012	23,859	2012	23,859
2012	124-139	80,000	44,598	124,598	2013	22,299	2013	22,299
2013	140-156	85,000	41,318	126,318	2014	20,659	2014	20,659
2014	157-173	85,000	37,832	122,832	2015	18,916	2015	18,916
2015	174-191	90,000	34,220	124,220	2016	17,110	2016	17,110
2016	192-210	95,000	30,395	125,395	2017	15,197	2017	15,197
2017	211-230	100,000	26,120	126,120	2018	13,060	2018	13,060
2018	231-251	105,000	21,620	126,620	2019	10,810	2019	10,810
2019	252-273	110,000	16,685	126,685	2020	8,343	2020	8,343
2020	274-296	115,000	11,515	126,515	2021	5,757	2021	5,757
2021	297-320	120,000	5,880	125,880	2022	2,940	2022	2,940
		<u>1,485,000</u>	<u>658,092</u>	<u>2,143,092</u>	<u>329,046</u>		<u>329,046</u>	

VILLAGE OF VILLA PARK, ILLINOIS

Schedule of Long-Term Debt Requirements

Debt Certificates Series of 2004

April 30, 2006

Date of Issue	July 12, 2004
Date of Maturity	December 15, 2023
Authorized Issue	\$1,650,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 4.85%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	LaSalle National Trust, N. A.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2005	\$ -	-	-	2006	-	2006	-
2006	-	-	-	2007	-	2007	-
2007	70,000	65,252	135,252	2008	32,626	2008	32,626
2008	70,000	62,802	132,802	2009	31,401	2009	31,401
2009	70,000	60,178	130,178	2010	30,089	2010	30,089
2010	75,000	57,378	132,378	2011	28,689	2011	28,689
2011	80,000	54,378	134,378	2012	27,189	2012	27,189
2012	80,000	51,178	131,178	2013	25,589	2013	25,589
2013	85,000	47,978	132,978	2014	23,989	2014	23,989
2014	90,000	44,450	134,450	2015	22,225	2015	22,225
2015	90,000	40,490	130,490	2016	20,245	2016	20,245
2016	95,000	36,530	131,530	2017	18,265	2017	18,265
2017	100,000	32,350	132,350	2018	16,175	2018	16,175
2018	105,000	27,700	132,700	2019	13,850	2019	13,850
2019	110,000	22,818	132,818	2020	11,409	2020	11,409
2020	115,000	17,702	132,702	2021	8,851	2021	8,851
2021	120,000	12,126	132,126	2022	6,063	2022	6,063
2022	130,000	6,304	136,304	2023	3,152	2023	3,152
	<u>1,485,000</u>	<u>639,614</u>	<u>2,124,614</u>		<u>319,807</u>		<u>319,807</u>

VILLAGE OF VILLA PARK, ILLINOIS

Schedule of Long-Term Debt Requirements

**General Obligation Refunding Bonds Series of 2005
April 30, 2006**

Date of Issue	October 15, 2005
Date of Maturity	December 15, 2011
Authorized Issue	\$2,675,000
Denomination of Bonds	\$230,000 - \$525,000
Interest Rate	3.50%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	LaSalle National Trust, N. A.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2006	\$ 450,000	109,229	559,229	2007	62,417	2007	46,812
2007	475,000	77,875	552,875	2008	38,938	2008	38,937
2008	490,000	61,250	551,250	2009	30,625	2009	30,625
2009	505,000	44,100	549,100	2010	22,050	2010	22,050
2010	525,000	26,425	551,425	2011	13,213	2011	13,212
2011	230,000	8,050	238,050	2012	4,025	2012	4,025
	<u>2,675,000</u>	<u>326,929</u>	<u>3,001,929</u>		<u>171,268</u>		<u>155,661</u>

STATISTICAL SECTION
(Unaudited)

This section includes selected financial and demographic information, generally presented on a multi-year basis.

