

VILLAGE OF LIBERTYVILLE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED APRIL 30, 2008

Prepared by the
Finance Department

Patricia Wesolowski
Director of Finance/Treasurer

VILLAGE OF LIBERTYVILLE, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>INTRODUCTORY SECTION</u>	
Transmittal Letter.....	i - vi
List of Principal Officials.....	vii
Organizational Chart.....	viii
Certificate of Achievement for Excellence in Financial Reporting	ix
<u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITORS' REPORT.....	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 17
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Assets	18 - 19
Statement of Activities.....	20 - 21
Fund Financial Statements	
Balance Sheet – Governmental Funds	22 - 23
Reconciliation of Total Governmental Fund Balance to the Statement of Net Assets - Governmental Activities	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	25 - 26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Activities.....	27
Statement of Net Assets – Proprietary Funds	28 - 29
Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds.....	30
Statement of Cash Flows – Proprietary Funds.....	31
Statement of Net Assets – Fiduciary Funds	32
Statement of Changes in Net Assets – Fiduciary Funds	33
Notes to the Financial Statements.....	34 – 75

VILLAGE OF LIBERTYVILLE, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress - Illinois Municipal Retirement Fund.....	76
Schedule of Employer Contributions – Illinois Municipal Retirement Fund	77
Schedule of Funding Progress - Police Pension Fund	78
Schedule of Employer Contributions – Police Pension Fund	79
Schedule of Funding Progress – Firefighters’ Pension Fund.....	80
Schedule of Employer Contributions – Firefighters’ Pension Fund	81
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund.....	82

OTHER SUPPLEMENTARY INFORMATION

Schedule of Revenues – Budget and Actual – General Fund	83 - 85
Schedule of Expenditures – Budget and Actual – General Fund.....	86 - 103
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual Debt Service Fund.....	104
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual Capital Improvement – Capital Projects Fund.....	105
Schedule of Expenditures – Budget and Actual Capital Improvement – Capital Projects Fund.....	106
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual Tax Increment Financing Construction – Capital Projects Fund.....	107
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual Commuter Parking System – Special Revenue Fund	108
Schedule of Expenditures – Budget and Actual – Commuter Parking – Special Revenue Fund	109
Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual Waterworks and Sewerage - Enterprise Fund	110
Schedule of Operating Expenses – Budget and Actual Waterworks and Sewerage – Enterprise Fund	111 - 113
Schedule of Capital Assets and Depreciation Waterworks and Sewerage – Enterprise Fund	114
Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual Libertyville Sports Complex – Enterprise Fund	115
Schedule of Operating Expenses – Budget and Actual Libertyville Sports Complex – Enterprise Fund	116 - 118
Schedule of Capital Assets and Depreciation Libertyville Sports Complex – Enterprise Fund	119

VILLAGE OF LIBERTYVILLE, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION – Continued

OTHER SUPPLEMENTARY INFORMATION – Continued

Combining Statement of Net Assets - Internal Service Funds..... 120

Combining Statement of Revenues, Expenses, and Changes in Net Assets -
Internal Service Funds..... 121

Combining Statement of Cash Flows - Internal Service Funds 122

Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual
Vehicle Maintenance and Replacement – Internal Service Fund 123

Schedule of Operating Expenses – Budget and Actual
Vehicle Maintenance and Replacement – Internal Service Fund 124

Schedule of Capital Assets and Depreciation
Vehicle Maintenance and Replacement – Internal Service Fund 125

Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual
Technology Equipment and Replacement Service – Internal Service Fund 126

Schedule of Operating Expenses – Budget and Actual
Technology Equipment and Replacement Service – Internal Service Fund 127

Schedule of Capital Assets and Depreciation
Technology Equipment Replacement – Internal Service Fund..... 128

Combining Statement of Net Plan Assets – Pension Trust Funds 129

Combining Statement of Changes in Net Plan Assets – Pension Trust Funds 130

Schedule of Changes in Net Plan Assets –Budget and Actual
Police Pension – Pension Trust Fund..... 131

Schedule of Changes in Net Plan Assets –Budget and Actual
Firefighters’ Pension – Pension Trust Fund..... 132

SUPPLEMENTAL SECTION

Long-Term Debt Requirements

General Obligation Sales Tax Alternative Revenue Bonds of 1997..... 133

General Obligation Sales Tax Alternative Revenue Bonds of 1998..... 134

General Obligation Limited Tax Bonds of 2000..... 135

General Obligation Refunding Bonds of 2001..... 136

General Obligation Refunding Bonds of 2003A..... 137

General Obligation Refunding Bonds of 2003B..... 138

General Obligation Alternate Revenue Bonds of 2000..... 139

General Obligation Refunding Waterworks and Sewerage Bonds of 2001A..... 140

General Obligation Refunding Sports Complex Bonds of 2001..... 141

General Obligation Refunding Bonds of 2004..... 142

General Obligation Waterworks and Sewerage Alternate Revenue Source Bonds of 2006..... 143

