

Village of Westchester, Illinois



Comprehensive Annual Financial Report

For the Fiscal Year Ended
April 30, 2011

VILLAGE OF WESTCHESTER, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
April 30, 2011

Prepared by:

Janet Matthys
Village Manager

VILLAGE OF WESTCHESTER, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF WESTCHESTER, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2011

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Sam D. Pulia, President

Paul Gattuso, Trustee

Walter Novak, Trustee

Frank Perry, Trustee

Brian Sloan, Trustee

Nick Steker, Trustee

Thomas Yurkovich, Trustee

Catherine Booth, Village Clerk

Barbara Brandt, Village Treasurer

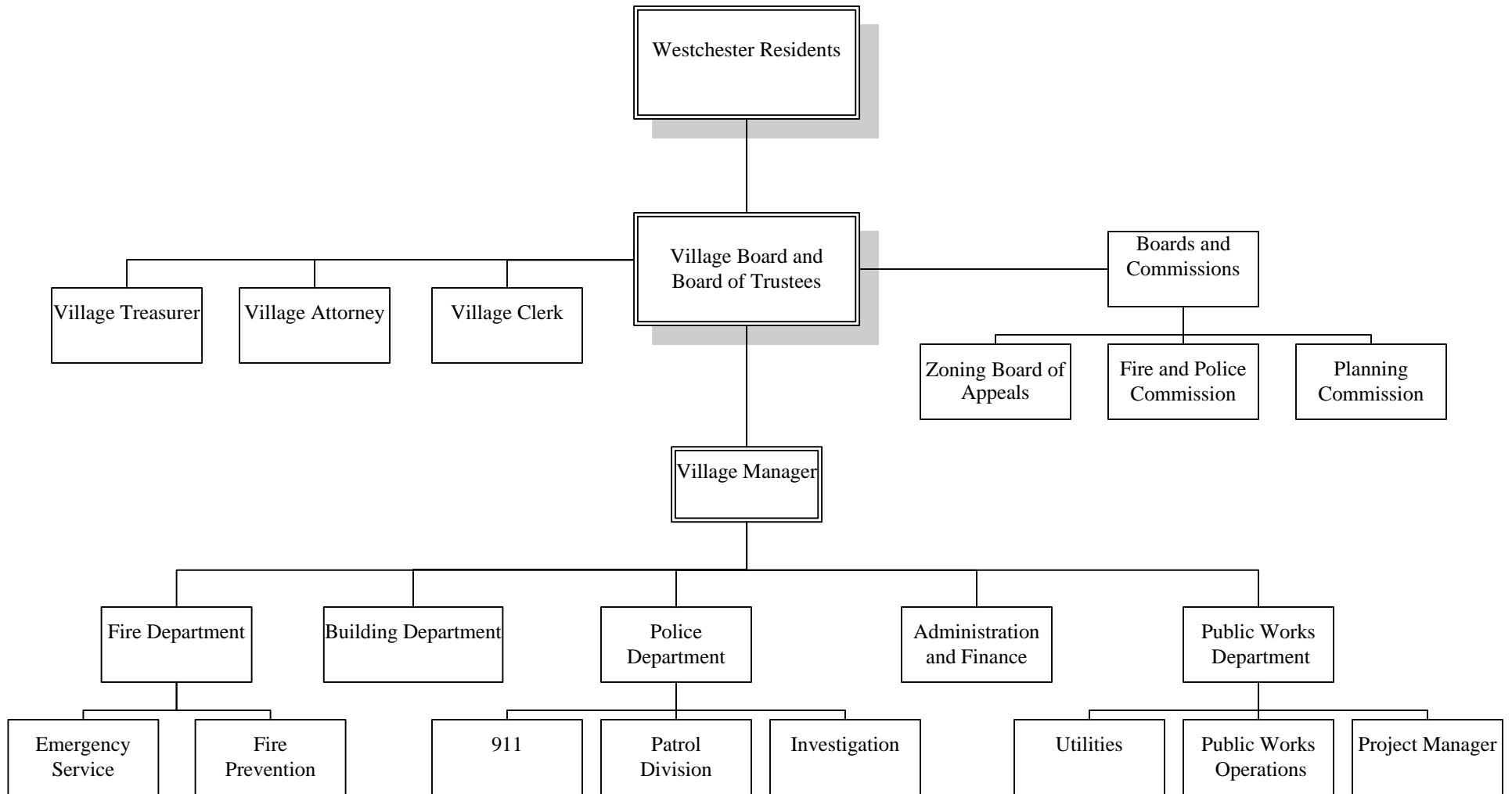
ADMINISTRATIVE

Janet M. Matthys, Village Manager



Village of Westchester

ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Westchester
Illinois

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

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



President

Executive Director



Village of Westchester

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Village President
SAM D. PULIA

Village Clerk
CATHY BOOTH

Trustees
PAUL GATTUSO
WALTER J. NOVAK
FRANK PERRY
BRIAN A. SLOAN
NICK STEKER
TOM YURKOVICH

Village Manager
JANET M. MATTHYS

Village Attorney
MICHAEL K. DURKIN

April 23, 2012

Honorable Village President
Members of the Village Board
Citizens of the Village of Westchester

The Comprehensive Annual Financial Report (CAFR) for the Village of Westchester, Illinois (Village) is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the various funds of the Village and the Village as a whole at the entity-wide level. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

We are pleased to report that the independent audit firm Sikich LLP, Certified Public Accountants, have issued an unqualified opinion on the Village's financial statements for the year ended April 30, 2011. The independent auditors' report is located at the front of the financial section of the CAFR.

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

The Village expended less than \$500,000 of federal funds during the fiscal year ended April 30, 2011 and, therefore, was not required to undergo an annual single audit in conformity with the provisions of the Single Audit act of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Entities*.

The financial reporting entity (the government) includes all the funds and entity-wide accounting of the primary government (i.e., the Village of Westchester as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.

Blended component units, although legally separate entities, are, in substance, part of the primary government's operation and are included as part of the primary government. Discretely presented component units are reported in a separate column in the entity-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and changes in financial position from those of the primary government. The Westchester Public Library is reported as a discretely presented component unit. The Police Pension and Fire Pension Funds are reported as fiduciary funds of the primary government.

Profile of the Village of Westchester

The Village of Westchester was incorporated in 1925 under the provisions of Chapter 24 of the Illinois Revised Statutes, as amended, and operates as a non-home rule unit of government. Located approximately 14 miles west of Chicago in Cook County, the Village is home to 16,718 residents based on the 2010 Federal Census. The Village is primarily residential in nature, with housing stock consisting of 5,724 detached single-family homes and 1,278 multi-family dwelling units. The Village encompasses a 4.5 square mile area and is substantially developed.

The Village operates under a council-manager form of government as defined by the Illinois Municipal Code. The Village President, Village Clerk, and six trustees are elected at large to serve four year terms, with three trustees elected every second year. The Village Attorney is appointed by the Village President, with the advice and consent of the Village Board. The Village Manager is hired by the Village President and Board of Trustees. All Department managers are hired by the Village Manager.

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

The Village provides a full range of services. Those services include police and fire protection, water service, sanitary sewer service, stormwater sewer service, the construction and maintenance of streets and other public infrastructure, refuse removal, planning and zoning, code enforcement, and financial and general administrative services.

The annual budget is the primary guiding document for the Village's financial planning and control. In addition, the Village maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. Activities of the General Fund, Special Revenue Funds, Enterprise Funds and Pension Funds are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established at the individual fund level.

Factors Affecting the Village's Economic Condition

The Village has been impacted at the local level by regional, state, and national economic conditions. As with other municipalities in the Chicago metropolitan area, Westchester has been impacted by the decline in the housing market, unemployment, credit/loan issues, increasing pension costs, the position of the stock market and the fiscal crisis in the State of Illinois government.

Fortunately the lack of large commercial or retail establishments in Westchester has resulted in a less dramatic downturn due to the community's reliance on other sources of revenue apart from sales taxes. The overall economic conditions appear to be stabilizing and have caused revenue projection for state and local revenue to be flat as compared to the prior year. The most recent year-over-year sales tax analysis shows a slight increase for the last six months, while the State Income Tax shows a slight decrease.

The Village property tax base is founded primarily in its residential housing stock. The assessed value of Westchester properties has increased over the past three assessment years, and as the current assessment is the third of the triennial reassessment, property assessments are expected to remain relatively the same. The property tax cap level for the 2011 tax year levy to be collected for the fiscal year beginning May 1, 2012, is expected to be 1.9%. Building activity has been in a steady decline since fiscal year 2008.

The Village's expenditures were impacted by a devastating flood that occurred in July 2010, causing more than half of the single family residential units in town to have either sewer backups or seepage in basements. The town was declared a disaster area by the President of the United States. Disaster assistance expenditures resulted in unanticipated expenditures requiring an amendment to the original budget.

Nevertheless, the Village's sound financial management, policies and procedures have resulted in the Village being in a comparatively stable financial position. The Village is monitoring their expenditures in an attempt to minimize its need to utilize the reserves of the Village for operating expenditures.

Long-Term Financial Planning

In fiscal year 2009/2010 the Village engaged in capital planning activities which extended beyond the annual budgetary period. In conjunction with the budget for the new fiscal year which began May 1, 2011, budgeted forecasts of revenues and expenses for all funds were made for fiscal 2012 and for the following two fiscal years.

The Village identified several capital improvement projects, including but not limited to:

- Street resurfacing, reconstruction and repair/maintenance.
- Capital equipment replacement
- Water and sanitary sewer system repairs, replacements and improvements.
- Village-owned buildings/facilities and fleet vehicles/heavy machinery.

In May 2010, the Village issued \$3,500,000 Taxable General Obligation Bonds, Series 2010A to fund street reconstruction and repair. The debt service will be made from the Motor Fuel Tax Allotments received from the State of Illinois. These bond proceeds were used to reconstruct nine local streets in Fiscal 2011 and eight local streets in Fiscal 2012. The Village also issues \$1,610,000 Taxable General Obligation Bonds, Series 2010B to fund infrastructure improvements to the Village's water and sanitary sewer system, specifically the repainting of the interior of the Village's water tower and water main replacements of Fleet and Preston Streets. The debt service on the Series 2010B Bonds will be made from utility revenue. The Series 2010A and 2010B Bonds were Build America Bonds and, pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate from the U. S. Treasury Department of 35% of the interest paid each year. In connection with the Series 2010 bond issues, the Village received a rating from Moody's Investor Services of Aa2. Assignment of the initial Aa2 rating reflects the Village's moderately sized and conveniently located tax base; sound financial position supported by ample operating reserves; and a manageable debt profile.

On September 30, 2011, the Village was awarded a wastewater treatment works loan obtained through the Illinois Environmental Protection Agency (IEPA) low interest loan program. The funding will be used to line the sanitary sewers in the High Ridge subdivision. The project is expected to be completed in May 2012.

In the March 20, 2012 primary election, the Village residents passed a referendum authorizing a one percent non-home rule sales tax. These taxes are restricted for capital improvements, including infrastructure.

Relevant Financial Policies

The Village Board has in place several key written financial policies including a fund balance policy, capitalization policy, investment policy, and purchasing policy. The General Fund fund balance policy is currently 30% of current expenditures reported in the most recent CAFR and the Utility Fund fund balance policy is 15% of current annual expenditures.

Thoughtful planning and conservative fiscal policies developed through guidance provided by the Village Board has set in place cash reserves which, if necessary, could be used to weather short-term revenue deficiencies. Future spending plans will be developed to maintain sufficient cash reserves and ensure that service levels to the Westchester community are in alignment with available resources.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Sikich LLP was selected by the Village Board. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The Village was not subject to the requirements of the federal Single Audit Act of 1996 and related OMB Circular A-133.

Awards and Acknowledgements

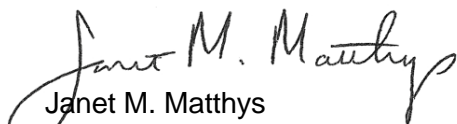
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Westchester for its comprehensive annual financial report for the fiscal year ending April 30, 2010. This was the second year that the village has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the Village's management team. I would like to express my appreciation to each of these employees who assisted and contributed to the preparation of this report.

In closing, I would also like to thank the Honorable President and Board of Trustees for their leadership and support in planning and conducting the financial operations of the Village in a responsible and progressive manner.

Respectfully submitted,


Janet M. Matthys
Village Manager

FINANCIAL SECTION



1415 W. Diehl Road, Suite 400 • Naperville, IL 60563

INDEPENDENT AUDITOR'S REPORT

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Westchester, Illinois, as of April 30, 2011, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

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

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

A handwritten signature in black ink, appearing to read "A. J. 22P", is positioned to the right of the date and location text.

Naperville, Illinois
April 23, 2012

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

As management of the Village of Westchester, we offer readers of the Village of Westchester's financial statements this narrative overview and analysis of the financial activities of the Village of Westchester for the fiscal year ended April 30, 2011. Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the Village's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the MD&A, as is included in this year's narrative.

The Village of Westchester's MD&A is also designed to assist the reader in focusing on significant financial issues, provide an overview of financial activities, identify current changes, address subsequent year challenges, identify material deviations from the financial plan (approved budget), and identify issues with individual funds.

Financial Highlights

- ❑ The total assets of the Village of Westchester as reported in the Statement of Net Assets exceeded its liabilities at the close of the most recent fiscal year by \$36.37 million (net assets).
- ❑ The governmental activities net assets were \$27.61 million, while the business-type activities had net assets of \$8.76 million.
- ❑ As of the close of the current fiscal year, the Village of Westchester's governmental funds reported combined ending fund balances of \$6.49 million, an increase of \$242,370 in comparison with the prior year's restated balance of \$6.25 million. Approximately \$4.60 million of this total amount is available for spending at the government's discretion (unreserved fund balance). The remainder of \$1.89 million is reserved for prepaid items, public safety, street improvements and tourism.
- ❑ The General Fund of the Village recognized \$12.77 million in revenues and other financing sources of \$.40 million. After expenditures of \$14.06 million, the Village's General Fund was left with a fund balance of \$4.93 million, which is approximately 35.04% of current year expenditures, and is in compliance with the Village's minimum fund balance policy of 30% of current expenditures.
- ❑ Approximately 40.75 percent of the Village's \$21.33 million in expenses were paid for with program revenues, including \$7.65 million of charges for services, \$0.63 million of operating grants and contributions and \$0.42 million of capital grants and contributions. Of the remaining \$12.64 million, \$10.22 million was paid for with taxes, \$0.05 million with investment income and \$0.31 million was paid for with miscellaneous income.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

This discussion is intended to serve as an introduction to the Village of Westchester's basic financial statements. This annual report consists of a series of financial statements. The Village of Westchester's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements (see page 3) are designed to provide readers with a broad overview of the Village of Westchester's finances, in a manner similar to a private-sector business and are reported using the accrual basis of accounting and economic resources measurement focus. The statement of net assets presents information on all of the Village of Westchester's assets and liabilities,

with the difference between the two reported as net assets. Over time, the increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of the Village of Westchester is improving.

The statement of activities (see Pages 4 and 5) presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and unpaid obligations).

Governmental activities and Business-type activities-Both of the government-wide financial statements distinguish functions of the Village of Westchester that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities reflect the Village's basic services including police, fire, public works and administrative functions. The business-type activity of the Village is the Utility Fund.

Component unit - The government-wide financial statements include not only the Village itself, known as the primary government, but also a municipal library. Financial information for this component unit is reported separately from the financial information presented for the primary government.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by Federal or State law and by bond covenants. The Village of Westchester, like other units of government, uses fund accounting to ensure compliance with finance-related legal requirements. All of these funds can be divided into three types: governmental funds, proprietary funds and fiduciary funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. Most of the Village's services are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year end that are available for use.

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

The Village of Westchester maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Motor Fuel Tax Fund, which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided

in the form of combining statements and individual schedules elsewhere in this report. The basic governmental fund financial statements can be found on pages 6 through 11 of this report.

Proprietary funds - The Village of Westchester maintains one Proprietary Fund. This fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Westchester's proprietary fund is a report of the activities and balances in the Utility Fund, which is considered a major fund, using the accrual basis of accounting and economic resources measurement focus. Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail and include cash flows. The proprietary fund reflects a private-sector type operation, where the fee for service typically covers all or most of the cost of operation and maintenance including depreciation. The proprietary fund statements can be found on pages 12 through 15 of the report.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The Village maintains two fiduciary funds for its police and fire pension funds and an agency fund. The accounting used for the pension funds is much like that used for the propriety funds. Agency funds are custodial in nature and do not involve measurement or results of operations. The Fiduciary fund statements can be found on pages 16 through 17 of the report.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to understanding the government-wide financial statements and the various fund financial statements. The Notes to Financial Statements can be found on pages 18 through 53 of the report.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, etc.) have neither been reported nor depreciated in governmental financial statements. With the implementation of GASB 34 for the year ended April 30, 2004, these assets are reported within the Governmental Activities column of the Government-Wide Statements. Additionally, the government must select 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 life. If a road project is considered maintenance—a recurring cost that does not extend the road's original useful life or expand its capacity—the cost of the project will be expensed. An “overlay” of a road will be considered maintenance whereas a “rebuild” of a road will be capitalized.

Other Information

In addition to the basic financial statements and accompany notes, required and other supplementary information is also included in this report. The required supplementary information includes the management's discussion and analysis, the funding progress of the Illinois Municipal Retirement Fund, the Police and Fire Pension Funds and the Other Post Employment Benefit Plan and budget to actual comparisons of the General and any major special revenue funds, which can be found on pages 54 through 64 of this report. Supplementary schedules include combining and individual fund schedules of all nonmajor funds, the pension trust funds and the component unit which can be found on pages 65 through 76 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table reflects the Condensed Statement of Net Assets:

Condensed Statement of Net Assets As of April 30, 2011 (in millions)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 10.3	\$ 10.2	\$ 3.5	\$ 2.6	\$13.8	\$12.8
Capital Assets	<u>27.9</u>	<u>25.5</u>	<u>7.8</u>	<u>7.8</u>	<u>35.7</u>	<u>33.3</u>
Total Assets	<u>38.2</u>	<u>35.7</u>	<u>11.3</u>	<u>10.4</u>	<u>49.5</u>	<u>46.1</u>
Long-term Liabilities	6.8	2.8	1.7	0.2	8.5	3.0
Other Liabilities	<u>3.8</u>	<u>3.9</u>	<u>0.8</u>	<u>0.8</u>	<u>4.6</u>	<u>4.7</u>
Total Liabilities	<u>10.6</u>	<u>6.7</u>	<u>2.5</u>	<u>1.0</u>	<u>13.1</u>	<u>7.7</u>
Net assets:						
Invested in capital assets, net of related debt	24.6	24.7	6.9	7.7	31.5	32.4
Restricted	0.9	0.5	0.0	0.0	0.9	0.5
Unrestricted	<u>2.1</u>	<u>3.8</u>	<u>1.9</u>	<u>1.7</u>	<u>4.0</u>	<u>5.5</u>
Total Net Assets	<u>\$ 27.6</u>	<u>\$ 29.0</u>	<u>\$ 8.8</u>	<u>\$ 9.4</u>	<u>\$ 36.4</u>	<u>\$ 38.4</u>

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 (a) reduce current assets and increase capital assets and (b) increase capital assets and long-term debt, which will not change the net assets invested in capital assets, net of related 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 related debt.