VILLAGE OF VILLA PARK, ILLINOIS

**Governmental-Wide Revenues by Function
Last Three Fiscal Years**

April 30, 2006 (Unaudited)

See Following Page

VILLAGE OF VILLA PARK, ILLINOIS

**Governmental-Wide Revenue by Function
Last Three Fiscal Years**

April 30, 2006 (Unaudited)

Fiscal Year	2004	2005	2006
Program Revenues			
Charges for Services	\$ 7,232,059	7,158,508	8,683,728
Operating Grants and Contributions	17,991	3,604	859,627
Capital Grants and Contributions	412,228	662,091	194,970
Total Program Revenues	7,662,278	7,824,203	9,738,325
General Revenues			
Taxes	13,885,708	14,722,301	14,829,998
Investment Income	315,101	283,302	481,325
Miscellaneous	44,880	288,096	481,403
Total General Revenues	14,245,689	15,293,699	15,792,726
Total Revenue	21,907,967	23,117,902	25,531,051

Note: The Village Implemented GASB #34 for the fiscal year ended April 30, 2004.

Date Source: Village Records

VILLAGE OF VILLA PARK, ILLINOIS

**Governmental-Wide Expenses by Function
Last Three Fiscal Years**

April 30, 2006 (Unaudited)

Fiscal Year	2004	2005	2006
Governmental Activities			
General Government	\$ 7,032,773	5,904,554	7,246,354
Public Safety	6,153,034	7,894,760	8,071,312
Public Works	2,049,802	3,503,676	3,800,247
Culture and Recreation	1,864,623	2,097,823	2,176,193
Interest Expenses	432,372	466,255	389,205
Total Governmental Activities	17,532,604	19,867,068	21,683,311
Business-Type Activities			
Public Works	4,486,160	4,263,722	4,366,848
Recreation	282,388	269,593	301,215
Total Business-Type Activities	4,768,548	4,533,315	4,668,063
Total Expenses	22,301,152	24,400,383	26,351,374

Note: The Village Implemented GASB #34 for the fiscal year ended April 30, 2004.

Date Source: Village Records

VILLAGE OF VILLA PARK, ILLINOIS

**General Governmental Revenues by Source
Last Ten Fiscal Years**

April 30, 2006 (Unaudited)

<u>Fiscal Year</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Taxes	\$ 11,812,634	12,020,120	12,977,184	14,063,182
Licenses and Permits	455,107	535,038	639,521	848,827
Intergovernmental	551,220	577,370	558,664	636,300
Charges for Services	1,876,214	1,909,958	1,956,598	2,068,895
Fines and Forfeitures	548,047	594,856	612,777	562,117
Investment and Miscellaneous	694,505	651,050	687,905	665,819
Total	<u>15,937,727</u>	<u>16,288,392</u>	<u>17,432,649</u>	<u>18,845,140</u>

Note: Includes General, Special Revenue, Debt Service funds and the Villa Park Public Library, a component unit.

Date Source: Village Records

2001	2002	2003	2004	2005	2006
14,328,636	14,083,261	14,401,065	14,787,957	15,645,987	14,829,998
716,522	703,847	803,210	965,443	949,354	1,334,411
714,140	822,938	673,166	678,525	865,562	859,627
2,151,367	2,203,155	2,512,596	2,614,570	2,803,087	2,963,110
506,146	541,024	493,179	499,540	468,821	555,978
1,080,182	506,757	875,034	403,658	502,614	744,016
19,496,993	18,860,982	19,758,250	19,949,693	21,235,425	21,287,140

VILLAGE OF VILLA PARK, ILLINOIS

**General Governmental Expenditures by Function
Last Ten Fiscal Years**

April 30, 2006 (Unaudited)

Fiscal Year	1997	1998	1999	2000
General Government	\$ 2,477,813	2,692,913	2,767,020	3,701,407
Public Safety	5,050,131	5,216,024	5,877,181	5,722,967
Highways and Streets	1,990,367	2,051,211	2,080,281	2,217,762
Sanitation	941,832	915,414	909,449	913,117
Culture and Recreation	2,643,303	3,482,820	3,034,410	3,129,685
Debt Service	1,409,630	1,499,716	1,604,666	1,911,531
Total	14,513,076	15,858,098	16,273,007	17,596,469

Note: Includes General, Special Revenue, Debt Service funds and the Villa Park Public Library, a component unit.