IEPA Sewer Revenue Bonds of 1999 144

VILLAGE OF LIBERTYVILLE, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>STATISTICAL SECTION (Unaudited)</u>	
Net Assets by Component – Last Five Fiscal Years	145
Changes in Net Assets – Last Five Fiscal Years.....	146 - 147
Fund Balance of Governmental Funds – Last Ten Fiscal Years.....	148 - 149
General Governmental Revenues by Sources – Last Ten Fiscal Years	150 - 151
General Governmental Expenditures by Function – Last Ten Fiscal Years	152 - 153
Changes in Fund Balances for Governmental Funds – Last Ten Fiscal Years	154 - 155
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years.....	156 - 157
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	158 - 159
Principal Property Tax Payers – Current Year and Nine Years Ago	160
Property Tax Levies and Collections – Last Ten Fiscal Years	161
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	162
Ratio of General Bonded Debt Outstanding to Equalized Assessed Value and Net General Obligation Bonded Debt Per Capita – Last Ten Fiscal Years	163
Schedule of Direct and Overlapping Bonded Debt.....	164
Schedule of Legal Debt Margin	165 - 166
Demographic and Economic Statistics – Last Ten Fiscal Years	167
Principal Employers – Current Fiscal Year and Nine Fiscal Years Ago	168
Full-Time Equivalent Village Government Employees by Fun– Last Ten Fiscal Years.....	169 - 170
Operating Indicators by Function/Program – Last Ten Fiscal Years	171 - 172
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years.....	173 - 174
Additional SEC Rule Disclosures.....	a - o

INTRODUCTORY SECTION

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

June 23, 2008

To the Citizens of the Village of Libertyville:

The comprehensive annual financial report of the Village of Libertyville for the fiscal year ended April 30, 2008 is hereby submitted. This report consists of the Village of Libertyville management staff's representations concerning the finances of the Village of Libertyville. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of Libertyville's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Village of Libertyville's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In 1999, the Governmental Accounting Standards Board (GASB) adopted Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments*. Beginning with the April 30, 2004 financial statements, the Village of Libertyville was required to comply with GASB 34. As such, the reader will notice many changes in scope, approach and presentation with reports after this date as compared to financial statements prior to this date.

The Village of Libertyville's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Libertyville for the fiscal year ended April 30, 2008, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village of Libertyville's financial statements for the fiscal year ended April 30, 2008, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical (unaudited). GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's

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

Profile of the Village of Libertyville

The Village of Libertyville, incorporated in 1882, is located in Lake County and lies approximately thirty-five miles north of the City of Chicago and seven miles west of Lake Michigan. The Village covers an area of approximately nine square miles with unincorporated areas to the north and northwest. The Village has good transportation links to the Chicago metropolitan area and the interstate highway system. The Village is within one-half mile of Interstate 94 (Tri-State Tollway), the highway which connects the Chicago metropolitan area to Milwaukee. Located within commuting distance of Chicago, the Village has experienced strong growth in taxable valuation and new residential, commercial and industrial construction. Socioeconomic indices highlight the affluent character of the community with home values a third higher than the regional norm and per capita income almost double the state average. Although much of the Village is developed, there is open space bordering the corporate limits with the potential for further annexation.

The Village is governed by a President and Board of six trustees. Policy making and legislative authority are vested in the Village Board. The Village Board is responsible for passing ordinances, adopting the budget, appointing committees and hiring the Village's Administrator and Attorney. The Village Administrator is responsible for carrying out the policies and ordinances of the Village Board and for overseeing the day-to day operations of the Village. The Village President and Village Board are elected at large on a non-partisan basis to four-year staggered terms.

The Village provides a full range of services, including police, fire protection and paramedic services, parks and recreation, maintenance of streets, bridges and sewers, building and zoning, code enforcement, water distribution and waste water treatment. The financial reporting entity of the Village of Libertyville, as defined by Governmental Accounting Standards Board Statement No. 14, is comprised of all the funds and account groups of the primary government (i.e., the Village of Libertyville as legally defined). The Village is a member of two intergovernmental insurance pools; the Intergovernmental Personnel Benefit Cooperative (IPBC) and the Intergovernmental Risk Management Agency (IRMA). These pools are defined as public entity risk pools and are accounted for accordingly.