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

Reduction of capital assets through depreciation – which will reduce capital assets and net assets invested in capital assets, net of related debt.

Current Year Impacts

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Net assets decreased \$2.0 million in fiscal year 2011. In the case of the Village of Westchester, total net assets at April 30, 2011 were \$36.4 million, as compared to \$38.4 million in total net assets in the prior year. This decrease is mainly attributable to an increase in long-term liabilities due to the issuance of General Obligation (Alternate Revenue Source) Bonds, Series 2010A and Series 2010B. For more detailed information, see the Statement of Net Assets on page 3 of the report.

The following table reflects the Condensed Statement of Activities:

Condensed Statement of Activities For the Year Ended April 30, 2011 (in millions)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 2.4	\$ 2.5	\$ 5.2	\$ 5.0	\$ 7.6	\$ 7.5
Operating grants and contributions	0.6	0.4	0.0	0.0	0.6	0.4
Capital grants and contributions	0.4	0.0	0.0	0.0	0.4	0.0
General revenues:						
Real estate taxes	5.4	5.8	0.0	0.0	5.4	5.8
Other taxes	4.8	4.8	0.0	0.0	4.8	4.8
Other	<u>0.4</u>	<u>0.4</u>	<u>0.0</u>	<u>0.0</u>	<u>0.4</u>	<u>0.4</u>
Total revenues	<u>14.0</u>	<u>13.9</u>	<u>5.2</u>	<u>5.0</u>	<u>19.2</u>	<u>18.9</u>
Expenses:						
General government	2.2	2.3	-	-	2.2	2.3
Public safety	10.2	9.8	-	-	10.2	9.8
Public works	2.8	3.3	-	-	2.8	3.3
Interest on debt	0.2	0.0	-	-	0.2	0.0
Water	<u>-</u>	<u>-</u>	<u>5.8</u>	<u>5.4</u>	<u>5.8</u>	<u>5.4</u>
Total expenses	<u>15.4</u>	<u>15.4</u>	<u>5.8</u>	<u>5.4</u>	<u>21.2</u>	<u>20.8</u>
Change in net assets before transfers	(1.4)	(1.5)	(0.6)	(0.4)	(2.0)	(1.9)
Transfers	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Change in net assets	(1.4)	(1.5)	(0.6)	(0.4)	(2.0)	(1.9)
Net assets, beginning of year	<u>29.0</u>	<u>30.5</u>	<u>9.4</u>	<u>9.8</u>	<u>38.4</u>	<u>40.3</u>
Net assets, end of year	<u>\$ 27.6</u>	<u>\$ 29.0</u>	<u>\$ 8.8</u>	<u>\$ 9.4</u>	<u>\$ 36.4</u>	<u>\$ 38.4</u>

Normal Impacts

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

Revenues:

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

Increase/decrease in Village approved rates and fees – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates and user fees.

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the Village's investments may be affected by market conditions causing investment income to increase/decrease.

Expenses:

Introduction of new programs – within the functional expense categories (general government, public safety, and public works), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the Village.

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, fuel and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

Governmental Activities

The Village of Westchester's net assets were \$29.0 million for governmental activities in fiscal year 2010. Net assets decreased \$1.4 million from 2009. The governmental net assets represent approximately 76 percent of the Village's total net assets, which is unchanged from 2009.

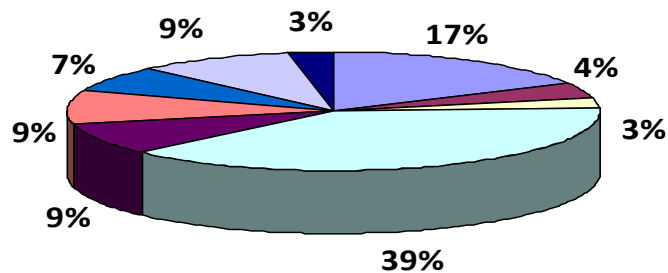
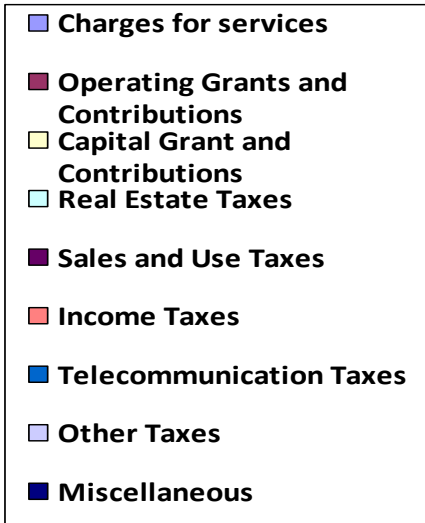
Revenues

The Village’s governmental activities had revenues of \$14.0 million in fiscal year 2011, which represents a decrease of \$.2 million from the prior year. Real Estate Taxes collected in 2011 represent the majority of revenues, at 39 percent of governmental activities, and were lower in 2011 by \$0.4 million. Charges for services were also higher due to implementation of police towing fees and red light camera fines. Capital grants increased as a result of completion of State road improvements in the Village. Other revenues, such as revenues collected in sales and use tax, utility taxes, income taxes, places for eating taxes, and hotel taxes were consistent with the prior year. Utility Taxes vary from year to year and are dependent upon weather conditions and can be difficult to project exactly. State Shared Revenues with the State of Illinois may be viewed as an undependable source of income as they depend on the economy. Telecommunications taxes remained virtually the same, and could be causalational due to the reliance of citizens on their communications appetite and changing provider rates.

Below is a chart depicting revenues to the Village of Westchester by source for the fiscal year 2011:

Governmental Activities Revenues by Source (in millions)

Charges for Services	\$ 2.4
Operating Grants and Contributions	0.6
Capital Grants and Contributions	0.4
Real Estate Taxes	5.4
Sales and Use Taxes	1.2
Income Taxes	1.3
Telecommunications Taxes	1.0
Other Taxes	1.3
Miscellaneous	<u>0.4</u>
TOTAL	<u>\$ 14.0</u>



Expenses

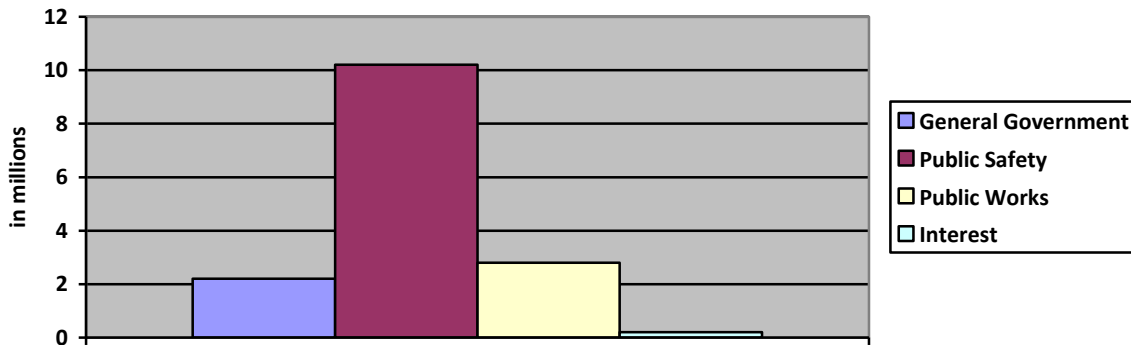
General Government

Expenses incurred for governmental activities were approximately \$15.4 million for fiscal year 2011, which was the same amount expended for governmental activities in 2010.

The following chart depicts expenses to the Village of Westchester by activity for the fiscal year 2011:

Governmental Activities Expenses (in millions)

General Government	\$ 2.2
Public Safety	10.2
Public Works	2.8
Interest and fees	<u>.2</u>
TOTAL	<u>\$ 15.4</u>



Business-type activities

The business-type activity of the Village of Westchester includes the Utility Fund. The Utility Fund serves the Village of Westchester customers by providing potable water and refuse service. Sales of water (revenues) can be affected by climate with warmer summers bringing higher demand. On July 24, 2008, the Board entered into a five year contract for rubbish collection with Waste Management, from July 1, 2008 to June 30, 2012. Rates for senior residents were to increase by 10% and for non-senior residents by 22%. Each rate was to increase after the initial year of the contract by 4% each year for each category.

The total assets of the business-type activity are \$11.3 million and the total liabilities are \$2.5 million, leaving net assets at \$8.8 million. Current year activity decreased net assets by \$0.6 million. The operating revenues and expenses of the Water Fund were \$5.2 million and \$5.8 million, respectively, for fiscal year 2011.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

The Village of Westchester uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the Village of Westchester's governmental funds is to provide information on near-term inflows, outflows, and balances of spend able resources. Such information is useful in assessing the Village of Westchester's financing requirements. The purpose of this section is to focus on the significant differences from year to year.

The Village of Westchester's major funds are the General Fund and Motor Fuel Tax Fund. The Village's Special Revenue (non-major) Funds include the 911 Fund, Hotel/Motel Tax Fund, and Police Forfeiture Fund.

At the end of the current fiscal year, the Village of Westchester's governmental funds reported a combined (major and non-major) total ending fund balance of \$6.5 million, an increase of \$0.3 million from fiscal year 2010, as restated. Of that \$6.5 million, \$4.6 million is unreserved and undesignated.

Revenues

General Fund: The General Fund had revenues of \$12,768,023, down from \$13,001,277 in the prior year. This represents a 1.8% decrease.

Revenues	Fiscal 2011	Fiscal 2010	Variance	Percentage
Taxes	\$7,502,524	\$7,909,126	\$(406,602)	(5.14)
Intergovernmental	2,819,377	2,576,640	242,737	9.42
Licenses and Permits	838,792	912,776	(73,984)	(8.11)
Charges for Services	430,474	422,061	8,413	1.99
Fines and Forfeits	701,869	774,464	(72,595)	(9.37)
Miscellaneous	474,987	406,210	68,777	16.93

Taxes decreased 5.14% from the prior year, primarily from a decrease in property taxes due to a decline in property values. Intergovernmental revenue increased from the prior year as a result of a slight recovery in the local economy attributing to an increase in state sales and use taxes of \$112,235 or 10.2% and the receipt of grant revenue in the amount of \$135,134.

Fines and Forfeitures were \$72,595 or 9.4% less in fiscal 2011 as compared to fiscal 2010. This decrease is attributable to a reduction in red light camera enforcement fees in the amount of \$84,734 or 20.0% of fines. This decrease is in line with market projections for years subsequent to initiation of the red light cameras as motorists become accustomed to the cameras and adjust their driving patterns. This loss in revenue was partially offset by an increase in police and other traffic fines of \$18,390 or 9.0%.

Motor Fuel Tax Fund: The Motor Fuel Tax had revenues of \$562,163, up from \$475,444 in the prior year, or 18.2%. This was a result of greater reimbursement from the State for costs incurred in joint State and Village road projects within the Village. The primary source of revenue for this fund is an allotment from the State. The allotment amount received in 2011 was consistent with the prior year.

Expenditures

General Fund: During fiscal year 2011, expenditures were \$14,061,071, an increase of \$737,389 from \$13,323,682 in the previous year. This represents a 5.5% increase for the year. A significant portion of this increase is due to disaster assistance expenditures incurred in the Civil Defense department after the Village incurred a devastating flood in July 2010, and overall salary and benefit increases. The significant increase in the Fire expenditures was a result of the current year's capital expenditures for fire equipment.

Expenditures	Fiscal 2011	Fiscal 2010	Variance	Percentage
General Government	\$1,358,597	\$1,452,466	\$(69,567)	(6.46)
Police	4,775,711	4,834,618	(58,907)	(1.22)
Fire	4,152,250	3,375,500	776,750	23.01
Public Works	1,691,254	1,806,630	(115,376)	(6.39)

General Government expenditures increased 21.8% from fiscal 2010 to fiscal 2011. This increase was primarily due to significant road improvements expended in the Motor Fuel Tax Fund and the acquisition of a fire truck by the Fire Department. Also, as mentioned above, the Village was the victim of a two-hundred year flood in July 2010; disaster assistance costs totaled \$355,221.

Police Department expenditures decreased overall by \$58,970. The Department incurred an increase in pension contributions of \$118,161. This increase was mitigated by cost containment measures resulting in a reduction in salaries and benefits of \$107,540 and a decrease in gasoline and other operating supplies.

Fire Department expenditures increased in 2011 in the amount of \$776,750. The Fire department was awarded a grant from the Federal Emergency Management Agency to purchase a new engine in 2009; funding was not made available until the current fiscal year. Grant proceeds of \$385,737 were used to acquire the engine in Fiscal 2011. The Department also saw increases in personnel and benefits of \$377,405 over 2010 amounts; primarily comprised of an increase in salaries of \$141,765, an increase in pension contributions of \$120,264 and an increase in employee insurance of \$72,548.

Public Works expenditures decreased from \$1,806,630 in fiscal 2010 to \$1,691,254 in fiscal 2011, a decrease of \$115,376. The Village noted a 3 percent increase in salaries and benefits which is consistent with union contracts within the department. There was a decrease in capital outlays related to the purchase of public works vehicles in 2010 in the amount of \$103,921. There were no significant capital expenditures in 2011.

Motor Fuel Tax Fund: During the fiscal year expenditures were \$2,939,153, which was \$2,323,407 greater than in fiscal year 2010. The increase in expenditures was a result of the reconstruction of nine streets funded by the issuance of the General Obligation (Alternate Revenue Source) Bonds, Series 2010A.

Proprietary Funds

The Proprietary Fund is the Utility Fund. The Utility Fund has experienced operating losses of \$595,070 and \$403,770 in 2011 and 2010, respectively. The net assets of the Water Fund at the end of fiscal 2011 equaled \$8.6 million, of which \$1.8 million is unrestricted. The unrestricted net asset balance is in compliance with the Village's net minimum fund balance policy of 15% of current year operating expenses.

Revenues

The Utility Fund had an increase in charges for services from \$4,938,676 in fiscal 2010 to \$5,163,993 in fiscal 2011, an increase of \$225,317 or 4.6%. In the Utility Fund this increase was attributable to increases in the water and refuse rates. Consumption of water remained relatively consistent from fiscal 2010 to fiscal 2011. As a result of the operating loss and the condition of infrastructure, the Village Board approved increased water rates from \$5.59 per thousand gallons to \$5.77 per thousand gallons, a 3% increase. This rate increase affected the charges for services for the fiscal year.

Expenses

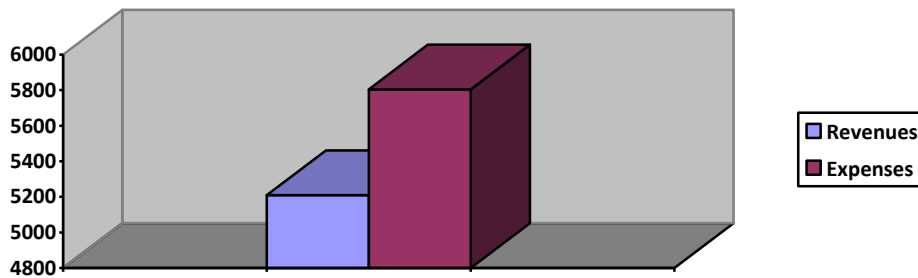
Utility Fund operating expenses for the year increased from \$5,409,086 in fiscal 2010 to \$5,804,787 in fiscal 2011, an increase of \$395,701 or 7.3%.

Personnel Services increased from \$631,276 in fiscal 2010 to \$751,414 in fiscal 2011, an increase of \$120,138 or 19.0%. The decrease in salaries was a result of budgetary decisions to allocate more administrative salaries to the Utility Fund.

Contractual Services decreased by \$99,134 or 3.6% in the current year. In 2010, the Village incurred expenses of \$672,603 to clean and televise the sewer lines. This decrease in expenses was offset by an increase in disaster assistance and contractual services associated with the flood in July 2010.

Commodities increased from \$1,782,442 in fiscal 2010 to \$2,139,388 in fiscal 2011. This increase was due primarily to the replacement of water meters Village-wide in 2011 at a cost of \$33,180. The cost of water remained consistent with fiscal 2010. All other commodities were in line with the prior years.

Operating Revenues vs. Operating Expenses - Proprietary Fund



General Fund Budgetary Highlights

The budget for fiscal year 2011 was amended during the year. Over the course of fiscal year 2011, the Village realized actual revenues under budgeted revenues in the amount of \$168,554. The variance is primarily attributable to property taxes recognized that were less than budget in the amount of \$458,564. This negative variance was offset by other local tax revenue and state shared revenues that were higher than anticipated in the amount of \$303,347.

The total General Fund expenditures of \$14,061,071 were under the amended budget amount by \$52,695. The General Fund budget anticipated a net change in fund balance \$(1,172,188); the actual change in fund balance was \$(890,353) resulting in a positive financial result of \$281,835.

General Fund Budget and Actual (in millions)

2011

	Budget	Amended Budget	Actual	Difference Over/(Under)
Total Revenues	\$12.8	\$12.9	\$12.8	\$(0.1)
Total Expenditures	<u>14.0</u>	<u>14.1</u>	<u>14.1</u>	<u>0.0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1.2)	(1.2)	(1.3)	(0.1)
Other Financing Sources (Uses)	<u>.0</u>	<u>.0</u>	<u>.4</u>	<u>.4</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$(1.2)</u>	<u>\$(1.2)</u>	(0.9)	<u>\$ 0.3</u>
Restated Fund Balance, Beginning of Year			<u>5.8</u>	
Fund Balance, End of Year			<u>\$4.9</u>	

Capital Asset and Debt Administration

Capital Assets

As of the end of fiscal year 2011, the Village of Westchester has capital assets, net of depreciation, of \$35.7 million, compared to capital assets, net of depreciation, of \$33.3 million held at the end of 2010. For governmental activities, capital additions of \$3.8 million were offset by a depreciation expense of \$1.4 million in the current year. The business-type activities had moderate capital additions of \$.29 million, but had a depreciation expense of \$.26 million, resulting in an overall increase to net book value of capital assets at year end.