Date Source: Village Records

2001	2002	2003	2004	2005	2006
3,862,963	4,118,141	4,718,974	6,000,516	5,564,799	6,479,023
5,830,796	6,422,137	6,887,611	7,050,475	7,586,224	7,774,907
2,223,261	2,142,905	2,138,692	2,158,516	2,263,333	2,311,740
908,660	952,751	963,747	963,748	960,037	-
3,230,702	3,307,073	3,275,057	3,409,436	3,897,442	2,109,228
1,742,693	1,886,498	1,658,515	1,377,061	1,403,008	1,486,563
17,799,075	18,829,505	19,642,596	20,959,752	21,674,843	20,161,461

VILLAGE OF VILLA PARK, ILLINOIS

**Property Tax Levies and Collections
Last Ten Fiscal Years**

April 30, 2006 (Unaudited)

Tax Levy Year	Total Property Tax Extension	Total Tax Collections	Percent of Total Extension Collected
1996	\$ 4,574,121	4,562,915	99.76%
1997	4,770,444	4,716,461	98.87%
1998	5,183,707	5,174,666	99.83%
1999	5,161,872	5,148,743	99.75%
2000	5,426,475	5,423,011	99.94%
2001	5,613,728	5,608,137	99.90%
2002	5,701,408	5,695,313	99.89%
2003	5,911,966	5,907,413	99.92%
2004	6,047,546	6,038,984	99.86%
2005 *	6,275,336	N/A	N/A

Data Source: Office of the County Treasurer

* To be collected in fiscal year 2006-2007 in accordance with Illinois Law.

N/A - Not Available

VILLAGE OF VILLA PARK, ILLINOIS

**Property Tax Equalized Assessed Valuations, Rates and Extension
Last Ten Levy Years**

April 30, 2006

See Following Page

VILLAGE OF VILLA PARK, ILLINOIS

**Property Tax Equalized Assessed Valuations, Rates and Extension
Last Ten Fiscal Years**

April 30, 2006 (Unaudited)

Tax Levy Year	1996	1997	1998	1999
Equalized Assessed Valuation	\$ 351,058,173	359,756,153	371,192,795	386,107,538
Tax Extensions				
General	\$ 317,357	318,744	229,026	339,002
Fire	128,136	132,390	135,114	138,999
Ambulance Services/Paramedics	280,496	289,963	295,841	304,253
Garbage	271,368	281,329	286,190	244,020
Illinois Municipal Retirement	542,736	558,342	576,834	594,992
Recreation	182,550	188,872	192,649	198,459
Northeast DuPage Special Recreation	97,594	100,012	103,191	106,566
Public Library	1,123,737	1,187,195	1,217,512	1,245,969
Library IMRF	94,786	99,653	102,449	105,021
Park Site Development and Maint.	134,104	138,866	141,425	145,563
Debt Service	903,974	939,683	1,286,554	1,173,381
Police Pension	371,420	383,860	482,179	428,965
Firefighters' Pension	94,435	120,159	134,743	136,682
	4,542,693	4,739,068	5,183,707	5,161,872
Tax Rates				
General	.0904	.0886	.0617	.0878
Fire	.0365	.0368	.0364	.0260
Ambulance Services/Paramedics	.0799	.0806	.0797	.0788
Garbage	.0773	.0782	.0771	.0632
Illinois Municipal Retirement	.1546	.1552	.1554	.1541
Recreation	.0520	.0525	.0519	.0514
Northeast DuPage Special Recreation	.0278	.0278	.0278	.0276
Public Library	.3201	.3300	.3280	.3227
Library IMRF	.0270	.0277	.0276	.0272
Park Site Development and Maintenance	.0382	.0386	.0381	.0377
Debt Service	.2575	.2612	.3466	.3039
Police Pension	.1058	.1067	.1299	.1111
Firefighters' Pension	.0269	.0334	.0363	.0354
	1.2940	.0334	1.3965	.0354

Note: Special Service Areas #1 through #5 have been excluded from this table.