The annual budget serves as the foundation for the Village's financial planning and control. During the month of October, the Village Board meets to review the status of goals and priorities from the previous year and to develop goals for the upcoming year. These goals and priorities are distributed to the department heads as they prepare their budget proposals. All departments of the Village are required to submit their budget requests to the Village Administrator during the first week of January each year. The Village Administrator and Finance Director use these requests to develop the proposed budget which is presented to the Village Board during the second week of February. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30th of each year.

Economic Condition and Outlook

The Village continues to maintain a favorable financial position, with sizable fund balances in relation to revenues and substantial taxing margin still available for general operations. During this past year, the economic situation has slowed considerably. This slowdown has impacted sales tax and building permit revenues. Auto sales account for approximately 65% of sales tax receipts and the Village expects this revenue source to remain flat during the next fiscal year. Overall, the Village's increasing wealth and income levels are reflected in a substantial tax base which continues to appreciate in value. The Village's strong financial condition is recognized by Moody's Investors Service bond rating of Aa1.

Major Initiatives

During the 2007-2008 fiscal year, the Village entered into a contract with Ehlers and Associates to study the current Tax Increment Financing District (TIF) district and worked with the taxing bodies to develop an intergovernmental agreement in order to extend the TIF an additional 12 years. This extension will allow the Village to complete two parking structures on the east and west side of the downtown shopping district. The TIF extension legislation has been passed by the House and Senate and is now awaiting the Governor's signature.

As part of the new branding initiative that began in the 2006-07 fiscal year, the Village replaced four Village entry signs that now incorporate the new "Spirit of Independence" logo. Village staff also worked on a new website for the Village (www.libertyville.com) that also incorporates the new logo and offers residents, businesses and visitors information that can be accessed from any computer.

The Village also continued working on the Butler Lake and connected ponds. The dredging of the lake was completed in the previous fiscal year and during 2007-08 the Village contracted with Integrated Lakes Management to address the overgrowth of cattails and water lilies on the lake. The Village also contracted with JF New to maintain the native prairie buffer that has been planted along the shoreline.

For the Future - For 2008, the Village will continue its emphasis on infrastructure and capital improvements. The 2008-09 budget includes \$1,236,000 in the Motor Fuel Tax and Capital Improvement Funds for road and bridge resurfacing, \$3.5 million in water main, sanitary sewer and wastewater treatment plant improvements, \$8.5 million for construction of a parking structure and \$210,800 for park and playground improvements. Overall, the Village has budgeted over \$16 million in capital expenditures for 2007-08.

The Village Board has approved a contract with a real estate broker to sell the Family Entertainment Center and Golf Learning Center property. While both of these areas of the Libertyville Sports Complex (LSC) were successful, revenues have decreased and are not sufficient to cover the debt service payments. In order to improve the operations and financial condition of the

LSC the Village will also contract with a company to perform an operations and management study of the Indoor Sports Complex.

The Village's Economic Development Coordinator will be working with various property owners in order to redevelop several vacant and shuttered properties within the Village. There has been significant progress on the redevelopment of the Tremont property located at the southwest corner of Lake Street and Milwaukee Avenue. The building is approximately 75% complete and occupancy should occur in early 2009. Several restaurants are planned to occupy the first floor of this building. Staff continues to work with developers on the Fresh Foods property and former gas station located at the southeast corner of Milwaukee and Park Avenues. Village staff has been meeting with the property owners in order to redevelop these parcels and the Mayor and Village Board have made these sites a top priority for this year.

Another Village Board goal is to participate in the Metropolitan Mayor's Caucus "Greenest Region Compact of Metropolitan Chicago" and formalize a strategy of those areas where the Village has or can address environmental and energy issues. These efforts can be promoted to residents through the website and Village Views newsletter. It is anticipated that this would include further efforts to promote residential water conservation, recycling, and internal efforts by the Village to reduce energy consumption.

Financial Information

Management of the Village is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government 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. 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.

Cash Management - Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, money market accounts, commercial paper, United States Agency obligations and obligations of the United States Treasury. As of April 30, 2008, the average yield on General Fund investments was 2.97%. The Police and Firefighters' pension funds realized a yield of 2.76% and 3.96% respectively for this same period. Including the pension funds, the Village earned \$3.3 million on all investments for the year ended April 30, 2008. The Village of Libertyville has developed a comprehensive written investment policy, following these certain cash management and investment principles:

- Safety of principal is of foremost importance to the Village of Libertyville. Each investment transaction will seek first to ensure that capital losses are avoided whether they are from securities defaults or erosion of market value.

- Diversification of investments plays an important part in guaranteeing asset safety. The Village maintains diversity in its investments to avoid incurring unreasonable risks from concentrating investments in specific security types and/or particular financial institutions.