Capital assets are invested in a broad range of resources including, but not limited to, police and fire equipment, buildings, village facilities, computer equipment, water facilities, roads, streets, and sewer lines. Governmental capital assets, net, account for \$27.9 million or 78% of total capital assets. The business-type capital assets, net, represent \$7.8 million or 22% of total capital assets.

Capital Assets (in millions)
April 30, 2011

	Governmental Activities	Business-Type Activities	Total
Land	\$ 5.4	\$ 0.1	\$ 5.5
Construction in Process	0.5	0.3	0.8
Land Improvements, Net	0.0	0.0	0.0
Buildings, Net	2.7	0.1	2.8
Building Improvements, Net	0.2	0.0	0.2
Equipment, Net	2.5	0.3	2.8
Infrastructure, Net	<u>16.6</u>	<u>7.0</u>	<u>23.6</u>
Total Capital Assets	<u>\$ 27.9</u>	<u>\$ 7.8</u>	<u>\$ 35.7</u>

More detailed information about capital assets can be found in Note 4 to the financial statements.

Debt Administration

The debt administration discussion covers three types of debt reported by the Village's financial statements.

Please refer to Note 6 on Long-Term Debt for more information.

Long Term Debt (in millions)
April 30, 2011

	Governmental Activities	Business-Type Activities	Total
G.O. Debt Certificates	\$ 0.13	\$ 0.00	\$ 0.13
Taxable G.O. Bonds	3.50	1.61	5.11
Capital Lease	0.12	0.03	0.15
Installment Contracts	0.56	0.00	0.56
Compensated Absences	0.41	0.04	0.45
Net Pension Obligation	2.03	0.00	2.03
Unamortized Bond Premium	<u>0.03</u>	<u>0.00</u>	<u>0.03</u>
Total Long Term Debt	<u>\$ 6.78</u>	<u>\$ 1.68</u>	<u>\$ 8.46</u>

Economic Factors and Next Year's Budgets and Rates

- There are six employee bargaining units that have organized within the Village's employee groups. Four of these labor groups have their contracts expiring on April 30 2011. Three of the labor groups represent the public safety sector of the Village, police and fire 'blue shirts', and emergency communication dispatchers. The fourth labor group represents the clerical workers. Through negotiations, it is expected that future Village policy regarding employee benefit contributions and salaries will be decided. The police and fire unions have the right to interest arbitration, and have a third party determine the appropriate salary and employee benefit contribution amounts.
- The Village evaluated its long-term capital infrastructure improvements and issued two series of bonds. One series was for street improvements, and the other for utility infrastructure improvements. Engineering design work will have been completed for additional projects that, depending on funding sources (alternative revenue bonds or State funding) could be let for bidding.
- A major flood occurred in the Village in July 2010, causing more than half of the single family residential units in town to have either sewer backups or seepage in basements. The town was declared a disaster area by the President of the United States. Subsequent to this disaster, the Village embarked on a study of its sanitary sewer system with the analysis completed in 2012.
- The overall economic conditions appear to be stabilizing and have caused revenue projection for state and local revenue to be flat as compared to the current year. The most recent year-over-year sales tax analysis shows a slight increase for the last six months, while the State Income Tax shows a slight decrease. The property tax cap level for the 2011 tax year levy to be collected for the fiscal year beginning May 1, 2012, will be 1.9%. The Village is monitoring their expenditures in an attempt to minimize its need to utilize the reserves of the Village for operating expenditures.
- All of the local economic factors, revenue projections, and analysis of Village expenditures are being factored into fiscal 2012 budget plans.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Westchester's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Village of Westchester, 10300 W Roosevelt Road, Westchester, Illinois 60154.

VILLAGE OF WESTCHESTER, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2011

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Westchester Public Library
ASSETS				
Cash and Cash Equivalents	\$ 4,058,619	\$ 900,183	\$ 4,958,802	\$ 574,188
Investments	1,610,082	1,596,778	3,206,860	746,505
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Property Taxes	3,017,697	-	3,017,697	782,564
Intergovernmental	993,190	-	993,190	17,217
Accounts	67,465	856,640	924,105	-
Other	162,712	-	162,712	-
Accrued Interest	2,597	-	2,597	-
Prepaid Items	341,577	56,096	397,673	4,128
Due from/to Other Funds	1,971	(1,971)	-	-
Due from Fiduciary Funds	2,705	-	2,705	-
Deferred Charges	108,865	34,826	143,691	-
Net Other Postemployment Benefit Asset	3,434	-	3,434	-
Capital Assets				
Nondepreciable	5,884,976	387,495	6,272,471	-
Depreciable, Net of Accumulated Depreciation	21,993,616	7,451,394	29,445,010	1,345,074
Total Assets	38,249,506	11,281,441	49,530,947	3,469,676
LIABILITIES				
Accounts Payable	574,984	557,496	1,132,480	9,536
Accrued Payroll	-	-	-	2,990
Deposits Payable	-	15,183	15,183	-
Other Liabilities	68,294	26,981	95,275	-
Accrued Interest Payable	84,671	21,356	106,027	-
Due to Fiduciary Funds	37,976	-	37,976	-
Unearned Revenue	3,087,202	223,844	3,311,046	782,564
Noncurrent Liabilities				
Due Within One Year	796,902	195,199	992,101	45,369
Due in More than One Year	5,986,192	1,485,000	7,471,192	15,191
Total Liabilities	10,636,221	2,525,059	13,161,280	855,650
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	24,533,889	6,910,269	31,444,158	1,345,074
Restricted for				
Public Safety	409,748	-	409,748	-
Street Improvements	435,079	-	435,079	-
Tourism	90,426	-	90,426	-
Employee Benefits	-	-	-	1,252
Unrestricted	2,144,143	1,846,113	3,990,256	1,267,700
TOTAL NET ASSETS	\$ 27,613,285	\$ 8,756,382	\$ 36,369,667	\$ 2,614,026

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2011

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 2,243,335	\$ 845,037	\$ -	\$ -
Public Safety	10,225,622	1,173,519	165,121	-
Public Works	2,818,288	427,211	425,617	418,374
Interest	188,772	-	29,132	-
Total Governmental Activities	15,476,017	2,445,767	619,870	418,374
Business-Type Activities				
Utility	5,855,690	5,200,548	9,169	-
Total Business-Type Activities	5,855,690	5,200,548	9,169	-
TOTAL PRIMARY GOVERNMENT	\$ 21,331,707	\$ 7,646,315	\$ 629,039	\$ 418,374
COMPONENT UNIT				
Westchester Public Library	\$ 1,313,246	\$ 46,781	\$ 17,806	\$ -

Net (Expense) Revenue and Change in Net Assets				
Primary Government				Component Unit
Governmental Activities	Business-Type Activities	Total	Westchester Public Library	
\$ (1,398,298)	\$ -	\$ (1,398,298)	\$ -	-
(8,886,982)	-	(8,886,982)	-	-
(1,547,086)	-	(1,547,086)	-	-
(159,640)	-	(159,640)	-	-
(11,992,006)	-	(11,992,006)	-	-
-	(645,973)	(645,973)	-	-
-	(645,973)	(645,973)	-	-
(11,992,006)	(645,973)	(12,637,979)	-	-
-	-	-	(1,248,659)	-
General Revenues				
Taxes				
Property and Replacement	5,417,410	-	5,417,410	1,053,651
Sales Tax	976,165	-	976,165	-
Use Tax	241,170	-	241,170	-
Utility	896,838	-	896,838	-
Telecommunications	1,010,038	-	1,010,038	-
Income	1,311,711	-	1,311,711	-
Places for Eating Tax	180,099	-	180,099	-
Hotel/Motel Tax	119,904	-	119,904	-
Other	62,040	-	62,040	-
Investment Income	42,198	15,873	58,071	47,990
Miscellaneous	309,605	-	309,605	9,505
Total	10,567,178	15,873	10,583,051	1,111,146
CHANGE IN NET ASSETS	(1,424,828)	(630,100)	(2,054,928)	(137,513)
NET ASSETS, MAY 1	28,954,628	9,408,502	38,363,130	2,751,539
Prior Period Adjustment	83,485	(22,020)	61,465	-
NET ASSETS, MAY 1, RESTATED	29,038,113	9,386,482	38,424,595	2,751,539
NET ASSETS, APRIL 30	\$ 27,613,285	\$ 8,756,382	\$ 36,369,667	\$ 2,614,026

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2011

	General	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 2,134,857	\$ 1,457,047	\$ 466,715	\$ 4,058,619
Investments	1,610,082	-	-	1,610,082
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Property Taxes	3,017,697	-	-	3,017,697
Intergovernmental	928,636	34,723	29,831	993,190
Accounts	48,921	-	18,544	67,465
Other	162,712	-	-	162,712
Interest	1,332	1,265	-	2,597
Due from Other Funds	5,927	-	-	5,927
Due from Fiduciary Funds	2,705	-	-	2,705
Prepaid Items	326,144	-	15,433	341,577
TOTAL ASSETS	<u>\$ 8,239,013</u>	<u>\$ 1,493,035</u>	<u>\$ 530,523</u>	<u>\$ 10,262,571</u>

	General	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 117,932	\$ 444,327	\$ 12,725	\$ 574,984
Other Liabilities	68,294	-	-	68,294
Deferred Revenue	3,087,202	-	-	3,087,202
Due to Other Funds	-	1,765	2,191	3,956
Due to Fiduciary Funds	37,976	-	-	37,976
Total Liabilities	3,311,404	446,092	14,916	3,772,412
FUND BALANCES				
Reserved for Prepaid Items	326,144	-	15,433	341,577
Reserved for Public Safety	-	-	409,748	409,748
Reserved for Street Improvements	-	1,046,943	-	1,046,943
Reserved for Tourism	-	-	90,426	90,426
Unreserved				
Undesignated				
General	4,601,465	-	-	4,601,465
Total Fund Balances	4,927,609	1,046,943	515,607	6,490,159
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,239,013	\$ 1,493,035	\$ 530,523	\$ 10,262,571

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

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

April 30, 2011

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 6,490,159
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	27,878,592
Net other postemployment benefit assets are not financial resources and, therefore, are not reported in governmental funds	3,434
Issuance costs and premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level	81,127
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General Obligation Bonds	(3,500,000)
Debt certificates	(125,000)
Capital lease	(123,847)
Installment contracts	(560,000)
Compensated absences	(404,772)
Benefits payable	(9,255)
Net pension obligation	(2,032,482)
Interest payable	(84,671)
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 27,613,285</u>

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

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

For the Year Ended April 30, 2011

	General	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 7,502,524	\$ -	\$ 266,558	\$ 7,769,082
Licenses and Permits	838,792	-	-	838,792
Intergovernmental	2,819,377	555,623	95,405	3,470,405
Charges for Services	430,474	-	36,711	467,185
Investment Income	35,378	6,500	320	42,198
Fines and Forfeits	701,869	-	-	701,869
Miscellaneous	266,577	-	4,549	271,126
Rental Income	173,032	-	-	173,032
Total Revenues	12,768,023	562,123	403,543	13,733,689
EXPENDITURES				
Current				
General Government	1,358,597	-	-	1,358,597
Legal Dept	258,977	-	-	258,977
Building Department	466,905	-	-	466,905
Fire and Police Commission	26,566	-	-	26,566
Tourism	-	-	124,978	124,978
Police 911	657,470	-	297,243	954,713
Police Department	4,775,711	-	-	4,775,711
Civil Defense	358,818	-	-	358,818
Fire Department	4,152,250	-	-	4,152,250
Street Lighting	151,927	-	-	151,927
Public Works	786,863	-	-	786,863
Streets	752,464	2,744,776	-	3,497,240
Debt Service				
Principal	292,090	-	-	292,090
Interest and Fiscal Charges	22,433	194,377	-	216,810
Total Expenditures	14,061,071	2,939,153	422,221	17,422,445
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,293,048)	(2,377,030)	(18,678)	(3,688,756)

(This statement is continued on the following page.)

VILLAGE OF WESTCHESTER, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2011

	General	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)				
Bonds Issued	\$ -	\$ 3,500,000	\$ -	\$ 3,500,000
Premium on Bonds Issued	-	28,431	-	28,431
Installment Contracts Issued	380,000	-	-	380,000
Sale of Capital Assets	22,695	-	-	22,695
Total Other Financing Sources (Uses)	402,695	3,528,431	-	3,931,126
NET CHANGE IN FUND BALANCES	(890,353)	1,151,401	(18,678)	242,370
FUND BALANCES, MAY 1	5,965,810	(104,458)	484,697	6,346,049
Prior Period Adjustment	(147,848)	-	49,588	(98,260)
FUND BALANCES, MAY 1, RESTATED	5,817,962	(104,458)	534,285	6,247,789
FUND BALANCES, APRIL 30	\$ 4,927,609	\$ 1,046,943	\$ 515,607	\$ 6,490,159

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2011

NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ 242,370
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,401,047
Contributions of capital assets are reported only in the statement of activities	317,500
The issuance of long-term debt is reported as another financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(3,908,431)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	292,090
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Depreciation	(1,442,404)
Loss on disposal of capital assets	(22,634)
Change in compensated absences	48,615
Change in benefits payable	(9,255)
Change in net pension obligation	(373,278)
Change in net other postemployment benefit asset	1,514
Change in accrued interest payable	28,038
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ (1,424,828)</u>

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS

April 30, 2011

	Enterprise Fund
<hr/>	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 900,183
Investments	1,596,778
Receivables (Net of Allowances for Uncollectibles)	
Accounts	856,640
Prepaid Items	56,096
	<hr/>
Total Current Assets	3,409,697
	<hr/>
NONCURRENT ASSETS	
Deferred Charges	34,826
Capital Assets	
Nondepreciable	387,495
Depreciable, Net of Accumulated Depreciation	7,451,394
	<hr/>
Net Capital Assets	7,838,889
	<hr/>
Total Noncurrent Assets	7,873,715
	<hr/>
Total Assets	11,283,412
	<hr/>
CURRENT LIABILITIES	
Accounts Payable	557,496
Other Liabilities	26,981
Accrued Interest Payable	21,356
Due to Other Funds	1,971
Unearned Revenue	223,844
Compensated Absences	35,244
Deposits	15,183
Benefits Payable	9,902
Capital Lease Payable	25,053
General Obligation Bonds Payable	125,000
	<hr/>
Total Current Liabilities	1,042,030
	<hr/>
LONG-TERM LIABILITIES	
General Obligation Bonds Payable	1,485,000
	<hr/>
Total Long-Term Liabilities	1,485,000
	<hr/>
Total Liabilities	2,527,030
	<hr/>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	6,910,269
Unrestricted	1,846,113
	<hr/>
TOTAL NET ASSETS	\$ 8,756,382
	<hr/>

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

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

For the Year Ended April 30, 2011

	<u>Enterprise Fund</u>
OPERATING REVENUES	
Charges for Services	\$ 5,163,993
Reimbursements and Other Income	45,724
	<u>5,209,717</u>
OPERATING EXPENSES	
Personal Services	751,414
Commodities	2,139,388
Contractual Services	2,652,301
Depreciation	261,684
	<u>5,804,787</u>
OPERATING INCOME (LOSS)	<u>(595,070)</u>
NONOPERATING REVENUES (EXPENSES)	
Investment Income	15,873
Interest Expense	(49,162)
Amortization Expense	(1,741)
Miscellaneous Income	-
	<u>(35,030)</u>
CHANGE IN NET ASSETS	<u>(630,100)</u>
NET ASSETS, MAY 1	9,408,502
Prior Period Adjustment	<u>(22,020)</u>
NET ASSETS, MAY 1, RESTATED	<u>9,386,482</u>
NET ASSETS, APRIL 30	<u><u>\$ 8,756,382</u></u>

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2011

	<u>Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers and Users	\$ 5,103,860
Receipts from Miscellaneous Revenues	39,246
Payments to Suppliers	(4,948,429)
Payments to Employees	<u>(771,293)</u>
Net Cash from Operating Activities	<u>(576,616)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Intergovernmental Revenue	-
Interfund Activity	<u>9,447</u>
Net Cash from Noncapital Financing Activities	<u>9,447</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Assets Purchased	(114,272)
Proceeds on Long-Term Debt	1,573,433
Principal Payments on Long-Term Debt	(73,530)
Interest Payments on Long-Term Debt	<u>(27,807)</u>
Net Cash from Capital and Related Financing Activities	<u>1,357,824</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments	(1,347,778)
Proceeds from Sale and Maturities of Investments	966,228
Interest on Investments	<u>19,401</u>
Net Cash from Investing Activities	<u>(362,149)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	428,506
CASH AND CASH EQUIVALENTS, MAY 1	<u>471,677</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 900,183</u></u>
NONCASH TRANSACTIONS	
Capital Assets Acquired through Accounts Payable	<u><u>\$ 176,853</u></u>

(This statement is continued on the following page.)

VILLAGE OF WESTCHESTER, ILLINOIS
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2011

	<u>Enterprise Fund</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income (Loss)	\$ (595,070)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities	
Depreciation	261,684
Changes in Assets and Liabilities	
Accounts Receivable	(74,458)
Prepaid Items	(12,879)
Accounts Payable and Other Liabilities	(165,990)
Unearned Revenue	16,098
Compensated Absences	5,748
Termination Benefits	(8,777)
Deposits	<u>(2,972)</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ (576,616)</u></u>

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

April 30, 2011

	Pension Trust Funds	Agency Fund
ASSETS		
Cash	\$ 707,236	\$ 32,889
Investments		
Certificates of Deposit	-	448,044
U.S. Government Obligations	12,084,809	-
U.S. Agency Obligations	3,955,336	-
State and Local Obligations	1,020,317	-
Corporate Bonds	1,223,899	-
Equity Securities	8,598,243	-
Mutual Funds	9,859,053	-
Insurance Company Contracts	6,042	-
Money Market Mutual Funds	2,974,985	-
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)		
Accrued Interest	116,152	817
Prepaid Items	14,213	-
Due from Village	37,976	-
	<u>40,598,261</u>	<u>\$ 481,750</u>
LIABILITIES		
Accounts Payable	8,921	\$ -
Due to Village	-	2,705
Due to Others	-	479,045
	<u>8,921</u>	<u>\$ 481,750</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS		
	<u>\$ 40,589,340</u>	

See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS

For the Year Ended April 30, 2011

ADDITIONS

Contributions

Employer Contributions	\$ 1,148,362
Employee Contributions	<u>446,940</u>

Total Contributions	<u>1,595,302</u>
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Investment Income

Net Appreciation in Fair Value of Investments	2,707,200
Interest	<u>727,532</u>

Total Investment Income	3,434,732
Less Investment Expense	<u>(179,117)</u>

Net Investment Income	<u>3,255,615</u>
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Total Additions	<u>4,850,917</u>
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DEDUCTIONS

Benefits and Refunds	2,321,031
Administrative Expenses	<u>69,665</u>

Total Deductions	<u>2,390,696</u>
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NET INCREASE	2,460,221
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NET ASSETS HELD IN TRUST
FOR PENSION BENEFITS

May 1	<u>38,129,119</u>
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April 30	<u><u>\$ 40,589,340</u></u>
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See accompanying notes to financial statements.