Data Source: Office of the County Clerk

2000	2001	2002	2003	2004	2005
402,467,889	428,987,287	468,634,540	492,622,818	535,465,308	578,798,768
164,207	224,789	440,985	300,500	199,729	188,688
145,291	152,291	163,085	189,167	194,374	186,373
317,950	333,752	355,694	436,956	448,720	469,406
255,165	268,117	-	-	-	-
651,998	665,359	634,531	667,504	685,396	715,974
207,271	192,615	205,262	232,025	231,856	240,780
111,081	117,114	124,188	168,477	175,097	185,794
1,287,092	1,343,588	1,370,756	1,410,872	1,448,434	1,508,350
109,069	114,111	116,690	121,185	124,763	130,809
152,133	184,894	207,137	225,621	237,747	248,883
1,305,203	1,310,985	1,311,708	1,281,805	1,291,007	1,315,610
513,951	461,161	494,409	565,531	657,016	686,455
206,064	244,952	276,963	312,323	353,407	398,214
5,426,475	5,613,728	5,701,408	5,911,966	6,047,546	6,275,336
.0408	.0524	.0941	.0610	.0373	.0326
.0361	.0355	.0348	.0384	.0363	.0322
.0790	.0778	.0759	.0887	.0838	.0811
.0634	.0625	-	-	-	-
.1620	.1551	.1354	.1355	.1280	.1237
.0515	.0449	.0438	.0471	.0433	.0416
.0276	.0273	.0265	.0342	.0327	.0321
.3198	.3132	.2925	.2864	.2705	.2606
.0271	.0266	.0249	.0246	.0233	.0226
.0378	.0431	.0442	.0458	.0444	.0430
.3243	.3056	.2799	.2602	.2411	.2273
.1277	.1075	.1055	.1148	.1227	.1186
.0512	.0571	.0591	.0634	.0660	.0688
1.3483	.0571	1.2166	1.2001	1.1294	1.0842

VILLAGE OF VILLA PARK, ILLINOIS

**Assessed and Estimated Actual Value of Taxable Property
Last Ten Levy Years**

April 30, 2006 (Unaudited)

Tax Levy Year	Equalized Assessed Value	Estimated Actual Value	Ratio of Total Assessed Value to Total Estimated Actual Value
1996	\$ 351,058,173	1,053,174,519	33.33
1997	359,756,153	1,079,268,459	33.33
1998	371,192,795	1,113,578,385	33.33
1999	386,107,538	1,158,322,614	33.33
2000	402,467,889	1,207,403,667	33.33
2001	428,987,287	1,286,961,861	33.33
2002	468,634,540	1,405,903,620	33.33
2003	492,622,818	1,477,868,454	33.33
2004	535,465,308	1,606,395,924	33.33
2005	578,798,768	1,736,396,304	33.33

Data Source: Office of the County Clerk

VILLAGE OF VILLA PARK, ILLINOIS

**Property Tax Rates
Direct and Overlapping Governments
Last Ten Levy Years**

April 30, 2006 (Unaudited)

See Following Page

VILLAGE OF VILLA PARK, ILLINOIS

**Property Tax Rates Per \$100 Assessed Valuation -
Direct and Overlapping Governments
Last Ten Fiscal Years**

April 30, 2006 (Unaudited)