- The investment program must serve operating needs of the Village. The Village's investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements which may be reasonably anticipated in any Village fund.

- Public confidence in the investment program and practices is essential. In managing its investment portfolio, the Village will avoid any transaction that might impair public confidence in the governing body. Investments shall be made based upon standards of care which would, under then current circumstances, be utilized by reasonable, prudent persons in the management of their own affairs. Such standards emphasize proper investment, rather than speculation. Therefore, the safety of capital is more critical to a determination of appropriate investment than the probable income to be derived.

Risk Management - The Village of Libertyville is a member of the Intergovernmental Risk Management Agency (IRMA), which is an organization of sixty-eight municipalities and five special districts in the six-county collar area around Chicago, which have joined together to pool insurance risk, cost, and coverage. IRMA, through its risk-sharing provisions, provides the Village with coverage for liability, property damage, automobile, and worker's compensation insurance. The Village's successful loss control efforts are reflected in its loss experience, which continues to be below the IRMA average. This positive loss experience will help to minimize the rate of increase of the Village's annual IRMA contribution. The Village is a member of the Intergovernmental Public Benefit Cooperative (IPBC) that provides health and life insurance benefits for employees.

Pension and Other Post-Employment Benefits - The Village sponsors a single-employer defined benefit pension plan for its police and fire officers. Each year, an independent actuary engaged by the Village and the pension plans calculates the amount of the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the Village fully funds each year's annual required contribution to the respective pension plans as determined by the actuary. As a result of the Village's conservative funding policy, the Village has succeeded as of April 30, 2007, in funding 66.0% of the Police Pension and 77.6% of the Firefighter's Pension actuarial accrued liabilities. The remaining unfunded liability is being systematically funded through 2033 as part of the annual required contribution calculated by the actuary.

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

Additional information on the Village's pension arrangements can be found in the notes in the financial statements.

Awards and Acknowledgments - The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Libertyville for its comprehensive annual financial report for the fiscal year ended April 30, 2007. This was the fifteenth consecutive year the Village received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied 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, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department and in particular the efforts of the Senior Accountant, Ariel Tax. We would like to express our sincere appreciation to all, as well as the Mayor and Board of Trustees who encourage and insist upon the highest standards of excellence in planning and conducting the financial operations of the Village.