VILLAGE OF WESTCHESTER, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The Village is a municipal corporation with a council/manager form of government. The Village has adopted the provisions of GASB Statement No. 14, *The Financial Report Entity*, under which these financial statements include all organizations, activities, functions, funds and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Village's ability to impose it over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village. The following component units and fiduciary funds have been included in the financial statements of the Village.

The Police Pension Fund of the Village exists solely to provide pension benefits for the Village's police officers. The Police Pension Plan may not issue bonded debt or levy taxes. The financial statements of the Police Pension Fund as of and for the fiscal year ended April 30, 2011, are reported in the Village's fund financial statements as a pension trust fund.

The Firefighters' Pension Fund of the Village exists solely to provide pension benefits for the Village's firefighters. The Firefighters' Pension Plan may not issue bonded debt or levy taxes. The financial statements of the Firefighters' Pension Fund as of and for the fiscal year ended April 30, 2011, are reported in the Village's fund financial statements as a pension trust fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Discretely Presented Component Unit

The Westchester Public Library (the Library) has its own elected board and provides services to residents of the Village. The Library's annual property tax levy request is subject to the Village's board of approval. Due to the nature of the Library's relationship to the Village it is not blended with the Village but presented discretely beside the Village's financial statements. Separate financial statements for the Library are not issued.

b. Fund Accounting

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

Funds are classified into the following categories: governmental, proprietary and fiduciary.

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

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

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

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

The Village reports the following major governmental fund:

The 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 Motor Fuel Tax Fund is used to account for the activities related to street maintenance and construction. Financing is provided by the Village's share of state gasoline taxes. State law requires that these gasoline taxes be used for street related purposes.

The Village reports the following major proprietary fund:

The Enterprise Fund accounts for the construction, operation and maintenance of the Village's owned water distribution system and sanitation services. Revenues are generated through charges to users based on water consumption and flat quarterly sanitation charge.

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and the Firefighters' Pension Fund. Furthermore, the Village reports the following agency fund as a fiduciary fund: Refundable Deposits Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except for the agency funds, which have no measurement focus. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as nonoperating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues other than property taxes to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales and telecommunication taxes collected by the state at year end, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure/expense and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

e. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost above a set dollar threshold based on the asset type (see chart below). All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of asset or materially extend asset lives are not capitalized.

All reported capital assets except land and construction in progress are depreciated. Depreciation on all assets is provided on the straight-line method over the following estimated useful lives:

Capital Asset Category	Capitalization Threshold	Estimated Useful Life
Land	\$ 1,000	N/A
Land Improvements	10,000	N/A
Site Improvements	20,000	3-50 years
Building	30,000	10-80 years
Building Improvements	25,000	10-20 years
Vehicles, Machinery and Equipment	5,000	3-30 years
Software	25,000	2-7 years
Infrastructure - Street Network	50,000	20-80 years
Infrastructure - Water Network	75,000	20-80 years
Infrastructure - Sanitary Sewer	75,000	20-80 years
Infrastructure - Storm Sewer	50,000	20-80 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. "Cash and cash equivalents" includes cash on hand, savings accounts and checking accounts.

g. Investments

Village investments with a maturity greater than one year when purchased and all investment of the pension funds are reported at fair value based on published numbers as of April 30th. Fair value for the investments in Illinois Funds is the same as the value of the pool shares (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participant's fair value). The Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

h. Inventory

Inventory in the governmental funds is recorded as expenditures at the time individual inventory items are purchased.

i. Compensated Absences

Vested or accumulated vacation leave that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it. The government-wide financial statements record unused vacation leave as expenses and liabilities when earned by employees. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for nonvesting sick leave.

j. Property Tax Revenue Recognition

The Village's property tax is levied each calendar year on all taxable real property located in the Village. The Village must file its tax levy ordinance for the year on or before the last Tuesday in December of each year. Taxes levied in one year become due and payable in two installments, on March 1 and September 1 of the following year. The first installment is an estimated bill equal to one-half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization and any changes from the prior year are reflected in the second installment bill. The levy becomes an enforceable lien against the property as of January 1 of the levy year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Property Tax Revenue Recognition (Continued)

For governmental funds, property taxes collected, which are used to finance the current year's operations, are recognized as revenue. Property taxes uncollected, which are to be used to finance the subsequent year's operations, are reported as net taxes receivable and deferred/unearned revenue. The 2011 tax levy, which attached as an enforceable lien on property as of January 1, 2011, has not been recorded as a receivable as of April 30, 2011 as the tax has not yet been levied by the Village and will not be levied until December 2011 and, therefore, the levy is not measurable at April 30, 2011.

k. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered (interfund services). These receivables and payables are classified as "due from other funds" or "due to other funds" on the financial statements.

l. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are recorded as transfers.

m. Prepaid Items/Expenses

Certain payments reflect costs to future periods and are recoded as repaid items/expenses in both the government-wide and governmental fund financial statements.

n. Long-Term Debt

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Long-Term Debt (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing 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 are reported as expenditures.

o. Fund Balances/Net Assets

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. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. None of the restricted net assets result from the Village's enabling legislation. Invested in capital assets, net of related debt is the book value of the capital assets, net of any debt outstanding that was issued to construct or acquire the capital assets.

2. DEPOSITS AND INVESTMENTS

a. Village Investments

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name.

Investments

The investments which the Village may purchase are limited by the Village's investment policy to the following (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
IMET	\$ 2,908,923	\$ 1,846,707	\$ 1,062,216	\$ -	\$ -
Illinois Funds	777,241	777,241	-	-	-
TOTAL	\$ 3,686,164	\$ 2,623,948	\$ 1,062,216	\$ -	\$ -

Interest rate risk - the Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - the Village's general investment policy is to apply the prudent person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. The Village's investment policy limits investments in short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (1) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature not later than 180 days from the date of purchase; (2) such purchased obligations do not exceed 10% of the corporation's outstanding obligations; and (3) no more than one-third of the public agency's funds may be invested in short-term obligations of corporations.

Credit ratings for the Village's investments in debt securities as described by Standard & Poor's and Moody's at April 30, 2011 are as follows:

Investment Type	Credit Rating	Percent of Investment Type	Percent of Total Investments
IMET	AAA	100%	79%
Illinois Funds	AAA	100%	21%

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

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

Concentration of credit risk - the Village places no limit on the amount the Village may invest in any one issuer. More than 5% of the Village's investments are in Illinois Funds and IMET. These investments are 79% and 21%, respectively, of the Village's total investments.

b. Library Investments

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral with a fair value of 110% of the aggregate balance of principal and accrued interest on deposits in financial institutions.

The investments which the Library may purchase are limited by Illinois law to the following (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments. The Library had no investments as of April 30, 2011.

Interest rate risk - the Library does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Library Investments (Continued)

Credit risk - the Library's general investment policy is to apply the prudent person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. The Library's investment policy limits investments in short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (1) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature not later than 180 days from the date of purchase; (2) such purchased do not exceed 10% of the corporation's outstanding obligations; and (3) no more than one-third of the public agency's funds may be invested in short-term obligations of corporations.

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

Concentration of credit risk - the Library places no limit on the amount the Library may invest in any one issuer.

c. Police Pension Fund Investments

The investments which the Police Pension Fund may purchase are limited by the Police Pension Fund's investment policy and Illinois law to the following (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market and equity mutual funds, equities and certain other instruments.

VILLAGE OF WESTCHESTER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Police Pension Fund Investments (Continued)

The following schedule reports the fair values and maturities for the Police Pension Fund's investments as of April 30, 2011:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Notes	\$ 5,719,956	\$ 1,768,472	\$ 367,701	\$ 3,583,783	\$ -
U.S. Treasury Bonds	927,650	-	-	-	927,650
Governmental National Mortgage	5,100	-	-	5,100	-
Federal Home Loan Mortgage Corporation	679,111	18,190	529,530	-	131,391
Federal Farm Credit Bank	114,912	-	114,912	-	-
Federal Home Loan Bank	622,049	-	622,049	-	-
Federal National Mortgage Association	429,802	-	304,651	-	125,151
Corporate Bonds	688,406	66,086	458,119	164,201	-
State and Local Obligations	532,854	25,200	-	191,053	316,601
Money Market Mutual Funds	2,231,611	2,231,611	-	-	-
TOTAL	\$ 11,951,451	\$ 4,109,559	\$ 2,396,962	\$ 3,944,137	\$ 1,500,793

Interest rate risk - in accordance with the Police Pension Fund's investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities. In addition, the fixed income portfolio should be structured allowing for a duration between three and eight years.

Credit risk - is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Police Pension Fund 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. The Police Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code but does not specifically address credit risk. The investments in the securities of U.S. Government agencies and corporate bonds were all rated AAA by Standard & Poor's or Moody's Investor's Services or were issues that were unrated. State and local obligations were rated AA- to AAA. Unrated investments are listed in the table below.

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Police Pension Fund Investments (Continued)

Investment Type	Par Value	Interest Rate	Maturity Date
Federal Farm Credit Bank	\$ 50,000	1.000%	June 17, 2013
Federal Home Loan Mtg. Corp.	18,100	4.500%	June 1, 2011
Federal Home Loan Mtg. Corp.	67,044	5.643%	May 1, 2036
Federal Home Loan Mtg. Corp.	45,484	2.814%	July 1, 2036
Federal National Mortgage Assn.	50,866	4.000%	October 1, 2013
Federal National Mortgage Assn.	52,730	5.500%	October 1, 2023
Federal National Mortgage Assn.	68,151	4.000%	September 1, 2040

Certain corporate bonds are guaranteed under the Federal Deposit Insurance Corporation's Temporary Liquidity Guarantee Program and are backed by the full faith and credit of the United States. The details of the FDIC guarantee are provided in the FDIC's regulations, 12 CR Part 370. The expiration date of the FDIC's guarantee is the earlier of the maturity date of the debt or December 31, 2012. The Pension Fund's guaranteed holdings consist of the following:

John Deere Corporate Bond - \$144,046
 Bank of America Corporate Bond - \$128,884
 JP Morgan Chase Corporate Bond - \$66,086

The Police Pension Fund's investment policy also prescribes to the prudent person rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

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

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in the possession of an outside party. The Police Pension Fund's investment policy requires securities to be held by a custodian. The Police Pension Fund allows the investment broker purchasing the investment to also serve as custodian, but requires the investment broker to acquire an excess SIPC policy to provide the same coverage over the portfolio as SIPC.

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Police Pension Fund Investments (Continued)

Concentration of credit risk - is the risk of loss attributed to the magnitude of the Police Pension Fund's investment in a single issuer. The Police Pension Fund does not have a formal written policy with regards to concentration credit risk for investments. At year end, the Police Pension Fund has over 5% of net plan assets invested in various agency securities as indicated in the table above.

d. Firefighters' Pension Fund Investments

The investments which the Firefighters' Pension Fund may purchase are limited by Illinois law to the following (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market and equity mutual funds, equity securities and certain other instruments.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Firefighters' Pension Fund's investments as of April 30, 2011:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
State and Local Obligations	\$ 487,463	\$ -	\$ -	\$ 196,394	\$ 291,069
U.S. Treasury Notes	4,561,615	1,090,207	999,011	2,472,397	-
U.S. Treasury Bonds	875,588	-	-	-	875,588
Governmental National Mortgage Association	183,312	-	-	64,017	119,295
Federal Farm Credit Bank	557,359	-	189,914	367,445	-
Federal Home Loan Mortgage Corporation	120,207	-	120,207	-	-
Federal Home Loan Bank	757,977	40,018	717,959	-	-
Federal National Mortgage Association	485,507	-	352,655	132,852	-
Corporate Bonds	535,493	-	366,463	169,030	-
Money Market Mutual Funds	743,374	743,374	-	-	-
TOTAL	\$ 9,307,895	\$ 1,873,599	\$ 2,746,209	\$ 3,402,135	\$ 1,285,952

2. DEPOSITS AND INVESTMENTS (Continued)

d. Firefighters' Pension Fund Investments (Continued)

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Firefighters' Pension Fund's investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities. In addition, the fixed income portfolio should be structured allowing for a duration between three and eight years.

Credit risk - is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Firefighters' Pension Fund helps limit its exposure to credit risk by primarily investing in securities issued by United States Government and/or its agents that are implicitly guaranteed by the United States Government. The Firefighters' Pension Fund's investment policy established criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code but does not specifically address credit risk. The investments in the securities of U.S. Government agencies and corporate bonds were all rated AAA by Standard & Poor's or by Moody's Investors Services or were issues that were unrated. State and local obligations were rated AA+ to AAA. The unrated investment are listed in the table below.

Investment Type	Par Value	Interest Rate	Maturity Date
Federal Farm Credit Bank	\$ 80,000	1.000%	May 10, 2011
Federal National Mortgage Assn.	23,372	5.000%	July 1, 2037
Federal National Mortgage Assn.	102,314	5.000%	June 1, 2038

The Firefighters' Pension Fund's investment policy also prescribes to the prudent person rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

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

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

d. Firefighters' Pension Fund Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in the possession of an outside party. The Firefighters' Pension Fund's investment policy requires securities to be held by a custodian. The Firefighters' Pension Fund allows the investment broker purchasing the investment to also serve as custodian, but requires the investment broker to acquire an excess SIPC policy to provide the same coverage over the portfolio as SIPC.

Concentration of credit risk - this is the risk of loss attributed to the magnitude of the Firefighters' Pension Fund's investment in a single issuer. The Firefighters' Pension Fund does not have a formal written policy with regards to concentration credit risk for investments. At year end, the Firefighters' Pension Fund has over 5% of net plan assets invested in various agency securities as indicated in the table above.

3. INTERFUND TRANSACTIONS

Due from/to other funds as of April 30, 2011 are summarized below:

	<u>Due From</u>	<u>Due To</u>
Major Governmental Funds		
General	\$ 8,632	\$ 37,976
MFT	-	1,765
Nonmajor Governmental Funds		
911	-	2,191
Major Enterprise Fund		
Water	-	1,971
Fiduciary Funds	<u>37,976</u>	<u>2,705</u>
TOTAL	<u>\$ 46,608</u>	<u>\$ 46,608</u>

VILLAGE OF WESTCHESTER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

The following is a summary of capital asset activity during the fiscal year:

	Beginning Balance, restated	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 5,373,407	\$ -	\$ -	\$ 5,373,407
Construction in Progress	181,745	478,087	148,263	511,569
Total Capital Assets not Being Depreciated	<u>5,555,152</u>	<u>478,087</u>	<u>148,263</u>	<u>5,884,976</u>
Capital Assets Being Depreciated				
Land Improvements	326,765	-	-	326,765
Buildings	4,056,941	-	-	4,056,941
Building Improvements	253,166	-	-	253,166
Machinery and Equipment	5,220,573	598,258	155,823	5,663,008
Software	-	34,910	-	34,910
Infrastructure	33,772,036	2,755,555	-	36,527,591
Total Capital Assets Being Depreciated	<u>43,629,481</u>	<u>3,388,723</u>	<u>155,823</u>	<u>46,862,381</u>
Less Accumulated Depreciation for				
Land Improvements	302,678	11,328	-	314,006
Buildings	1,275,736	64,756	-	1,340,492
Building Improvements	79,837	21,733	-	101,570
Machinery and Equipment	2,970,251	358,343	133,189	3,195,405
Software	-	3,491	-	3,491
Infrastructure	18,931,048	982,753	-	19,913,801
Total Accumulated Depreciation	<u>23,559,550</u>	<u>1,442,404</u>	<u>133,189</u>	<u>24,868,765</u>
Total Capital Assets Being Depreciated, Net	<u>20,069,931</u>	<u>1,946,319</u>	<u>22,634</u>	<u>21,993,616</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 25,625,083</u>	<u>\$ 2,424,406</u>	<u>\$ 170,897</u>	<u>\$ 27,878,592</u>

VILLAGE OF WESTCHESTER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 112,825	\$ -	\$ -	\$ 112,825
Construction in Progress	-	274,670	-	274,670
Total Capital Assets not Being Depreciated	<u>112,825</u>	<u>274,670</u>	<u>-</u>	<u>387,495</u>
Capital Assets Being Depreciated				
Land Improvements	38,892	-	-	38,892
Buildings	338,500	-	-	338,500
Machinery and Equipment	568,564	16,455	-	585,019
Infrastructure	15,326,169	-	-	15,326,169
Total Capital Assets Being Depreciated	<u>16,272,125</u>	<u>16,455</u>	<u>-</u>	<u>16,288,580</u>
Less Accumulated Depreciation for				
Land Improvements	38,892	-	-	38,892
Buildings	195,862	4,231	-	200,093
Machinery and Equipment	208,673	53,103	-	261,776
Infrastructure	8,132,075	204,350	-	8,336,425
Total Accumulated Depreciation	<u>8,575,502</u>	<u>261,684</u>	<u>-</u>	<u>8,837,186</u>
Total Capital Assets Being Depreciated, Net	<u>7,696,623</u>	<u>(245,229)</u>	<u>-</u>	<u>7,451,394</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 7,809,448</u>	<u>\$ 29,441</u>	<u>\$ -</u>	<u>\$ 7,838,889</u>
Component Unit				
	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets Being Depreciated				
Land Improvements	\$ 42,923	\$ -	\$ -	\$ 42,923
Buildings	1,909,280	52,374	-	1,961,654
Machinery and Equipment	36,000	-	-	36,000
Total Capital Assets Being Depreciated	<u>1,988,203</u>	<u>52,374</u>	<u>-</u>	<u>2,040,577</u>
Less Accumulated Depreciation for				
Land Improvements	36,126	2,147	-	38,273
Buildings	565,803	58,179	-	623,982
Machinery and Equipment	31,978	1,270	-	33,248
Total Accumulated Depreciation	<u>633,907</u>	<u>61,596</u>	<u>-</u>	<u>695,503</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 1,354,296</u>	<u>\$ (9,222)</u>	<u>\$ -</u>	<u>\$ 1,345,074</u>

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Depreciation expense for the Village was charged to the governmental activities functional expense categories as follows:

GOVERNMENTAL ACTIVITIES

General Government	\$ 46,724
Public Safety	242,876
Public Works	<u>1,152,804</u>

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 1,442,404</u>
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5. RECEIVABLES

The following is a summary of other taxes, due from other governments, accounts, notes and other receivables by fund at April 30, 2011. Any uncollectible amount is not believed to be material.