Tax Levy Year	1996	1997	1998
Tax Rates*			
DuPage County	0.3798	0.3183	0.2831
DuPage County Forest Preserve	0.1692	0.1648	0.1849
Addison Township	0.1337	0.1346	0.1356
York Township	0.1000	0.0912	0.0832
Villa Park	1.2835	1.2940	1.3965
Grade School District #4	2.0838	2.0997	2.1146
Grade School District #45	3.0741	3.0952	3.0595
Grade School District #48	1.1269	1.1301	1.1169
High School District #88	1.6846	1.6921	1.6795
Jr. College District #502	0.2062	0.2053	0.2042
Addison Park	0.4236	0.3906	0.3882
Elmhurst Park	0.3672	0.3641	0.3668
York Center Park	0.3629	0.3766	0.3698
Oakbrook Terrace Park	0.4028	0.3950	0.3851
Lombard Park	0.2755	0.2751	0.2772
DuPage Airport Authority	0.0651	0.0352	0.0337
Total Tax Rate Per \$100 EAV	12.1389	12.0619	12.0788

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

Data Source: Office of the County Clerk

1999	2000	2001	2002	2003	2004	2005
0.2683	0.2536	0.2353	0.2154	0.1999	0.1850	0.1797
0.1797	0.1742	0.1694	0.1534	0.1419	0.1358	0.1271
0.1336	0.1333	0.1311	0.1246	0.1223	0.1175	0.1155
0.0815	0.0810	0.0794	0.0749	0.0727	0.0699	0.0695
1.3369	1.3483	1.3086	1.2166	1.2001	1.1294	1.0842
2.1212	2.1145	2.0699	1.9542	1.9020	1.8799	1.8752
3.4475	3.3642	3.2255	3.0218	2.9172	2.7835	2.7330
1.1096	1.1035	1.0867	1.0210	1.0152	0.9969	0.9985
1.6769	1.6505	1.6316	1.5346	1.4969	1.4368	1.4137
0.2006	0.1966	0.1930	0.2179	0.2097	0.1972	0.1874
0.3778	0.3745	0.3604	0.3367	0.3563	0.3376	0.3275
0.3577	0.3512	0.3408	0.4635	0.3172	0.3179	0.3148
0.3605	0.3588	0.3451	0.3290	0.3475	0.3393	0.3570
0.3752	0.3709	0.3545	0.3377	0.3457	0.3484	0.3394
0.2722	0.2701	0.2654	0.2487	0.3171	0.3051	0.2962
0.0306	0.0291	0.0271	0.0248	0.0230	0.0213	0.0198
12.3298	12.1743	11.8238	11.2748	10.9847	10.6015	10.4385

VILLAGE OF VILLA PARK, ILLINOIS

**Ratio of Net General Obligation Bonded Debt to Assessed Value and
Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years**

April 30, 2006 (Unaudited)

Fiscal Year	(1) Population	(2) Assessed Value	(3) Net General Obligation Bonded Debt	Ratio of General Obligation Bonded Debt to Assessed Value	Net General Obligation Bonded Debt Per Capita
1997	22,279	\$ 351,058,173	8,707,489	2.48%	390.84
1998	22,279	359,756,153	7,862,100	2.19%	352.89
1999	22,279	371,192,795	12,450,549	3.35%	558.85
2000	22,279	386,107,538	11,476,910	2.97%	515.14
2001	22,075	402,467,889	11,387,126	2.83%	515.84
2002	22,075	428,987,287	10,934,343	2.55%	495.33
2003	22,075	468,634,540	9,743,713	2.08%	441.39
2004	22,517	492,622,818	8,987,084	1.82%	399.12
2005	22,517	535,465,308	8,038,614	1.50%	357.00
2006	22,517	578,798,768	10,000,000	1.73%	444.11

(1) U.S. Department of Commerce, Bureau of Census

(2) Office of the County Clerk

(3) Village Records

VILLAGE OF VILLA PARK, ILLINOIS

Schedule of Direct and Overlapping Debt

April 30, 2006 (Unaudited)