Sincerely,



Kevin J. Bowers
Village Administrator



Patricia A. Wesolowski
Director of Finance

VILLAGE OF LIBERTYVILLE, ILLINOIS

List of Principal Officials

April 30, 2008

LEGISLATIVE

Village President: Jeffrey A. Harger

Village Clerk: Sally Kowal

Village Attorney: David L. Pardys

BOARD OF TRUSTEES

Donna Johnson

Robert Peron

Drew Cullum

Nick Proepper

Luke Lukens

ADMINISTRATIVE

Village Administrator

Director of Finance/Treasurer

Director of Public Works

Community Development

Chief of Police

Fire Chief

Director of Parks and Recreation

Assistant Administrator

Kevin J. Bowens

Patricia A. Wesolowski

John Heinz

John P. Spoden

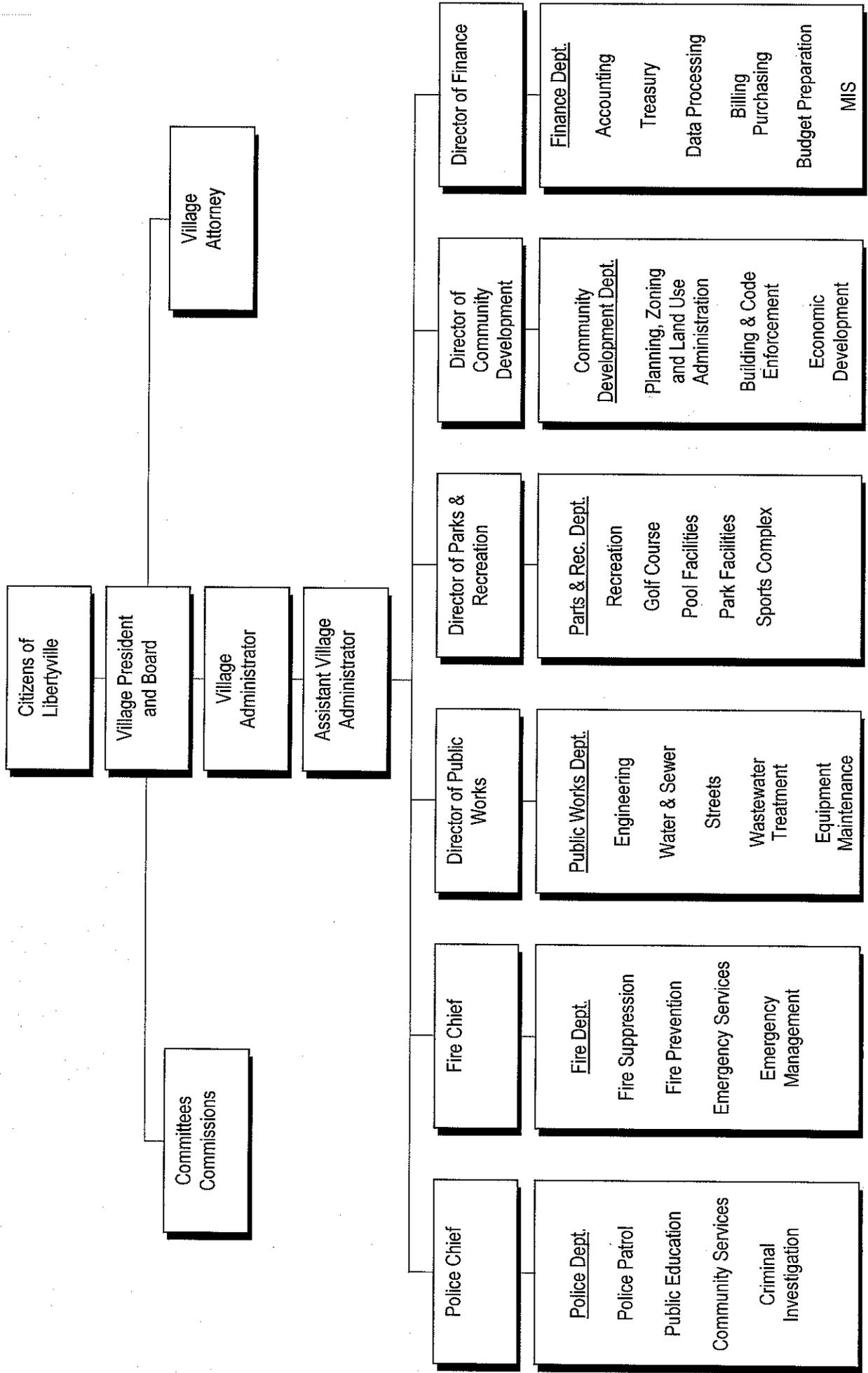
Patrick W. Carey

Richard Carani

James Zych

Kelly Amidei

Village of Libertyville Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Libertyville
Illinois

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

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



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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

INDEPENDENT AUDITORS' REPORT

June 16, 2008

The Honorable Village President
Members of the Board of Trustees
Village of Libertyville, Illinois

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Libertyville, Illinois as of and for the year ended April 30, 2008, which collectively comprise the Village of Libertyville's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village of Libertyville, Illinois' management. Our responsibility is to express opinions on these basic 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 opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Libertyville, Illinois as of April 30, 2008, and the respective changes in financial position and the cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Village of Libertyville, Illinois

June 16, 2008

Page 2

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

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

A handwritten signature in cursive script that reads "Lauterbach & Amen LLP".

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2008

Our discussion and analysis of the Village of Libertyville's financial performance provides an overview of the Village of Libertyville's financial activities for the fiscal year ended April 30, 2008. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, readers are urged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal (beginning on page i) and the Village's financial statements which begin on page 18.

FINANCIAL HIGHLIGHTS

- The Village of Libertyville's net assets exceeded its liabilities as of April 30, 2008, by \$184,965,361. Net assets of governmental activities amounts to \$167,263,623 and for business activities are \$17,701,738.
- The Village of Libertyville's total net assets increased by \$1,660,570 with the general governmental activities net assets increasing by \$2,699,658 and the business-type activities net assets decreasing by \$1,039,088.
- Total revenues for governmental activities equal \$27,525,294 a decrease of \$1,894,212 (6.42%) while expenses equal \$24,928,641 an increase of \$2,254,270 (9.94%).
- Revenues for business-type activities decreased by \$286,296 or 3% while expenses for these activities increased \$634,057 or 6%.
- As of April 30, 2008, total fund balance for the governmental funds was \$22,370,590 or approximately 94% of total the governmental fund expenditures. Total unreserved fund balance for governmental funds was \$19,234,647.
- The Village of Libertyville did not issue any bonds this fiscal year but did enter into a capital lease (installment contract) for the purchase of fitness equipment. Total bonded debt decreased by \$2,796,163 to \$32,577,415 due to scheduled debt maturities.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 18 - 21) provide information about the activities of the Village of Libertyville as a whole and present a longer-term view of the Village of Libertyville's finances. Fund financial statements begin on page 22. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Libertyville's operation in more detail than the government-wide statements by providing information about the Village of

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2008

Libertyville's most significant funds. The report also contains other supplementary and statistical information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village of Libertyville's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 18 - 21 of this report.