	General	Motor Fuel Tax	Nonmajor Governmental	Total Statement of Net Assets
ACCOUNTS RECEIVABLE				
Photo Enforcement	\$ 28,373	\$ -	\$ -	\$ 28,373
Ambulance	15,652	-	-	15,652
911 Telecommunication	-	-	10,700	10,700
Video Rental Taxes	4,896	-	-	4,896
Hotel and Motel Taxes	-	-	7,844	7,844
TOTAL ACCOUNTS RECEIVABLE	<u>\$ 48,921</u>	<u>\$ -</u>	<u>\$ 18,544</u>	<u>\$ 67,465</u>
OTHER RECEIVABLES				
Cable Fees	\$ 48,577	\$ -	\$ -	\$ 48,577
Places for Eating Tax	14,552	-	-	14,552
Utility Tax				
Nicor	31,900	-	-	31,900
ComEd	37,249	-	-	37,249
Other	30,434	-	-	30,434
TOTAL OTHER RECEIVABLES	<u>\$ 162,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 162,712</u>
INTERGOVERNMENTAL RECEIVABLES				
Taxes				
Income	\$ 336,484	\$ -	\$ -	\$ 336,484
Sales	238,596	-	-	238,596
Local Use	59,701	-	-	59,701
Telecommunications	192,727	-	-	192,727
911 Telecommunication	-	-	29,831	29,831
Circuit Court	27,610	-	-	27,610
Motor Fuel Tax Allotments	-	34,723	-	34,723
Other	73,518	-	-	73,518
TOTAL INTERGOVERNMENTAL RECEIVABLES	<u>\$ 928,636</u>	<u>\$ 34,723</u>	<u>\$ 29,831</u>	<u>\$ 993,190</u>

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

The following is a summary of changes to the Village's long-term debt for the year ended April 30, 2011:

Governmental Activities

	Balance May 1, 2010	Additions	Retirement	Balance April 30, 2011	Due Within One Year
Debt Certificates					
Series of 2005	\$ 250,000	\$ -	\$ 125,000	\$ 125,000	\$ 125,000
Taxable General Obligation Bonds					
Series of 2010A	-	3,500,000	-	3,500,000	110,000
Capital Lease Payable	250,937	-	127,090	123,847	72,875
Installment Contracts Payable	220,000	380,000	40,000	560,000	75,000
Compensated Absences Payable	453,387	404,772	453,387	404,772	404,772
Benefits Payable	-	180,000	170,745	9,255	9,255
Net Pension Obligation	1,659,204	373,278	-	2,032,482	-
Unamortized Bond Premium	-	28,431	693	27,738	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 2,833,528	\$ 4,866,481	\$ 916,915	\$ 6,783,094	\$ 796,902

Governmental activities long-term debt is primarily payable by the general fund except for the Taxable General Obligation Bonds, Series 2010A which are payable by the Motor Fuel Tax Fund.

Business-Type Activities

	Balance May 1, 2010	Additions	Retirement	Balance April 30, 2011	Due Within One Year
Taxable General Obligation Bonds					
Series of 2010B	\$ -	\$ 1,610,000	\$ -	\$ 1,610,000	\$ 125,000
Capital Lease Payable	98,583	-	73,530	25,053	25,053
Compensated Absences Payable	29,496	35,244	29,496	35,244	35,244
Benefits Payable	18,679	-	8,777	9,902	9,902
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 146,758	\$ 1,645,244	\$ 111,803	\$ 1,680,199	\$ 195,199

Component Unit

	Balance May 1, 2010	Additions	Retirement	Balance April 30, 2011	Due Within One Year
Compensated Absences Payable	\$ 44,547	\$ 45,369	\$ 44,547	\$ 45,369	\$ 45,369
Net Pension Obligation	-	15,191	-	15,191	-
TOTAL COMPONENT UNIT	\$ 44,547	\$ 60,560	\$ 44,547	\$ 60,560	\$ 45,369

VILLAGE OF WESTCHESTER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

Long-term obligations outstanding at April 30, 2011 and the remaining principal and interest payments to maturity are as follows:

Taxable General Obligation Bonds (Alternate Revenue Source)

	Payable From	Total	Due Within One Year
\$3,500,000 Series 2010A, dated May 18, 2010, interest payable June 1 and December 1 of each year at rates of 1.10% to 5.80%. Pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate from the U.S. Treasury Department of 35% of the interest paid each year. The net interest rate for the Series 2010A Build America Bonds, after rebate, is 0.72% to 3.77%.	Motor Fuel Tax	\$ 3,500,000	\$ 110,000
\$1,610,000 Series 2010B, dated May 18, 2010, interest payable June 1 and December 1 of each year at rates of 1.25% to 4.50%. Pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate from the U.S. Treasury Department of 35% of the interest paid each year. The net interest rate for the Series 2010B Build America Bonds, after rebate, is 0.81% to 2.93%.	Water	1,610,000	125,000
TOTAL		\$ 5,110,000	\$ 235,000

Future principal and interest requirements applicable to the taxable general obligation bonds (alternate revenue source) are:

Fiscal Year Ending April 30,	Principal	Interest
2012	\$ 235,000	\$ 214,103
2013	285,000	211,330
2014	295,000	206,687
2015	295,000	200,190
2016	305,000	192,395
2017	315,000	183,027
2018	325,000	172,093
2019	330,000	159,835
2020	335,000	146,060

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

Taxable General Obligation Bonds (Alternate Revenue Source) (Continued)

Fiscal Year Ending April 30,	Principal	Interest
2021	\$ 350,000	\$ 131,000
2022	175,000	114,755
2023	180,000	105,568
2024	185,000	96,117
2025	190,000	86,405
2026	200,000	75,575
2027	205,000	64,175
2028	215,000	52,490
2029	220,000	40,020
2030	230,000	27,260
2031	240,000	13,920
TOTAL	\$ 5,110,000	\$ 2,493,005

Debt Certificates

	Fiscal Year Ending April 30,	Principal	Interest	Total
Series 2005, dated March 15, 2005, interest payable June 1 and December 1 of each year at rates of 2.05% to 3.10%	2012	\$ 125,000	\$ 3,875	\$ 128,875
TOTAL		\$ 125,000	\$ 3,875	\$ 128,875

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

The principal and interest payments will be paid from the General Fund.

Capital Leases

	Payable From	Total	Due Within One Year
Dated June 12, 2008, principal and interest payable monthly at 4.19%	General	\$ 74,932	\$ 23,960
Dated January 29, 2009, principal and interest payable monthly at 3.99%	General	24,250	24,250
Dated July 30, 2009, principal and interest payable monthly at 2.48%	General	24,665	24,665
Dated July 30, 2009, principal and interest payable monthly at 2.48%	Water	25,053	25,053
TOTAL		\$ 148,900	\$ 97,928

Related equipment net of accumulated depreciation for the year ended April 30, 2011 was \$693,546.

Future principal and interest requirements applicable to the capital leases are:

Fiscal Year Ending April 30,	Principal	Interest
2012	\$ 97,928	\$ 4,037
2013	24,964	2,136
2014	26,008	1,092
TOTAL	\$ 148,900	\$ 7,265

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

Installment Contract

	Payable From	Total	Due Within One Year
Dated April 6, 2010, principal and interest payable annually at 4.35%	General	\$ 180,000	\$ 40,000
Dated July 21, 2010, principal and interest payable semi-annually at 4.00%	General	380,000	35,000
TOTAL		\$ 560,000	\$ 75,000

Fiscal Year Ending April 30,	Principal	Interest	Total
2012	\$ 75,000	\$ 26,974	\$ 101,974
2013	75,000	19,290	94,290
2014	80,000	16,032	96,032
2015	85,000	12,675	97,675
2016	35,000	9,100	44,100
2017	40,000	7,600	47,600
2018	40,000	6,000	46,000
2019	40,000	4,400	44,400
2020	45,000	2,700	47,700
2021	45,000	900	45,900
TOTAL	\$ 560,000	\$ 105,671	\$ 665,671

The principal and interest payments will be paid from the General Fund.

Legal Debt Margin

Assessed Value - 2009 (latest available)	<u>\$ 656,599,822</u>
Legal debt limit - 8.625% of assessed valuation	\$ 56,631,735
Amount of debt applicable to debt limit	<u>125,000</u>
LEGAL DEBT MARGIN	<u>\$ 56,506,735</u>

Chapter 24, Section 8-5-1 of the Illinois Revised 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 valuation by the debt limitation percentage in effect on January 1, 1979."

7. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans issue separate reports which may be obtained from the Village at 10300 Roosevelt Rd., Westchester, IL 60154. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the previous calendar year ended 2010 was 9.88% of covered payroll.

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

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

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	26
Current Employees	
Vested	26
Nonvested	7
	<hr/>
TOTAL	<u>59</u>

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% the past service costs for the Police Pension Plan. For the year ended April 30, 2010 (the latest information available), the Village's contribution was 20.38% of covered payroll.

Firefighters' Pension Plan

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

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	23
Current Employees	
Vested	23
Nonvested	6
	<hr/>
TOTAL	<u><u>52</u></u>

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten 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 covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% the past service costs for the Firefighters' Pension Plan. For the year ended April 30, 2010 (the latest information available), the Village's contribution was 20.90% of covered payroll.

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Significant Investments

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

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	December 31, 2008	April 30, 2010	April 30, 2010
Actuarial Cost Method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset Valuation Method	5 Year Smoothed Market	3 Year Smoothed Market	3 Year Smoothed Market
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization Period	30 Years, Open	22 Years, Closed	22 Years, Closed
Significant Actuarial Assumptions			
a) Rate of Return on Present and Future Assets	7.50% Compounded Annually	7.00% Compounded Annually	7.00% Compounded Annually
b) Projected Salary Increase - Attributable to Inflation	4.00% Compounded Annually	2.50% Compounded Annually	2.50% Compounded Annually
c) Additional Projected Salary Increases - Seniority/Merit	.40% to 10.00%	1.12% to 4.86%	1.12% to 4.86%

VILLAGE OF WESTCHESTER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

Employer annual pension costs (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	For Fiscal Year	Illinois Municipal Retirement*	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2009	\$ 250,706	\$ 809,137	\$ 663,981
	2010	270,159	737,844	655,094
	2011	366,200	793,899	670,612
Actual Contribution	2009	\$ 250,706	\$ 440,058	\$ 392,216
	2010	250,319	493,351	427,938
	2011	293,880	604,014	544,348
Percentage of APC Contributed	2009	100.00%	54.38%	59.07%
	2010	92.66%	66.86%	65.32%
	2011	80.25%	76.08%	81.17%
NPO	2009	\$ -	\$ 703,412	\$ 464,303
	2010	19,840	947,905	691,459
	2011	92,160	1,137,790	817,723

The NPO (asset) has been calculated as follows:

	Illinois Municipal Retirement*	Police Pension	Firefighters' Pension
Annual Required Contribution	\$ 365,691	\$ 795,610	\$ 671,860
Interest on Net Pension Obligation	1,786	66,353	48,402
Adjustment to Annual Required Contributions	(1,277)	(68,064)	(49,650)
Annual Pension Cost	366,200	793,899	670,612
Contributions Made	293,880	604,014	544,348
Increase in Net Pension Obligation	72,320	189,885	126,264
Net Pension Obligation, Beginning of Year	19,840	947,905	691,459
NET PENSION OBLIGATION, END OF YEAR	\$ 92,160	\$ 1,137,790	\$ 817,723

*Includes the Westchester Public Library

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Funded Status

The funded status of the plans as of April 30, 2011 is as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in Note 7c:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	December 31, 2010	April 30, 2010	April 30, 2010
Actuarial Accrued Liability (AAL)	\$ 7,624,720	\$ 29,581,746	\$ 22,871,035
Actuarial Value of Plan Assets	4,838,262	22,762,785	18,215,123
Unfunded Actuarial Accrued Liability (UAAL)	2,786,458	6,818,961	4,655,912
Funded Ratio (Actuarial Value of Plan Assets/AAL)	63.45%	76.95%	79.64%
Covered Payroll (Active Plan Members)	\$ 2,825,744	\$ 2,421,004	\$ 2,047,417
UAAL as a Percentage of Covered Payroll	98.61%	281.66%	227.40%

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

8. CONTINGENT LIABILITIES

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not properly 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.

9. 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; employee health; natural disasters; illnesses of employees and injuries to the Village's employees.

Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperations Statute to pool their risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extension 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 \$2,500 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws 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.

The Village had a deposit on hand with IRMA as of April 30, 2011 in the amount of \$8,832, included as a prepaid item in the statement of net assets. There were no significant reductions in insurance coverage during the year. The Village did not have any claims that exceeded insurance coverage for the last five fiscal years.

10. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

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

Benefits Provided

The Village provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans or meet COBRA requirements.

All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Eligibility in Village sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits.

Membership

At April 30, 2009 (the latest information available), membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	
Terminated Employees Entitled to Benefits but not Yet Receiving Them	12
Active Employees	<u>126</u>
TOTAL	<u>138</u>
Participating Employers	<u>1</u>

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funding Policy

The Village negotiates the contribution percentages between the Village and employees through the union contracts and personnel policy. All retirees (except as noted below) contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the retirees (pay as you go) which results in an implicit subsidy to the Village as defined by the GASB Statement No. 45. In addition, the Village pays \$100 of the monthly health insurance premium for two retirees. For the fiscal year ended April 30, 2011, retirees contributed \$183,832 and the Village contributed \$41,564. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for April 30, 2009, 2010 and 2011 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2009	\$ 41,564	\$ 41,994	101.0%	\$ (430)
April 30, 2010	40,504	41,994	103.7%	(1,920)
April 30, 2011	40,480	41,994	103.7%	(3,434)

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

Annual Required Contribution	\$ 40,512
Interest on Net OPEB Obligation	(96)
Adjustment to Annual Required Contribution	64
Annual OPEB Cost	40,480
Contributions Made	41,994
Increase in Net OPEB Obligation	(1,514)
Net OPEB Obligation, Beginning of Year	(1,920)
NET OPEB OBLIGATION, END OF YEAR	\$ (3,434)

VILLAGE OF WESTCHESTER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Costs and Net OPEB Obligation (Continued)

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

Actuarial Accrued Liability (AAL)	\$ 563,320
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	563,320
Funded Ratio (Actuarial Value of Plan Assets/AAL)	-%
Covered Payroll (Active Plan Members)	\$ 7,048,245
UAAL as a Percentage of Covered Payroll	7.99%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the April 30, 2009 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 5.00% investment rate of return (net of administrative expenses), an initial annual healthcare cost trend rate of 8.00% and an ultimate healthcare cost trend rate of 6.00%. All three rates include a 3.00% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open, 30 year basis.

VILLAGE OF WESTCHESTER, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

11. PRIOR PERIOD ADJUSTMENT

The Village has restated fund balances/net assets of governmental activities as of May 1, 2010 as follows:

	Governmental Activities	General Fund	Nonmajor Governmental
NET ASSETS, MAY 1	\$ 28,954,628	\$ 5,965,810	\$ 484,697
RESTATEMENTS			
a) Recognize prepaid items in the proper period	(198,182)	(198,182)	-
b) Recognize local use tax in the proper period	50,334	50,334	-
c) Recognize revenue from police deposits in the proper period	49,588	-	49,588
d) Record capital assets in the proper period	181,745	-	-
Subtotal	83,485	(147,848)	49,588
NET ASSETS, MAY 1, RESTATED	\$ 29,038,113	\$ 5,817,962	\$ 534,285

The Village has restated net assets of business-type activities as of May 1, 2010 as follows:

	Business- Type Activities	Enterprise Fund
NET ASSETS, MAY 1	\$ 9,408,502	\$ 9,408,502
RESTATEMENTS		
a) Recognize prepaid items in the proper period	(22,020)	(22,020)
Subtotal	(22,020)	(22,020)
NET ASSETS, MAY 1, RESTATED	\$ 9,386,482	\$ 9,386,482

REQUIRED SUPPLEMENTARY INFORMATION

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 5,779,676	\$ 5,779,676	\$ 5,321,112	\$ (458,564)
Other Local Taxes	2,069,500	2,069,500	2,181,412	111,912
Intergovernmental	2,552,060	2,627,942	2,819,377	191,435
Licenses and Permits	879,700	879,700	838,792	(40,908)
Charges for Services	430,225	430,225	430,474	249
Fines and Forfeitures	725,000	725,000	701,869	(23,131)
Rental Income	172,000	172,000	173,032	1,032
Investment Income	32,000	32,000	35,378	3,378
Miscellaneous	163,500	220,535	266,577	46,042
Total Revenues	12,803,661	12,936,578	12,768,023	(168,555)
EXPENDITURES				
Current				
General Government	1,339,148	1,396,182	1,358,597	(37,585)
Legal Department	257,200	257,200	258,977	1,777
Building Department	504,975	504,975	466,905	(38,070)
Fire and Police Commission	18,037	18,037	26,566	8,529
Police 911	658,770	658,770	657,470	(1,300)
Police Department	4,842,166	4,842,166	4,775,711	(66,455)
Civil Defense	358,000	358,000	358,818	818
Fire Department	4,181,664	4,257,547	4,152,250	(105,297)
Street Lighting	135,000	135,000	151,927	16,927
Public Works	697,387	697,387	786,863	89,476
Streets	674,108	674,108	752,464	78,356
Debt Service				
Principal	291,692	291,692	292,090	398
Interest and Fiscal Charges	22,702	22,702	22,433	(269)
Total Expenditures	13,980,849	14,113,766	14,061,071	(52,695)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,177,188)	(1,177,188)	(1,293,048)	(115,860)
OTHER FINANCING SOURCES (USES)				
Installment Contracts Issued	-	-	380,000	380,000
Sale of Capital Assets	5,000	5,000	22,695	17,695
Total Other Financing Sources (Uses)	5,000	5,000	402,695	397,695
NET CHANGE IN FUND BALANCE	\$ (1,172,188)	\$ (1,172,188)	(890,353)	\$ 281,835
FUND BALANCE, MAY 1			5,965,810	
Prior Period Adjustment			<u>(147,848)</u>	
FUND BALANCE, MAY 1, RESTATED			<u>5,817,962</u>	
FUND BALANCE, APRIL 30			<u>\$ 4,927,609</u>	