Governmental Unit	(1) Gross Debt	(2) Percentage of Debt Applicable to Village	(3) Village's Share of Debt
Village of Villa Park	\$ 10,000,000	100.00%	10,000,000
DuPage County	191,470,000	1.66%	3,178,402
DuPage County Forest Preserve	228,710,271	1.66%	3,796,590
DuPage Water Commission	66,205,000	1.66%	1,099,003
High School District #88	10,080,000	19.80%	1,995,840
Grade School District #45	22,862,598	55.98%	12,798,482
Unit School District #205	83,203,572	0.02%	16,641
Community College District #502	104,195,000	1.73%	1,802,574
	<u>706,726,441</u>		<u>24,687,532</u>
Total Direct and Overlapping Bonded Debt	<u><u>716,726,441</u></u>		<u><u>34,687,532</u></u>

(1) Amount includes general obligation/alternate revenue bond issues.

(2) Determined by ratio of assessed value of property in Villa Park subject to taxation to property subject to taxation in the government unit noted above.

(3) Amount in column (1) multiplied by amount in column (2).

VILLAGE OF VILLA PARK, ILLINOIS

Ratio of Annual Debt Service Expenditures for General
Obligation Debt to Total General Governmental Expenditures
Last Ten Fiscal Years

April 30, 2006 (Unaudited)

Fiscal Year	General Governmental Expenditures	General Obligation Debt Service Expenditures	Ratio of Debt Service to General Governmental Expenditures
1997	\$ 14,513,076	\$ 1,409,630	9.71%
1998	15,858,098	1,499,716	9.46%
1999	16,273,007	1,604,666	9.86%
2000	17,596,469	1,911,531	10.86%
2001	17,799,075	1,742,693	9.79%
2002	18,829,505	1,886,498	10.02%
2003	19,642,596	1,658,515	8.44%
2004	20,959,752	1,377,061	6.57%
2004	21,643,243	1,401,015	6.47%
2006	22,139,499	1,556,786	7.03%

Note: Includes General, Special Revenue, Debt Service funds and the Villa Park Public Library, a component unit.

Data Source: Village Records

VILLAGE OF VILLA PARK, ILLINOIS

**Demographic Statistics
Last Ten Fiscal Years**

April 30, 2006 (Unaudited)

Fiscal Year	(1) Estimated Population	(1) Per Capita Income	(2) Unemployment Percentage
1997	22,279	\$ 22,330	3.6%
1998	22,279	23,893	3.2%
1999	22,279	23,893	3.1%
2000	22,279	22,354	3.4%
2001	22,075	23,248	4.2%
2002	22,075	24,178	5.7%
2003	22,075	25,024	6.3%
2004	22,517	25,775	5.2%
2005	22,517	26,806	5.7%
2006	22,517	27,749	N/A

Data Sources:

(1) U.S. Department of Commerce, Bureau of the Census, DuPage County Planning Department

(2) Illinois Department of Employment Security

N/A - Not Available

VILLAGE OF VILLA PARK, ILLINOIS

**Property Value, Construction, and Bank Deposits
Last Ten Fiscal Years**

April 30, 2006 (Unaudited)

Fiscal Year	(1) Construction Value	(2) Bank Deposit Value	(3) Estimated Property Value
1997	\$ 12,206,924	165,191	1,053,174,520
1998	17,562,319	189,909	1,079,258,459
1999	15,782,408	232,640	1,113,578,386
2000	29,902,333	261,138	1,158,322,614
2001	12,218,028	277,436	1,207,403,667
2002	15,143,062	301,407	1,286,961,862
2003	16,426,593	338,940	1,405,903,620
2004	19,509,382	370,418	1,477,868,454
2005	16,301,943	443,476	1,606,395,924
2006	21,843,649	189,764	1,736,396,504

Data Sources:

(1) Based on building permits issued by Department of Building and Zoning. Property values are estimated construction costs.

(2) Data provided by banks with headquarters in Villa Park.

(3) Estimated property value data provided by County Clerk's Office.