The Statement of Net Assets reports information on all of the Village of Libertyville's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village of Libertyville is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village of Libertyville's property tax base and the condition of the Village of Libertyville's roads, is needed to assess the overall health of the Village of Libertyville.

The Statement of Activities presents information showing how the Village'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 earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Village of Libertyville 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 of the Village of Libertyville include general government, public safety, highways and streets, community development, economic development, and parks and recreation. The business-type activities of the Village of Libertyville include waterworks and sewerage and the Libertyville Sports Complex, which includes an indoor recreation center, golf learning center and family entertainment center.

The government-wide financial statements include only the financial activities of the Village of Libertyville. The government-wide statements do not include the Police Pension and Fire Pension Funds as they are considered blended component units. There are no component units such as affiliated school or library districts.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Libertyville, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2008

legal requirements. All of the funds of the Village of Libertyville can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

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

The Village of Libertyville maintains five 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, Debt Service Fund, the Capital Improvements Fund, and the Tax Increment Financing District Construction Fund, all of which are considered major funds. Data from the other governmental fund, Commuter Parking, is listed as a Nonmajor Fund.

The Village of Libertyville adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 22 – 27 of this report.

Proprietary Funds

The Village of Libertyville maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Libertyville utilizes enterprise funds to account for its waterworks and sewerage, and the Libertyville Sports Complex. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village of Libertyville's various functions.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

The Village of Libertyville uses internal service funds to account for its fleet of vehicles and construction equipment and for its technology costs. Because both of these services predominantly benefit governmental rather than business-type functions, they have been consolidated into the governmental column when presented in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund and for the Libertyville Sports Complex Fund, both of which are considered to be major funds of the Village of Libertyville. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 28 - 31 of this 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 of Libertyville's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 32 - 33 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34 - 75 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Libertyville's I.M.R.F. and police and firefighters employee pension obligations. Required supplementary information can be found on pages 76 - 81 of this report. The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 82 - 132 of this report.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis
April 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Libertyville, assets exceeded liabilities by \$184.9 million. Net assets increased .91%, from \$183,304,791 to \$184,965,361. Total net assets for governmental activities increased by \$2,699,658 (1.64%). For business-type activities, net assets decreased by \$1,039,088 (5.54%).

Exhibit 1
Government-wide Financial Analysis Worksheet

Account	Governmental Activities				Business-type Activities				Total Primary Government			
	Current Year	Prior Year	Change	% Chg	Current Year	Prior Year	Change	% Chg	Current Year	Prior Year	Change	% Chg
Statement of Net Assets												
Capital assets	\$ 150,121,456	150,623,008	-501,552	-0.33%	45,299,175	45,844,775	-545,600	-1.19%	195,420,631	196,467,783	-1,047,152	-0.53%
Current and other assets	32,776,872	30,494,968	2,281,904	7.48%	2,584,942	4,145,429	-1,560,487	-37.64%	35,361,814	34,640,397	721,417	2.08%
Total assets	182,898,328	181,117,976	1,780,352	0.98%	47,884,117	49,990,204	-2,106,087	-4.21%	230,782,445	231,108,180	-325,735	-0.14%
Long-term liabilities	3,972,666	5,372,652	-1,399,766	-26.05%	26,882,395	28,488,903	-1,606,508	-5.64%	30,855,281	33,861,555	-3,006,274	-8.88%
Other Liabilities	11,661,819	11,181,359	480,460	4.30%	3,359,984	2,760,475	599,509	21.72%	15,021,803	13,941,834	1,079,969	7.75%
Total Liabilities	15,634,705	16,554,011	-919,306	-5.55%	30,242,379	31,249,378	-1,006,999	-3.22%	45,877,084	47,803,389	-1,926,305	-4.03%
Net assets:												
invested in capital assets, net of related debt	146,129,781	145,149,599	980,182	0.68%	16,895,821	16,156,591	739,230	4.58%	163,025,602	161,306,190	1,719,412	1.07%
Restricted	1,338,773	1,298,287	40,486	3.12%	-	-	-	-	1,338,773	1,298,287	40,486	-
Unrestricted	19,795,069	18,116,079	1,678,990	9.27%	805,917	2,584,235	-1,778,318	-68.81%	20,600,986	20,700,314	-99,328	-0.48%
Total net assets	167,263,623	164,563,965	2,699,658	1.64%	17,701,738	18,740,826	-1,039,088	-5.54%	184,965,361	183,304,791	1,660,570	0.91%

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

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

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

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

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

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

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

By far the largest portion of the Village of Libertyville's net assets, which is 88 percent, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Village of Libertyville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Libertyville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion or 1 percent of the Village of Libertyville's net assets represents resources that are subject to external restrictions on how they may be used. The remaining 11 percent, or \$20.60 million, represents unrestricted net assets and may be used to meet the village's ongoing obligations to citizens and creditors.