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental				
State Allotments	\$ 487,500	\$ 487,500	\$ 555,623	\$ 68,123
Investment Income	1,000	1,000	6,500	5,500
Total Revenues	488,500	488,500	562,123	73,623
EXPENDITURES				
Current				
Streets	3,799,000	3,799,000	2,744,776	(1,054,224)
Debt Service				
Principal	110,000	110,000	-	(110,000)
Interest and Fiscal Charges	140,000	140,000	194,377	54,377
Total Expenditures	4,049,000	4,049,000	2,939,153	(1,109,847)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,560,500)	(3,560,500)	(2,377,030)	1,183,470
OTHER FINANCING SOURCES (USES)				
Bonds Issued	3,700,000	3,700,000	3,500,000	(200,000)
Premium on Bonds Issued	-	-	28,431	28,431
Total Other Financing Sources (Uses)	3,700,000	3,700,000	3,528,431	(171,569)
NET CHANGE IN FUND BALANCE	\$ 139,500	\$ 139,500	1,151,401	\$ 1,011,901
FUND BALANCE (DEFICIT), MAY 1			(104,458)	
FUND BALANCE, APRIL 30			\$ 1,046,943	

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2011

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2005	\$ 7,518,924	\$ 7,745,639	97.07%	\$ 226,715	\$ 2,976,172	7.62%
2006	6,971,959	7,003,378	99.55%	31,419	2,886,966	1.09%
2007	7,027,123	7,315,061	96.06%	287,938	2,882,858	9.99%
2008	4,990,471	7,084,433	70.44%	2,093,962	2,970,452	70.49%
2009	4,857,061	7,269,188	66.82%	2,412,127	2,836,821	85.03%
2010	4,838,262	7,624,720	63.45%	2,786,458	2,825,744	98.61%

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2011

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2006	\$ 22,461,947	\$ 37,766,569	59.48%	\$ 15,304,622	\$ 4,105,281	372.80%
2007	20,336,480	25,819,248	78.76%	5,482,768	2,312,018	237.14%
2008	21,384,336	26,557,181	80.52%	5,172,845	2,405,522	215.04%
2009	21,764,400	27,883,396	78.06%	6,118,996	2,544,599	240.47%
2010	22,762,785	29,581,746	76.95%	6,818,961	\$ 2,421,004	281.66%
2011	N/A	N/A	N/A	N/A	N/A	N/A

N/A - actuarial valuation not available

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2011

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	\$ 16,025,485	\$ 19,471,213	82.30%	\$ 3,445,728	\$ 1,771,066	194.56%
2008	16,944,937	20,979,416	80.77%	4,034,479	1,770,519	227.87%
2009	17,203,916	22,200,041	77.49%	4,996,125	1,898,925	263.10%
2010	18,215,123	22,871,035	79.64%	4,655,912	2,047,417	227.40%
2011	N/A	N/A	N/A	N/A	N/A	N/A

N/A - actuarial valuation not available

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2011

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Active Members Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2009	\$ -	\$ 563,320	0.00%	\$ 563,320	\$ 7,048,245	7.99%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A

N/A - no actuarial valuation was performed for this year

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2011

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 271,128	\$ 268,776	100.88%
2007	268,776	268,776	100.00%
2008	257,439	257,439	100.00%
2009	250,706	250,706	100.00%
2010	250,319	270,159	92.66%
2011	293,880	365,691	80.36%

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 POLICE PENSION FUND

April 30, 2011

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2006	\$ 390,062	N/A	N/A
2007	395,620	\$ 573,012	69.04%
2008	423,379	539,741	78.44%
2009	440,058	806,898	54.54%
2010	493,351	730,749	67.51%
2011	604,014	795,610	75.92%

N/A - no actuarial valuation was performed for this year

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2011

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2006	\$ 347,501	N/A	N/A
2007	362,823	\$ 449,735	80.67%
2008	372,040	475,679	78.21%
2009	392,216	662,683	59.19%
2010	427,938	650,411	65.80%
2011	544,348	671,860	81.02%

N/A - no actuarial valuation was performed for this year

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2011

Year Ended April 30,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	\$ 41,994	\$ 41,564	101.03%
2010	41,994	40,512	103.66%
2011	41,994	40,512	103.66%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009.
 Information for prior years is not available.

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2011

BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles except for the inception of capital leases. Annual appropriated budgets are adopted for the General, Motor Fuel Tax, Police Forfeiture, 911, Hotel/Motel Tax, Public Library, Water, Police Pension and Firefighters' Pension Funds. All annual appropriations lapse at fiscal year end.

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

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

The budget may be amended by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. There were two budget amendments during the year.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF WESTCHESTER, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2011

	Special Revenue			Total Nonmajor Governmental Funds
	Police Forfeiture Fund	911 Fund	Hotel/ Motel Tax Fund	
ASSETS				
Cash and Cash Equivalents	\$ 95,242	\$ 288,891	\$ 82,582	\$ 466,715
Receivables				
Intergovernmental	-	29,831	-	29,831
Accounts	-	10,700	7,844	18,544
Prepaid Items	-	15,433	-	15,433
TOTAL ASSETS	\$ 95,242	\$ 344,855	\$ 90,426	\$ 530,523
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 12,725	\$ -	\$ 12,725
Deposits Payable	-	-	-	-
Due to Other Funds	-	2,191	-	2,191
Total Liabilities	-	14,916	-	14,916
FUND BALANCES				
Reserved for Prepaid Items	-	15,433	-	15,433
Reserved for Public Safety	95,242	314,506	-	409,748
Reserved for Tourism	-	-	90,426	90,426
Total Fund Balances	95,242	329,939	90,426	515,607
TOTAL LIABILITIES AND FUND BALANCES	\$ 95,242	\$ 344,855	\$ 90,426	\$ 530,523

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

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

For the Year Ended April 30, 2011

	Special Revenue			Total Nonmajor Governmental Funds
	Police Forfeiture Fund	911 Fund	Hotel/ Motel Tax Fund	
REVENUES				
Other Local Taxes	\$ -	\$ 146,654	\$ 119,904	\$ 266,558
Charges for Services	-	36,711	-	36,711
Intergovernmental	1,358	94,047	-	95,405
Investment Income	127	164	29	320
Miscellaneous	4,549	-	-	4,549
Total Revenues	6,034	277,576	119,933	403,543
EXPENDITURES				
Current				
Tourism	-	-	124,978	124,978
Police 911	-	297,243	-	297,243
Total Expenditures	-	297,243	124,978	422,221
NET CHANGE IN FUND BALANCES	6,034	(19,667)	(5,045)	(18,678)
FUND BALANCES, MAY 1	39,620	349,606	95,471	484,697
Prior Period Adjustment	49,588	-	-	49,588
FUND BALANCES, MAY 1, RESTATED	89,208	349,606	95,471	534,285
FUND BALANCES, APRIL 30	\$ 95,242	\$ 329,939	\$ 90,426	\$ 515,607

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,358	\$ 1,358
Investment Income	-	-	127	127
Miscellaneous	-	-	4,549	4,549
Total Revenues	-	-	6,034	6,034
EXPENDITURES				
None	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	6,034	\$ 6,034
FUND BALANCE, MAY 1			39,620	
Prior Period Adjustment			49,588	
FUND BALANCE, MAY 1, RESTATED			89,208	
FUND BALANCE, APRIL 30			\$ 95,242	

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Other Local Taxes	\$ 147,500	\$ 147,500	\$ 146,654	\$ (846)
Charges for Services	32,000	32,000	36,711	4,711
Intergovernmental	105,000	105,000	94,047	(10,953)
Investment Income	400	400	164	(236)
Total Revenues	<u>284,900</u>	<u>284,900</u>	<u>277,576</u>	<u>(7,324)</u>
EXPENDITURES				
Current				
Police 911	<u>322,180</u>	<u>322,180</u>	<u>297,243</u>	<u>(24,937)</u>
Total Expenditures	<u>322,180</u>	<u>322,180</u>	<u>297,243</u>	<u>(24,937)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (37,280)</u>	<u>\$ (37,280)</u>	<u>(19,667)</u>	<u>\$ 17,613</u>
FUND BALANCE, MAY 1			<u>349,606</u>	
FUND BALANCE, APRIL 30			<u>\$ 329,939</u>	

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX FUND

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Other Local Taxes	\$ 100,000	\$ 107,796	\$ 119,904	\$ 12,108
Investment Income	500	500	29	(471)
Total Revenues	100,500	108,296	119,933	11,637
EXPENDITURES				
Current				
Tourism	120,000	127,796	124,978	(2,818)
Total Expenditures	120,000	127,796	124,978	(2,818)
NET CHANGE IN FUND BALANCE	\$ (19,500)	\$ (19,500)	(5,045)	\$ 14,455
FUND BALANCE, MAY 1			95,471	
FUND BALANCE, APRIL 30			\$ 90,426	

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF WESTCHESTER, ILLINOIS

COMBINING STATEMENT OF NET ASSETS
PENSION TRUST FUNDS

April 30, 2011

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and Cash Equivalents	\$ 279,238	\$ 427,998	\$ 707,236
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)			
Accrued Interest	64,369	51,783	116,152
Investments			
U.S. Government Obligations	6,647,606	5,437,203	12,084,809
U.S. Agency Obligations	1,850,974	2,104,362	3,955,336
State and Local Obligations	532,854	487,463	1,020,317
Corporate Bonds	688,406	535,493	1,223,899
Equity Securities	4,172,871	4,425,372	8,598,243
Mutual Funds	5,916,341	3,942,712	9,859,053
Insurance Company Contracts	-	6,042	6,042
Money Market Mutual Funds	2,231,611	743,374	2,974,985
Prepaid Items	9,725	4,488	14,213
Due from Village	21,585	16,391	37,976
Total Assets	22,415,580	18,182,681	40,598,261
LIABILITIES			
Accounts Payable	2,704	6,217	8,921
Total Liabilities	2,704	6,217	8,921
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$ 22,412,876	\$ 18,176,464	\$ 40,589,340

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

COMBINING STATEMENT OF CHANGES IN NET ASSETS
PENSION TRUST FUNDS

For the Year Ended April 30, 2011

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ADDITIONS			
Contributions			
Employer Contributions	\$ 604,014	\$ 544,348	\$ 1,148,362
Plan Members	245,766	201,174	446,940
Total Contributions	849,780	745,522	1,595,302
Investment Income			
Net Appreciation in Fair Value of Investments	1,360,703	1,346,497	2,707,200
Interest	379,121	348,411	727,532
Total Investment Income	1,739,824	1,694,908	3,434,732
Less Investment Expense	(88,751)	(90,366)	(179,117)
Net Investment Income	1,651,073	1,604,542	3,255,615
Total Additions	2,500,853	2,350,064	4,850,917
DEDUCTIONS			
Retirement Benefits and Refunds	1,377,713	943,318	2,321,031
Administrative Expenses	43,251	26,414	69,665
Total Deductions	1,420,964	969,732	2,390,696
NET INCREASE	1,079,889	1,380,332	2,460,221
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
May 1	21,332,987	16,796,132	38,129,119
April 30	\$ 22,412,876	\$ 18,176,464	\$ 40,589,340

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND

For the Year Ended April 30, 2011

	Balance May 1	Additions	Deletions	Balance April 30
REFUNDABLE DEPOSITS				
ASSETS				
Cash	\$ 52,339	\$ 136,677	\$ 156,127	\$ 32,889
Investments	571,781	12,940	136,677	448,044
Accrued Interest Receivable	715	817	715	817
TOTAL ASSETS	\$ 624,835	\$ 150,434	\$ 293,519	\$ 481,750
LIABILITIES				
Due to Other Funds	\$ 11,052	\$ 2,705	\$ 11,052	\$ 2,705
Due to Others	613,783	147,729	282,467	479,045
TOTAL LIABILITIES	\$ 624,835	\$ 150,434	\$ 293,519	\$ 481,750

(See independent auditor's report.)

DISCRETELY PRESENTED COMPONENT UNIT

VILLAGE OF WESTCHESTER, ILLINOIS

BALANCE SHEET

WESTCHESTER PUBLIC LIBRARY

April 30, 2011

	<u>General Fund</u>
ASSETS	
Cash	\$ 574,188
Investments	746,505
Receivables	
Property Taxes	782,564
Intergovernmental	17,217
Prepaid Items	<u>4,128</u>
 TOTAL ASSETS	 <u>\$ 2,124,602</u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts Payable	\$ 9,536
Accrued Payroll	2,990
Deferred Revenue	<u>782,564</u>
 Total Liabilities	 <u>795,090</u>
FUND BALANCE	
Reserved for Employee Benefits	1,252
Unreserved	
Designated for Working Cash	126,574
Designated for Capital Purposes	711,605
Undesignated	<u>490,081</u>
 Total Fund Balance	 <u>1,329,512</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 2,124,602</u>

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

RECONCILIATION OF COMPONENT UNIT FUND BALANCE TO THE
COMPONENT UNIT STATEMENT OF NET ASSETS

WESTCHESTER PUBLIC LIBRARY

April 30, 2011

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 1,329,512
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	1,345,074
Long-term liabilities are not due and payable in current period and, therefore, are not reported in the governmental funds:	
Compensated absences payable	(45,369)
Net pension obligation	<u>(15,191)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,614,026</u></u>

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

WESTCHESTER PUBLIC LIBRARY

For the Year Ended April 30, 2011

	<u>General Fund</u>
REVENUES	
Property Taxes	\$ 1,053,651
Intergovernmental	17,217
Charges for Services	34,068
Fines and Forfeits	12,713
Investment Income	47,990
Contributions	589
Miscellaneous	<u>9,505</u>
Total Revenues	<u>1,175,733</u>
EXPENDITURES	
Current	
Library	1,177,755
Capital Outlay	<u>110,256</u>
Total Expenditures	<u>1,288,011</u>
NET CHANGE IN FUND BALANCE	(112,278)
FUND BALANCE, MAY 1	<u>1,441,790</u>
FUND BALANCE, APRIL 30	<u><u>\$ 1,329,512</u></u>

(See independent auditor's report.)

VILLAGE OF WESTCHESTER, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE COMPONENT UNIT TO
THE STATEMENT OF ACTIVITIES OF THE COMPONENT UNIT

WESTCHESTER PUBLIC LIBRARY

For the Year Ended April 30, 2011

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (112,278)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	52,374
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Depreciation	(61,596)
Change in compensated absences	(822)
Change in net pension obligation	<u>(15,191)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (137,513)</u></u>

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	77-85
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	86-92
Debt Capacity The schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	93-96
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	97-98
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	99-102

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year. The Village implemented GASB Statement No. 34 in 2005; schedules presenting government-wide information include information beginning in that year.

VILLAGE OF WESTCHESTER, ILLINOIS

NET ASSETS BY COMPONENT

Last Seven Fiscal Years

Fiscal Year	2005	2006	2007
GOVERNMENTAL ACTIVITIES			
Invested in Capital Assets			
Net of Related Debt	\$ 27,092,143	\$ 25,836,287	\$ 24,546,664
Restricted	437,602	609,633	863,192
Unrestricted	1,921,021	3,208,790	4,003,035
TOTAL GOVERNMENTAL ACTIVITIES	\$ 29,450,766	\$ 29,654,710	\$ 29,412,891
BUSINESS-TYPE ACTIVITIES			
Invested in Capital Assets			
Net of Related Debt	\$ 8,607,351	\$ 8,379,145	\$ 8,162,045
Unrestricted	1,289,943	1,130,708	1,069,386
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 9,897,294	\$ 9,509,853	\$ 9,231,431
PRIMARY GOVERNMENT			
Invested in Capital Assets			
Net of Related Debt	\$ 35,699,494	\$ 34,215,432	\$ 32,708,709
Restricted	437,602	609,633	863,192
Unrestricted	3,210,964	4,339,498	5,072,421
TOTAL PRIMARY GOVERNMENT	\$ 39,348,060	\$ 39,164,563	\$ 38,644,322
COMPONENT UNIT			
Invested in Capital Assets			
Net of Related Debt	\$ 3,407,617	\$ 2,787,188	\$ 2,748,140
Restricted	-	-	-
Unrestricted	1,161,542	1,514,430	1,338,204
TOTAL COMPONENT UNIT	\$ 4,569,159	\$ 4,301,618	\$ 4,086,344

Data Source

Audited Financial Statements

2008	2009	2010	2011
\$ 24,087,301	\$ 25,720,503	\$ 24,722,401	\$ 24,533,889
1,080,659	445,605	484,697	935,253
5,290,928	4,324,333	3,747,530	2,144,143
<u>\$ 30,458,888</u>	<u>\$ 30,490,441</u>	<u>\$ 28,954,628</u>	<u>\$ 27,613,285</u>
\$ 7,936,598	\$ 7,751,481	\$ 7,710,865	\$ 6,910,269
1,047,755	2,038,004	1,697,637	1,846,113
<u>\$ 8,984,353</u>	<u>\$ 9,789,485</u>	<u>\$ 9,408,502</u>	<u>\$ 8,756,382</u>
\$ 32,023,899	\$ 33,471,984	\$ 32,433,266	\$ 31,444,158
1,080,659	445,605	484,697	935,253
6,338,683	6,362,337	5,445,167	3,990,256
<u>\$ 39,443,241</u>	<u>\$ 40,279,926</u>	<u>\$ 38,363,130</u>	<u>\$ 36,369,667</u>
\$ 1,227,483	\$ 1,415,890	\$ 1,354,296	\$ 1,345,074
7,377	11,672	12,781	1,252
1,454,933	1,224,592	1,384,462	1,267,700
<u>\$ 2,689,793</u>	<u>\$ 2,652,154</u>	<u>\$ 2,751,539</u>	<u>\$ 2,614,026</u>