VILLAGE OF VILLA PARK, ILLINOIS

Schedule of Principal Taxpayers

April 30, 2006 (Unaudited)

Name of Taxpayer	Nature of Business	2005 Assessed Value	Percentage of Total Assessed Valuation
Lincoln Properties	Apartment Complex	\$ 10,100,000	1.74%
1st National LaGrange	Apartment Complex	6,240,500	1.08%
Villa Oaks Properties	Shopping Center	5,281,920	0.91%
Wal Mart Stores, Inc.	Retail Shopping	3,007,090	0.52%
Target Corporation	Retail Shopping	2,199,870	0.38%
W. B. Erickson Contr.	Construction	2,421,230	0.42%
Courtyard, LLC	Shopping Center	2,262,480	0.39%
Arun Enterprises	Shopping Center	2,405,690	0.42%
WLI Industries	Signage Company	1,784,680	0.31%
Darnato, Joseph	Shopping Center	2,427,500	0.42%
Total		38,130,960	6.59%

VILLAGE OF VILLA PARK, ILLINOIS

Schedule of Major Insurance in Force

April 30, 2006 (Unaudited)

Insurance provided through Intergovernmental Risk Management Agency - Policy period from 1-1-06 to 12-1-06.

Type of Coverage	Details of Coverage	Insured Limits
Automobile Liability	Coverage includes all buildings and contents and all structures and contents which are listed in Annual Statement of property values submitted each year.	\$6,000,000 aggregate per year in excess of \$2,500 deductible.
General Liability	Does not include street, alleys, lawns, landscaping, sidewalks, sewers, water lines, or other utility lines or the appearances thereto.	\$6,000,000 aggregate per year in excess of \$2,500 deductible.
Public Officials		\$6,000,000 aggregate per year in excess of \$2,500 deductible.
Police Professionals		\$6,000,000 aggregate per year in excess of \$2,500 deductible.
Workers' Compensation		Full Statutory Benefits
Property		\$250,000,000 per occurrence in excess of \$2,500 deductible.
Employee Dishonesty		\$5,000,000
Forgery or Alteration		\$5,000,000
Computer Fraud		\$5,000,000
Theft, Disappearance, and Destruction		\$2,500,000

VILLAGE OF VILLA PARK, ILLINOIS

Miscellaneous Statistics

April 30, 2006 (Unaudited)

Date of Incorporation	May 15, 1915
Form of Government	Council - Manager
Geographic Location	Western Suburbs of Chicago located in DuPage County
Area	4.6 Square Miles

Population

	300
1930	6,220
1950	8,807
1960	20,358
1970	25,891
1980	23,163
1990	22,253
2000	22,075
2004	22,517

Municipal Services and Facilities

Number of full-time employees	154
Miles of streets	70
Miles of alleys	4
Miles of sewers	79
Miles of storm sewers	42

Building inspection

Number of permits issued	1,367
Value of construction authorized	\$21,843,649

Fire protection

Number of firefighters	21
Number of stations	3
Number of fire hydrants	841
I.S.O. rating	Class 4

VILLAGE OF VILLA PARK, ILLINOIS

Miscellaneous Statistics (Continued)

April 30, 2006 (Unaudited)

Municipal Services and Facilities - Continued

Police protection

Number of police officers	39
Number of crossing guards	6
Number of squad cars	13

Library services

Number of libraries	1
Number of books	114,365
Number of registered borrowers	9,803
2005-2006 book circulation	318,707
Number of audio visual items	10,630

Recreational facilities

Number of parks and playgrounds	18
Park area in acres	106

Municipal water utility

Population serviced	22,517
Rated daily treatment capacity (gallons)	5,800,000
Average daily pumpage	2,029,000
Miles of water mains	80.00
Number of metered accounts	6,908

Elections

Number of registered voters in last municipal election	12,596
Number of votes cast in the last municipal election	4,250
Percentage of registered voters voting in last municipal election	33.74%