Net assets of the Village of Libertyville's governmental activities increased by 1.64% (\$167,263,623 compared to \$164,563,965). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints, total \$19,795,069. As of April 30, 2008, the unrestricted net assets amounts to 79.41% of operating expenses (\$24,928,641) of governmental activities.

During the 2007-08 fiscal year, net assets of business-type activities decreased by 5.54% (\$17,701,738 compared to \$18,740,826). This decrease, however, cannot be offset by the increase reported in governmental activities. The Village of Libertyville generally can only use these net assets to finance the continuing operations of governmental activities of the Village. Excluding depreciation both the Waterworks and Sewage and the Libertyville Sports Complex generated a profit this fiscal year. When depreciation and interest expenditures are added, both funds experienced a net loss. This is the sixth year of operation for the Sports Complex and the Village had anticipated the complex would begin to break even after the third year of operations, however there have been losses since the complex opened. The Village has made adjustments to the last several budgets for the Sports Complex in order to break even or generate a small surplus; however, the large amount of debt expense has continued to cause a net loss for the complex. The Village Board has authorized staff to sell a portion of the property that the Family Entertainment Center and Golf Learning Center are located on. Once this property is sold, the proceeds will be used to pay off a portion of debt in order to reduce annual debt expenditures so the Complex is able to break even or generate a surplus.

Total government-wide revenues decreased from \$40,285,798 to \$38,105,260 or 5.4%. The total government-wide cost of all programs and services increased from \$33,556,363 to \$36,444,690 or 8.6%. Exhibit #2 compares the revenue and expenses for the current and prior fiscal years.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2008

Exhibit 2
Government-Wide Financial Analysis Worksheet

Account	Governmental Activities			Business-type Activities			Total Primary Government		
	Current Year	Prior Year	Change	Current Year	Prior Year	Change	Current Year	Prior Year	Change
Statement of Activities									
Program revenues	\$								
General Government	3,940,484	4,109,949	-169,465	-	-	-	3,940,484	4,109,949	-169,465
Community Development	299,923	423,194	-123,271	-	-	-	299,923	423,194	-123,271
Public Safety	3,092,050	2,773,671	318,379	-	-	-	3,092,050	2,773,671	318,379
Parks & Recreation	1,294,725	1,291,404	3,321	-	-	-	1,294,725	1,291,404	3,321
Waterworks and Sewerage	-	-	-	6,261,728	6,803,946	-542,218	6,261,728	6,803,946	-542,218
Libertyville Sports Complex	-	-	-	3,213,660	3,075,067	138,593	3,213,660	3,075,067	138,593
Capital Grants/Contributions	704,992	601,837	103,155	829,398	695,648	133,748	1,534,388	1,297,485	236,903
General revenues									
Taxes	7,646,558	7,299,285	347,273	24,637	31,542	-6,905	7,671,195	7,330,827	340,368
Intergovernmental	9,299,776	9,793,635	-493,859	-	-	-	9,299,776	9,793,635	-493,859
Interest income	885,382	837,852	47,530	242,545	252,059	-9,514	1,127,927	1,089,911	38,016
Miscellaneous	361,404	2,288,709	-1,927,305	8,000	8,000	-	369,404	2,288,709	-1,927,305
Total Revenues	27,525,294	29,419,536	-1,894,242	10,579,966	10,868,262	-288,296	38,105,260	40,285,798	-2,180,538
Program Expenses									
General Government	2,815,826	2,850,356	-34,530	-	-	-	2,815,826	2,850,356	-34,530
Community Development	1,286,825	1,136,810	150,015	-	-	-	1,286,825	1,136,810	150,015
Public Safety	12,893,235	10,690,910	2,202,325	-	-	-	12,893,235	10,690,910	2,202,325
Public Works	3,848,776	3,730,768	118,008	-	-	-	3,848,776	3,730,768	118,008
Parks & Recreation	3,194,934	3,091,115	103,819	-	-	-	3,194,934	3,091,115	103,819
Economic Development	695,858	939,443	-243,585	-	-	-	695,858	939,443	-243,585
Interest on Long-term Debt	193,187	234,969	-41,782	-	-	-	193,187	234,969	-41,782
Waterworks & Sewerage	-	-	-	7,374,060	7,047,807	326,253	7,374,060	7,047,807	326,253
Libertyville Sports Complex	-	-	-	4,141,989	3,834,185	307,804	4,141,989	3,834,185	307,804
Total Expenses	24,928,641	22,674,371	2,254,270	11,516,049	10,881,992	634,057	36,444,690	33,556,363	2,888,327
Increase (Decrease) In Net Assets Before Transfers	2,596,653	6,745,165	-4,148,512	-936,083	-15,730	-920,353	1,660,570	6,729,435	-5,068,865
Transfers	103,005	102,975	30	-103,005	-102,975	-30	-	-	-
Change in Net assets	2,699,658	6,848,140	-4,148,482	-1,039,088	-118,705	-920,383	1,660,570	6,729,435	-5,068,865
Net Assets - Beginning	164,563,985	157,715,825	6,848,140	18,740,826	18,859,531	-118,705	183,304,791	176,575,356	6,729,435
Net Assets - Ending	\$ 167,263,623	164,563,965	2,699,658	17,701,738	18,740,826	-1,039,088	184,965,361	183,304,791	1,660,570