VILLAGE OF WESTCHESTER, ILLINOIS

CHANGE IN NET ASSETS

Last Seven Fiscal Years

Fiscal Year	2005	2006	2007
EXPENSES			
Governmental Activities			
General Government	\$ 3,535,370	\$ 3,397,249	\$ 1,711,620
Public Safety	6,579,607	6,803,991	8,711,272
Public Works	3,662,407	4,076,453	3,719,405
Interest	23,585	26,815	28,326
Total Governmental Activities Expenses	13,800,969	14,304,508	14,170,623
Business-Type Activities			
Water and Sewer	2,710,172	3,046,101	3,051,684
Total Business-Type Activities Expenses	2,710,172	3,046,101	3,051,684
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 16,511,141	\$ 17,350,609	\$ 17,222,307
COMPONENT UNIT			
Westchester Public Library	\$ 1,233,864	\$ 1,295,330	\$ 1,304,551
TOTAL COMPONENT UNIT	\$ 1,233,864	\$ 1,295,330	\$ 1,304,551
PROGRAM REVENUES			
Governmental Activities			
Charges for Services			
General Government	\$ 2,079,572	\$ 2,165,383	\$ 1,093,603
Public Safety	720,813	943,589	724,353
Public Works	22,934	13,199	1,712,630
Operating Grants and Contributions	576,100	662,521	554,369
Capital Grants and Contributions	50,307	20,000	72,009
Total Governmental Activities Program Revenues	3,449,726	3,804,692	4,156,964
Business-Type Activities			
Charges for Services			
Water and Sewer	2,407,625	2,829,169	2,730,501
Operating Grants and Contributions	93,144	81,908	-
Capital Grants and Contributions	102,609	120,000	-
Total Business-Type Activities Program Revenues	2,603,378	3,031,077	2,730,501
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 6,053,104	\$ 6,835,769	\$ 6,887,465
NET REVENUE (EXPENSE)			
Governmental Activities	\$ (10,351,243)	\$ (10,499,816)	\$ (10,013,659)
Business-Type Activities	(106,794)	(15,024)	(321,183)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (10,458,037)	\$ (10,514,840)	\$ (10,334,842)
COMPONENT UNIT			
Library			
Charges for Services	\$ 20,950	\$ 25,813	\$ 33,592
Operating Grants and Contributions	2,650	1,772	22,734
TOTAL COMPONENT UNIT ACTIVITIES PROGRAM REVENUES	\$ 23,600	\$ 27,585	\$ 56,326

2008	2009	2010	2011
\$ 1,969,667	\$ 2,061,823	\$ 2,336,063	\$ 2,243,335
8,532,345	9,777,684	9,843,048	10,225,622
4,380,139	3,270,206	3,253,548	2,818,288
29,963	23,186	21,779	188,772
14,912,114	15,132,899	15,454,438	15,476,017
3,210,844	4,958,778	5,411,161	5,855,690
3,210,844	4,958,778	5,411,161	5,855,690
\$ 18,122,958	\$ 20,091,677	\$ 20,865,599	\$ 21,331,707
\$ 1,063,152	\$ 1,163,848	\$ 1,143,746	\$ 1,313,246
\$ 1,063,152	\$ 1,163,848	\$ 1,143,746	\$ 1,313,246
\$ 1,148,987	\$ 912,469	\$ 852,133	\$ 845,037
855,664	927,702	1,221,796	1,173,519
1,897,654	382,104	397,661	427,211
560,159	454,932	447,755	619,870
239,371	2,254,867	65,844	418,374
4,701,835	4,932,074	2,985,189	3,484,011
2,921,063	4,922,086	5,005,316	5,200,548
-	-	-	9,169
-	60,000	-	-
2,921,063	4,982,086	5,005,316	5,209,717
\$ 7,622,898	\$ 9,914,160	\$ 7,990,505	\$ 8,693,728
\$ (10,210,279)	\$ (10,200,825)	\$ (12,469,249)	\$ (11,992,006)
(289,781)	23,308	(405,845)	(645,973)
\$ (10,500,060)	\$ (10,177,517)	\$ (12,875,094)	\$ (12,637,979)
\$ 52,544	\$ 43,478	\$ 59,644	\$ 46,781
20,583	21,325	17,554	17,806
\$ 73,127	\$ 64,803	\$ 77,198	\$ 64,587

VILLAGE OF WESTCHESTER, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Seven Fiscal Years

Fiscal Year	2005	2006	2007
NET REVENUE (EXPENSE)			
Component Unit Activities	\$ (1,210,264)	\$ (1,267,745)	\$ (1,248,225)
TOTAL COMPONENT UNIT NET REVENUE (EXPENSE)	<u>\$ (1,210,264)</u>	<u>\$ (1,267,745)</u>	<u>\$ (1,248,225)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS			
Governmental Activities			
Taxes			
Property	\$ 4,744,419	\$ 4,833,293	\$ 4,831,883
Sales	1,070,191	1,042,494	1,116,648
Income	1,202,943	1,328,704	1,417,985
Telecommunications	912,676	1,062,416	1,045,265
Utility	798,178	904,228	946,097
Places for Eating	-	-	122,097
Hotel/Motel Tax	111,954	130,227	146,930
Other	569,908	612,137	135,166
Investment Earnings	53,474	134,759	237,923
Transfers	58,031	408,506	-
Miscellaneous	282,532	246,996	231,351
Total Governmental Activities	<u>9,804,306</u>	<u>10,703,760</u>	<u>10,231,345</u>
Business-Type Activities			
Investment Earnings	10,419	36,089	42,761
Transfers	(58,031)	(408,506)	-
Miscellaneous	-	-	-
Total Business-Type Activities	<u>(47,612)</u>	<u>(372,417)</u>	<u>42,761</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 9,756,694</u>	<u>\$ 10,331,343</u>	<u>\$ 10,274,106</u>
COMPONENT UNIT			
Property Taxes	\$ 872,875	\$ 913,510	\$ 941,607
Other Taxes	12,325	17,068	14,949
Investment Earnings	25,133	48,633	63,765
Miscellaneous	21,428	20,993	12,630
TOTAL COMPONENT UNIT	<u>\$ 931,761</u>	<u>\$ 1,000,204</u>	<u>\$ 1,032,951</u>
CHANGE IN NET ASSETS			
Governmental Activities	\$ (546,937)	\$ 203,944	\$ 217,686
Business-Type Activities	<u>(154,406)</u>	<u>(387,441)</u>	<u>(278,422)</u>
TOTAL PRIMARY GOVERNMENT CHANGE IN NET ASSETS	<u>\$ (701,343)</u>	<u>\$ (183,497)</u>	<u>\$ (60,736)</u>
CHANGE IN NET ASSETS			
Component Unit	<u>\$ (278,503)</u>	<u>\$ (267,541)</u>	<u>\$ (215,274)</u>

Data Source

Audited Financial Statements

	2008	2009	2010	2011
	\$ (990,025)	\$ (1,099,045)	\$ (1,066,548)	\$ (1,248,659)
	\$ (990,025)	\$ (1,099,045)	\$ (1,066,548)	\$ (1,248,659)
	\$ 5,241,736	\$ 5,374,147	\$ 5,831,140	\$ 5,417,410
	1,348,330	1,298,967	1,105,099	976,165
	1,549,042	1,532,916	1,336,226	1,311,711
	1,123,987	1,088,078	1,110,277	1,010,038
	1,043,185	976,302	868,953	896,838
	201,391	185,366	164,413	180,099
	154,767	124,607	112,206	119,904
	66,722	35,116	53,192	62,040
	255,427	138,719	55,219	42,198
	-	(750,000)	-	-
	271,689	228,160	296,711	309,605
	11,256,276	10,232,378	10,933,436	10,326,008
	42,703	31,824	15,862	15,873
	-	750,000	-	-
	-	-	9,000	-
	42,703	781,824	24,862	15,873
	\$ 11,298,979	\$ 11,014,202	\$ 10,958,298	\$ 10,341,881
	\$ 1,030,522	\$ 1,029,786	\$ 1,126,004	\$ 1,053,651
	-	-	-	-
	50,618	31,320	37,127	47,990
	334	300	2,802	9,505
	\$ 1,081,474	\$ 1,061,406	\$ 1,165,933	\$ 1,111,146
	\$ 1,045,997	\$ 31,553	\$ (1,535,813)	\$ (1,665,998)
	(247,078)	805,132	(380,983)	(630,100)
	\$ 798,919	\$ 836,685	\$ (1,916,796)	\$ (2,296,098)
	\$ 91,449	\$ (37,639)	\$ 99,385	\$ (137,513)

VILLAGE OF WESTCHESTER, ILLINOIS
 FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
GENERAL FUND										
Reserved	\$ 29,109	\$ 43,096	\$ 42,849	\$ 42,849	\$ 39,854	\$ 198,115	\$ 360,994	\$ 468,986	\$ 746,554	\$ 326,144
Unreserved	2,016,894	1,603,392	2,465,095	2,018,720	2,781,506	3,571,766	5,678,638	5,294,385	5,219,256	4,601,465
TOTAL GENERAL FUND	\$ 2,046,003	\$ 1,646,488	\$ 2,507,944	\$ 2,061,569	\$ 2,821,360	\$ 3,769,881	\$ 6,039,632	\$ 5,763,371	\$ 5,965,810	\$ 4,927,609
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 863,192	\$ 1,080,659	\$ 445,605	\$ 484,697	\$ 1,562,550
Unreserved, Reported In										
Special Revenue Funds	746,051	984,675	297,035	970,311	1,527,629	967,704	-	-	(104,458)	-
Debt Service Fund	984,440	30,563	-	-	-	-	(200)	(200)	-	-
Capital Project Fund	(54,962)	-	-	-	-	-	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 1,675,529	\$ 1,015,238	\$ 297,035	\$ 970,311	\$ 1,527,629	\$ 1,830,896	\$ 1,080,459	\$ 445,405	\$ 380,239	\$ 1,562,550

Data Source

Audited Financial Statements

VILLAGE OF WESTCHESTER, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
REVENUES										
Real Estate Taxes	\$ 4,618,361	\$ 4,427,238	\$ 4,426,141	\$ 4,744,419	\$ 4,833,293	\$ 4,719,577	\$ 5,117,943	\$ 5,265,623	\$ 5,741,031	\$ 5,321,112
Other Local Taxes	2,215,678	1,944,282	2,102,679	2,055,229	2,246,343	2,356,995	2,546,640	2,365,346	2,423,621	2,447,970
Licenses and Permits	690,075	611,778	814,575	801,131	1,064,311	994,272	1,084,121	887,044	912,776	838,792
Intergovernmental	3,418,463	3,038,390	3,049,855	3,392,642	3,489,964	3,587,762	3,981,100	4,094,819	3,190,481	3,470,405
Charges for Services	1,246,027	1,273,313	1,470,011	1,578,740	1,552,309	1,673,396	2,089,529	490,503	467,366	467,185 ⁽¹⁾
Investment Income	133,608	55,121	29,817	53,474	134,759	237,923	255,427	138,719	55,219	42,198
Fines and Forfeits	224,406	186,104	220,914	285,346	321,785	374,221	456,619	444,320	774,464	701,869
Miscellaneous	462,151	266,233	209,419	282,532	253,200	362,959	233,710	260,235	183,436	271,126
Rental Income	152,124	154,020	156,011	158,102	160,297	162,601	165,022	167,563	170,231	173,032
Grant Revenue	653,293	151,273	-	-	-	-	-	-	-	-
Total Revenues	13,814,186	12,107,752	12,479,422	13,351,615	14,056,261	14,469,706	15,930,111	14,114,172	13,918,625	13,733,689
EXPENDITURES										
General Government	2,793,266	2,791,868	2,947,025	3,211,501	2,965,925	2,965,342	1,331,339	1,180,578	1,452,466	1,358,597
Legal Department	-	-	82,772	80,561	92,969	116,875	181,870	206,404	334,692	258,977
CATS	61,703	67,650	69,673	74,329	73,861	79,340	14,506	-	-	-
Building Department	150,112	159,362	152,844	152,124	217,365	242,282	385,613	396,671	517,469	466,905
Elections Department	1,174	-	-	-	-	248	-	-	43	-
Fire and Police Commission	-	-	-	-	-	13,432	25,837	11,307	22,237	26,566
Tourism	-	-	-	-	-	68,383	65,263	154,691	163,295	124,978
Police 911	347,128	323,532	397,353	431,487	755,646	517,536	820,672	889,859	870,231	954,713
Police Department	3,517,132	3,571,302	3,703,024	3,635,708	3,685,200	3,676,652	4,509,046	4,751,912	4,839,326	4,775,711
Civil Defense	4,588	13,739	7,412	4,395	3,585	4,877	3,124	977	4,761	358,818
Fire Department	2,297,700	2,501,200	2,471,748	2,604,120	2,487,199	2,616,972	3,238,011	3,720,002	3,375,500	4,152,250
Street Lighting	-	-	165,863	142,174	152,793	11,314	132,278	208,981	165,584	151,927
Public Works	704,290	667,424	558,710	696,986	691,305	392,443	824,553	827,375	885,195	786,863
Streets	2,543,497	1,527,590	1,689,723	913,790	959,598	1,108,871	1,183,584	1,962,917	1,371,597	3,497,240
Sanitation	1,193,915	1,201,859	1,208,118	1,220,638	1,245,812	1,281,605	1,463,002	-	-	- ⁽¹⁾
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service										
Principal	375,000	-	-	-	153,705	214,277	210,734	207,455	280,734	292,090
Interest and Fiscal Charges	21,562	-	5,235	14,932	27,338	29,605	31,041	24,408	23,179	216,810
Total Expenditures	14,011,067	12,825,526	13,459,500	13,182,745	13,512,301	13,340,054	14,420,473	14,543,537	14,306,309	17,422,445
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(196,881)	(717,774)	(980,078)	168,870	543,960	1,129,652	1,509,638	(429,365)	(387,684)	(3,688,756)

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
OTHER FINANCING SOURCES (USES)										
Transfers In	\$ 222,382	\$ 1,243,828	\$ 1,153,323	\$ 475,000	\$ 924,365	\$ 500,000	\$ 978,138	\$ 81,193	\$ 113	\$ -
Transfers (Out)	(387,670)	(1,230,003)	(1,003,323)	(416,969)	(515,859)	(500,000)	(978,138)	(831,193)	(113)	-
Sale of Capital Assets	-	-	14,465	-	-	8,170	9,676	56,025	8,050	22,695
Bonds Issued	-	-	825,000	-	305,813	-	-	-	-	3,500,000
Premium on Bonds Issued	-	-	-	-	-	-	-	-	-	28,431
Proceeds from Capital Leases	-	-	-	-	58,830	-	-	212,025	145,907	-
Proceeds from Installment Contracts	-	-	-	-	-	-	-	-	220,000	380,000
Total Other Financing Sources (Uses)	(165,288)	13,825	989,465	58,031	773,149	8,170	9,676	(481,950)	373,957	3,931,126
NET CHANGE IN FUND BALANCES	\$ (362,169)	\$ (703,949)	\$ 9,387	\$ 226,901	\$ 1,317,109	\$ 1,137,822	\$ 1,519,314	\$ (911,315)	\$ (13,727)	\$ 242,370
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	2.83%	0.00%	0.04%	0.12%	1.48%	1.92%	1.78%	1.76%	2.23%	3.63%

(1) Sanitation services are recorded in an enterprise fund beginning in 2009.

Data Source

Audited Financial Statements

VILLAGE OF WESTCHESTER, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2001	\$ 244,896,059	\$ 129,504,194	\$ 11,797,758	\$ 17,698	\$ 386,215,709	1.163	\$ 1,158,647,127	33.333%
2002	310,381,385	143,469,992	13,577,978	18,024	467,447,379	0.984	1,402,342,137	33.333%
2003	307,618,430	140,883,209	13,048,935	14,059	461,564,633	1.022	1,384,693,899	33.333%
2004	317,816,809	145,296,711	13,442,179	13,705	476,569,404	1.006	1,429,708,212	33.333%
2005	375,461,802	160,197,409	13,099,244	13,405	548,771,860	0.903	1,646,315,580	33.333%
2006	381,873,303	161,512,366	13,321,730	19,988	556,727,387	0.922	1,670,182,161	33.333%
2007	407,517,174	170,112,622	14,204,191	28,419	591,862,406	0.894	1,775,587,218	33.333%
2008	N/A	N/A	N/A	37,165	650,189,563	0.848	1,950,568,689	33.333%
2009	N/A	N/A	N/A	45,682	656,599,822	0.843	1,969,799,466	33.333%
2010	N/A	N/A	N/A	47,637	670,014,859	0.849	2,010,044,577	33.333%

Data Source

Office of the County Clerk

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

N/A = Data not available from County.

VILLAGE OF WESTCHESTER, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 PROVISO TOWNSHIP (SCHOOL DISTRICT #93)
 (Per \$100 of Equalized Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Suburban TB Sanitarium	0.007	0.006	0.004	0.001	0.005	0.005	0.005	N/A	N/A	N/A
Des Plaines Valley Mosquito District	0.013	0.011	0.012	0.012	0.011	0.012	0.012	0.012	0.011	0.011
Water Reclamation District	0.401	0.371	0.361	0.347	0.315	0.284	0.263	0.252	0.261	0.274
Westchester Park District	0.323	0.270	0.305	0.294	0.266	0.279	0.318	0.219	0.257	0.264
Triton College District #504	0.306	0.257	0.269	0.259	0.233	0.240	0.224	0.212	0.214	0.225
High School District #209	2.340	1.971	2.061	2.046	1.810	1.878	1.839	1.752	1.759	1.813
School District #93	1.677	1.496	1.570	1.561	1.457	1.525	1.486	1.433	1.567	1.643
Westchester Library Fund	0.218	0.178	0.187	0.188	0.172	0.180	0.173	0.164	0.164	0.166
Village of Westchester	1.163	0.984	1.022	1.006	0.903	0.922	0.894	0.848	0.843	0.849
Proviso Mental Health District	0.146	0.123	0.129	0.129	0.114	0.115	0.117	0.113	0.113	0.117
Proviso General Assistance	0.041	0.035	0.037	0.037	0.033	0.036	0.034	0.033	0.033	0.031
Town of Proviso	0.072	0.060	0.063	0.063	0.056	0.062	0.059	0.057	0.057	0.062
Forest Preserve District	0.067	0.061	0.059	0.060	0.060	0.057	0.053	0.051	0.049	0.051
Consolidated Elections	0.032	-	0.029	-	0.014	-	0.012	-	0.021	-
County of Cook	0.746	0.690	0.630	0.593	0.533	0.500	0.446	0.415	0.394	0.423
TOTAL	7.552	6.513	6.738	6.596	5.982	6.095	5.935	5.561	5.743	5.929

N/A = data not available

Data Source

Cook County Clerk's Office

Note: The Village is wholly situated in Cook County and in Proviso Township. The Village is situated in two different School Districts, 92.5 and 93.
 The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which a property is located.

VILLAGE OF WESTCHESTER, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 PROVISO TOWNSHIP (SCHOOL DISTRICT #92.5)
 (Per \$100 of Equalized Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Suburban TB Sanitarium	0.007	0.006	0.004	0.001	0.005	0.005	0.005	N/A	N/A	N/A
Des Plaines Valley Mosquito District	0.013	0.011	0.012	0.012	0.011	0.012	0.012	0.012	0.011	0.011
Water Reclamation District	0.401	0.371	0.361	0.347	0.315	0.284	0.263	0.252	0.261	0.274
Westchester Park District	0.323	0.270	0.305	0.294	0.266	0.279	0.318	0.219	0.257	0.264
Triton College District #504	0.306	0.257	0.269	0.259	0.233	0.240	0.224	0.212	0.214	0.225
High School District #209	2.340	1.971	2.061	2.046	1.810	1.878	1.839	1.752	1.759	1.813
School District #92.5	2.308	2.537	2.614	2.573	2.270	2.317	2.230	2.116	2.044	2.048
Westchester Library Fund	0.218	0.178	0.187	0.188	0.172	0.180	0.173	0.164	0.164	0.166
Village of Westchester	1.163	0.984	1.022	1.006	0.903	0.922	0.894	0.848	0.843	0.849
Proviso Mental Health District	0.146	0.123	0.129	0.129	0.114	0.115	0.117	0.113	0.113	0.117
Proviso General Assistance	0.041	0.035	0.037	0.037	0.033	0.036	0.034	0.033	0.033	0.031
Town of Proviso	0.072	0.060	0.063	0.063	0.056	0.062	0.059	0.057	0.057	0.062
Forest Preserve District	0.067	0.061	0.059	0.060	0.060	0.057	0.053	0.051	0.049	0.051
Consolidated Elections	0.032	-	0.029	-	0.014	-	0.012	-	0.021	-
County of Cook	0.746	0.690	0.630	0.593	0.533	0.500	0.446	0.415	0.394	0.423
TOTAL	8.183	7.554	7.782	7.608	6.795	6.887	6.679	6.244	6.220	6.334

N/A = data not available

Data Source

Cook County Clerk's Office

Note: The Village is wholly situated in Cook County and in Proviso Township. The Village is situated in two different School Districts, 92.5 and 93. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which a property is located.

VILLAGE OF WESTCHESTER, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Five Years Ago

Taxpayer	2010			Taxpayer	2005		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Long Ridge Office LP	\$ 84,111,223	1	12.55%	Westbrook Center	\$ 31,344,585	1	5.71%
Regency Centers	9,709,930	2	1.45%	Regency Centers	3,775,003	2	0.69%
Marc Realty	6,350,048	3	0.95%	Marc Realty	2,542,853	3	0.46%
Prime Group Realty	4,115,318	4	0.61%	Prime Group Realty	1,965,178	4	0.36%
Grand Prix LLC	3,685,173	5	0.55%	Mariner Health Care	1,504,798	5	0.27%
Westchester Square	3,868,101	6	0.58%	Innkeepers Westchester	1,499,999	6	0.27%
Mariner Health Care	3,821,311	7	0.57%	Wi Fi 2400 LLC	1,181,895	7	0.22%
Albertsons	4,084,471	8	0.61%	Westchester Partners	849,539	8	0.15%
WiFi2400 LLC	3,356,285	9	0.50%	Albertsons	831,991	9	0.15%
J Cacciatore Co.	2,916,236	10	0.44%	Pension fund Laborers Union	829,033	10	0.15%
	<u>\$ 126,018,096</u>		<u>18.81%</u>		<u>\$ 46,324,874</u>		<u>8.43%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data from nine years prior is not available.

Data Source

Office of the County Clerk

VILLAGE OF WESTCHESTER, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$ 4,491,689	\$ 4,456,394	99.21%	\$ -	\$ 4,456,394	99.21%
2002	4,599,682	4,522,678	98.33%	-	4,522,678	98.33%
2003	4,717,191	4,557,690	96.62%	-	4,557,690	96.62%
2004	4,794,288	4,816,021	100.45%	-	4,816,021	100.45%
2005	4,955,410	4,890,241	98.68%	-	4,890,241	98.68%
2006	5,133,027	5,036,497	98.12%	52,163	5,088,660	99.14%
2007	5,291,250	5,219,963	98.65%	27,911	5,247,874	99.18%
2008	5,513,607	5,366,474	97.33%	25,656	5,392,130	97.80%
2009	5,534,475	5,295,456	95.68%	-	5,295,456	95.68%
2010	5,806,234	2,491,858	42.92%	-	2,491,858	42.92%

Data Source

Office of the County Clerk

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

VILLAGE OF WESTCHESTER, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Merchandise	\$ -	\$ 178	\$ 2,688	\$ 2,927	\$ 969	\$ 319	\$ 138	\$ -	\$ 152	\$ -
Food	465,474	445,450	412,071	395,786	395,071	369,357	381,063	370,606	344,437	319,334
Drinking and Eating Places	165,903	172,172	161,276	165,157	174,279	200,753	196,087	185,900	174,563	168,451
Apparel	271	-	-	169	1,031	1,567	1,469	-	949	-
Furniture & H.H. & Radio	11,989	4,859	5,995	6,178	8,776	3,929	1,492	2,034	1,562	2,307
Lumber, Building Hardware	-	258	839	474	3,755	4,543	3,945	10,530	16,662	11,366
Automobile and Filling Stations	238,591	155,302	95,737	94,662	97,787	90,879	82,662	78,224	65,853	73,577
Drugs and Miscellaneous Retail	210,443	195,895	196,108	195,441	192,735	163,121	185,935	164,082	142,019	307,783
Agriculture and All Others	532,539	283,786	207,947	341,486	178,914	153,810	196,479	272,991	156,587	72,808
Manufacturers	3,934	5,244	2,632	2,036	1,937	1,552	10,887	16,989	8,671	10,163
TOTAL	\$ 1,629,143	\$ 1,263,143	\$ 1,085,293	\$ 1,204,318	\$ 1,055,253	\$ 989,831	\$ 1,060,157	\$ 1,101,356	\$ 911,455	\$ 965,789
VILLAGE DIRECT SALES TAX RATE	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	8.00%	8.25%	8.25%	8.25%

Data Source

Illinois Department of Revenue

Note: Data reflects sales in Cook County

VILLAGE OF WESTCHESTER, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Direct Rate	Overlapping Rate		
		Regional Transportation Authority Rate	Cook County Rate	State Rate
2002	1.00%	0.75%	0.75%	6.25%
2003	1.00%	0.75%	0.75%	6.25%
2004	1.00%	0.75%	0.75%	6.25%
2005	1.00%	0.75%	0.75%	6.25%
2006	1.00%	0.75%	0.75%	6.25%
2007	1.00%	0.75%	0.75%	6.25%
2008	1.00%	1.00%	0.75%	6.25%
2009	1.00%	1.00%	0.75%	6.25%
2010	1.00%	1.00%	1.75%	6.25%
2011	1.00%	1.00%	1.25%	6.25%

Data Source

Illinois Department of Revenue

*Effective October 1, 2006, the Village approved a 1% "Places for Eating Tax" that was defined as a place where prepared food is sold at retail for immediate consumption with indoor seating provided, whether the food is consumed on the premises or not. The tax is not reflected in the above chart.

VILLAGE OF WESTCHESTER, ILLINOIS
RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities				Business-Type Activities		Total Primary Government	EAV	Percentage of EAV	Per Capita*
	General Obligation Bonds	Capital Leases	Installment Contracts	Debt Certificates	General Obligation Bonds	Capital Leases				
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 386,215,709	0.00%	\$ -
2003	-	-	-	-	-	-	-	467,447,379	0.00%	-
2004	-	-	-	825,000	-	-	825,000	461,564,633	0.18%	49.36
2005	-	-	-	825,000	-	-	825,000	476,569,404	0.17%	49.36
2006	-	276,183	44,755	715,000	-	-	1,035,938	548,771,860	0.19%	61.98
2007	-	203,031	25,356	600,000	-	-	828,387	556,727,387	0.15%	49.56
2008	-	126,907	5,736	485,000	-	-	617,643	591,862,406	0.10%	36.95
2009	-	252,213	-	370,000	-	-	622,213	650,189,563	0.10%	37.23
2010	-	250,937	220,000	250,000	-	98,583	819,520	656,599,822	0.12%	49.03
2011	3,500,000	123,847	560,000	125,000	1,610,000	25,053	5,943,900	670,014,859	N/A	355.62

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

* See the Schedule of Demographic and Economic Information on page 97 for population data.

N/A = Not Available

VILLAGE OF WESTCHESTER, ILLINOIS

SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2011

	Gross Bonded Debt (1)	Percentage of Debt Applicable to Government (2)	Government's Share of Debt
DIRECT DEBT			
Village of Westchester	\$ 5,235,000	100.00%	\$ 5,235,000
OVERLAPPING DEBT			
Cook County	3,499,615,000	0.47%	16,448,191
Cook County Forest Preserve District	101,935,000	0.47%	479,095
Metropolitan Water Reclamation District	1,945,659,620	0.47%	9,144,600 (3)
Westchester Park District	476,275	98.16%	467,512 (4)
School District 92.5	10,055,000	98.35%	9,889,093
School District 93	2,850,000	49.00%	1,396,500
High School Number 209	47,772,202	21.16%	10,108,598
Total overlapping debt	5,608,363,097		47,933,589
TOTAL	<u>\$ 5,613,598,097</u>		<u>\$ 53,168,589</u>

Notes: (1) Sources: Office of the Cook County Clerk. Certain Gross Bonded Debt amounts as of April 30, 2011 could not be obtained as of the date of printing. In these instances, April 30, 2010 amounts are shown.

(2) Overlapping debt percentages based on 2009 EAV, the most current available for Cook County

(3) Includes revolving loan fund bonds issued with the IEPA.

(4) Excludes outstanding principle amounts of General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation.

VILLAGE OF WESTCHESTER, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	Legal Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2002	\$ 33,311,105	\$ -	\$ 33,311,105	0.00%
2003	40,317,336	-	40,317,336	0.00%
2004	39,809,950	-	39,809,950	0.00%
2005	41,104,111	825,000	40,279,111	2.01%
2006	47,331,573	715,000	46,616,573	1.51%
2007	48,017,737	600,000	47,417,737	1.25%
2008	51,048,133	490,736	50,557,397	0.96%
2009	56,078,850	370,000	55,708,850	0.66%
2010	56,631,735	250,000	56,381,735	0.44%
2011	57,788,782	5,235,000	52,553,782	9.06%

Legal Debt Margin Calculation for Fiscal Year 2010 (latest available):

Assessed Value	\$ 670,014,859
Legal Debt Margin	<u>8.625%</u>
Legal Debt Limit	57,788,782
Debt Applicable to Limit Debt Certificates	<u>5,235,000</u>
Legal Debt Margin	<u><u>\$ 52,553,782</u></u>

VILLAGE OF WESTCHESTER, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2002	\$ -	\$ 984,440	\$ -	0.00%	\$ -
2003	-	30,563	-	0.00%	-
2004	-	-	-	0.00%	-
2005	-	-	-	0.00%	-
2006	-	-	-	0.00%	-
2007	-	-	-	0.00%	-
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	250,000	-	250,000	0.01%	14.96
2011	5,235,000	-	5,235,000	0.26%	313.21

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

* See the schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 86 for property value data.

VILLAGE OF WESTCHESTER, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Calendar Years

Calendar Year	Population	Median Family Income	Family Income Per Capita	Unemployment Rate
2010	16,718	\$ 68,400	\$ 4.09	10.1%
2009	16,824	66,450	3.95	10.0%
2008	16,824	67,451	4.01	7.6%
2007	16,824	70,309	4.18	4.1%
2006	16,824	70,309	4.18	3.7%
2005	16,824	70,309	4.18	5.0%
2004	16,824	70,339	4.18	5.2%
2003	16,824	70,339	4.18	5.7%
2002	16,824	70,339	4.18	5.6%
2001	16,824	70,339	4.18	4.6%

Data Source

U.S. Census Bureau

Unemployment Rate:

Illinois Department of Employment Security
Economic Information and Analysis

VILLAGE OF WESTCHESTER, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Four Years Prior

Employer	2011		Employer	2007	
	Rank	Employees as a % of Village Population		Rank	Employees as a % of Village Population
Gas Secure Solutions Inc.	1	4.47%	Corn Products International	1	3.59%
Corn Products International	2	3.59%	Grove, Inc.	2	1.65%
Sogeti USA, LLC	3	1.44%	Nonni's Food Company, Inc.	3	1.50%
Chicago Laborers' Pension and Welfare Fund	4	0.90%	SAP America Inc.	4	1.50%
Commonscope Corp.	5	0.90%	Jewel Food Stores, Inc.	5	1.26%
Insurance Auto Auctions	6	0.90%	Fresenius Medical Care	6	1.02%
Yellow Book USA, Inc.	7	0.90%	Andrew Corporation	7	0.90%
Revenue Cycle Solutions	8	0.72%	Revenue Cycle Solutions, Inc.	8	0.87%
Per Mar Security Systems	9	0.60%	Software Architects, Inc.	9	0.84%
Healthcare Financial Management Assn.	10	0.42%	Loyola University Physician Foundation	10	0.84%
TOTAL		<u>14.84%</u>	TOTAL		<u>13.97%</u>
Total Population		16,718	Total Population		16,824

Note: Principal employers not available for nine years prior.

Data Source

2011 Illinois Services Directory and 2011 Illinois Manufacturers Directory

VILLAGE OF WESTCHESTER, ILLINOIS

FULL-TIME EMPLOYEES

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
GENERAL GOVERNMENT										
Village Manager's Office	2	2	2	2	2	2	2	2	3	3
Finance	5	5	5	5	5	5	5	5	3	2
Building/Code Enforcement	3	3	3	3	4	4	4	4	4	4
PUBLIC SAFETY										
Police										
Officers	38	37	38	35	35	35	35	35	36	35
Administration/Civilians	11	11	15	15	15	13	13	13	11	8
Fire										
Firefighters and Officers	30	30	28	27	27	27	27	27	28	29
Administration/Civilians	1	1	1	1	1	1	1	1	-	-
PUBLIC WORKS										
Administration	5	5	5	5	5	4	4	4	4	3
Works and Street Maintenance	10	12	12	10	10	8	8	8	8	6
Water/Sewer Operations	10	9	10	10	9	9	9	9	9	9
TOTAL	115	115	119	113	113	108	108	108	106	99

Data Source

Village records

VILLAGE OF WESTCHESTER, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
PUBLIC SAFETY										
Police										
Total Accidents	530	612	580	524	546	510	578	572	376	443
Total Burglaries	67	119	68	129	113	116	129	116	139	83
Total Thefts	206	255	190	198	154	133	174	218	144	160
Total Criminal Damage	189	167	144	161	145	154	212	142	111	115
Total Arrests and Citations	9,035	8,963	10,427	10,335	9,433	10,654	10,089	8,190	8,313	7,553
Total Juvenile Cases	216	252	194	217	167	162	217	210	183	200
Fire										
Ambulance calls	1,699	1,386	1,540	1,835	1,608	1,707	1,491	1,777	1,554	1,716
Fire Alarms	114	102	80	53	61	62	73	40	87	46
Non-Fire Alarms	855	654	690	610	766	672	721	833	710	885
Fire Prevention Inspections	1,624	1,145	1,222	481	92	212	875	587	621	312
PUBLIC WORKS										
Parkway Maintenance (Hours)	968	1,398	1,135	1,151	566	1,119	1,084	683	1,126	1,217
Branch Pick-Up (Hours)	2,990	2,628	2,997	3,147	2,524	3,642	979	1,188	948	1,277
Tree Maintenance (Hours)	1,286	2,078	2,737	2,661	1,987	2,609	887	875	1,296	1,152
Street and Alley Maintenance (Hours)	4,505	4,142	4,824	3,040	2,880	2,241	3,503	3,313	5,127	5,362
Snow Removal and Salt Spreading (Hours)	525	764	765	739	558	950	2,384	1,432	912	1,521
WATER/SEWER										
Sanitary Sewers										
Manholes Inspected	367	417	748	442	734	897	664	901	46	482
Manholes Cleaned & Repaired-Vacuumed	77	26	19	22	1	23	11	79	7	23
Total Feet Replaced	30	6	15	-	-	-	6	20	-	-
Storm Sewers										
Manholes Repaired	1	3	1	1	-	3	10	-	6	-
Total Rodded (Feet)	65,275	38,950	34,200	47,500	25,600	104,000	21,200	47,500	39,300	10,875
Total Replaced/Installed (Feet)	6	-	63	-	-	44	115	-	680	-
Catch Basins Cleaned & Repaired	16	4	1	26	10	34	17	48	47	285
Inlets Cleaned & Repaired	382	321	382	52	303	725	296	1,603	155	549
Jetting Sewer System (Feet)	132,775	78,450	111,850	123,300	127,300	271,300	117,400	196,200	51,800	19,275
Water Main Breaks	49	74	39	36	65	72	45	29	30	39
Fire Hydrants Replaced	11	5	-	1	-	7	9	2	-	3
Water Meters Replaced	450	588	823	426	578	342	147	23	-	-

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
BUILDING DEPARTMENT										
Residential Alteration Permits Issued	161	71	125	138	198	249	266	174	131	102
Commercial Alteration Permits Issued	211	201	157	189	137	139	193	152	186	161
Electrical Permits Issued - Residential	103	56	76	109	223	182	179	163	128	112
Plumbing Permits Issued - Residential	36	23	45	52	176	153	154	202	131	132
Compliance for Sale										
Residential	406	449	741	807	1,139	687	521	353	425	364
Commercial	-	-	-	-	-	3	7	2	3	2
Industry	-	-	-	-	-	1	1	-	-	-
Code Enforcement										
Warning Notices Issued	140	147	230	329	306	424	444	428	367	182
Citations Issued	73	29	132	111	161	139	113	62	111	63

Data Source

Various Village departments

VILLAGE OF WESTCHESTER, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area Patrols	5	5	5	5	5	5	5	5	5	5
Patrol Units	9	9	9	9	9	9	9	9	9	9
Fire										
Fire Stations	2	2	2	2	2	2	2	2	2	2
Fire Engines	4	4	4	4	4	4	4	4	4	4
Ambulance	1	1	1	1	1	1	1	1	1	1
HIGHWAY & STREETS										
Streets (Miles)	N/A	N/A	49	49	49	49	49	49	49	49
WATERWORKS										
Water Mains (Miles)	65	65	65	65	65	65	65	65	65	65
Fire Hydrants	767	767	767	770	782	783	783	783	783	870
Storage Capacity (Gallons)	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250
Storm Drains (Miles)	N/A	N/A	51	51	51	51	51	51	51	51
SEWERAGE										
Sanitary Sewers (Miles)	54	54	54	54	54	54	54	54	54	54

N/A - not available

Data Source

Various Village departments

Note: Most recent data available