Governmental Activities

For the fiscal year ended April 30, 2008, revenues from governmental activities decreased from \$29,419,536 to \$27,525,294 (6.42%). Intergovernmental Revenues, which consist of sales tax and state income taxes, which comprise the largest segment of governmental revenues decreased 5.04% from \$9,793,635 to \$9,299,776. The largest decrease is in the miscellaneous revenue category which decreased \$1,927,305 (84.2%). Last fiscal year's miscellaneous revenue included the sale of property which generated \$1.7 million. This was a one time occurrence which increased this revenue source in the 2006-07 fiscal year and is showing a decrease this fiscal year.

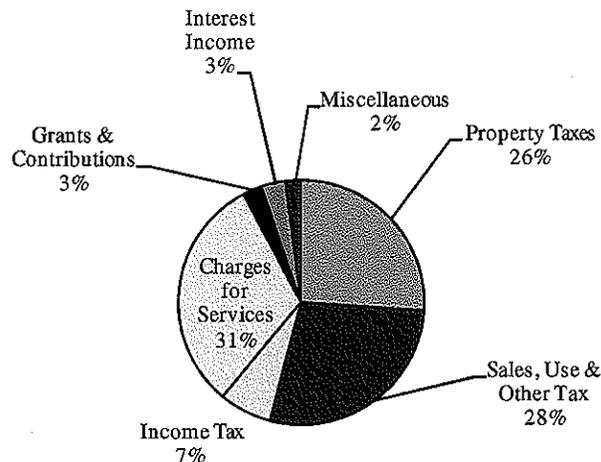
Taxes, which is mainly comprised of property taxes, increased by \$347,273 (4.76%) to \$7,646,558. Taxes comprise 28% of the total governmental activities revenue. The Village's 2006 levy year equalized assessed valuation increased 8.5%, while the property tax rate for the village decreased from .454 to .439 per \$1000 of equalized assessed valuation for tax year 2006. Program revenues, which include fire district payments, building fees, and parks and recreation fees, amounted to \$9,332,174 or 34% of governmental revenues. This revenue source increased \$132,119 (1%) from the previous fiscal year due to increased billing for ambulance and paramedic services.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2008

Sales tax revenues decreased \$345,335 (5%) compared to the previous year and also ended the year below the budget. Some revenue sources fell short of the final budget estimates, but overall revenues were above the final budget.

Revenues by Source - Governmental Activities

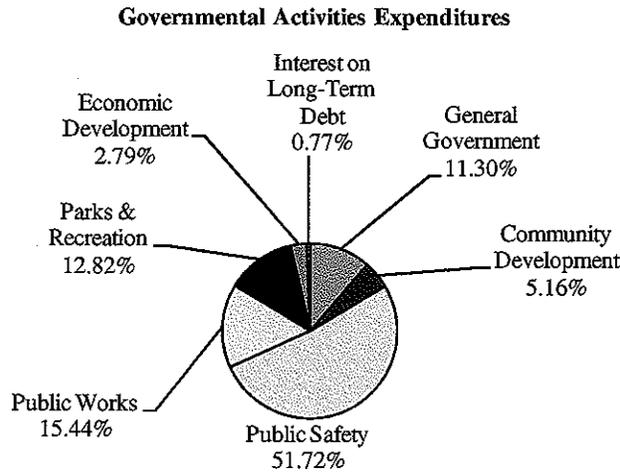


The above table graphically depicts the major revenue sources of the Village of Libertyville. It very clearly shows the reliance of sales and property taxes to fund governmental activities. Approximately 61% of sales tax revenue is generated from auto dealerships. This is down from 70% in previous years due to increased competition from new car dealerships in other surrounding towns and the automotive industry as a whole. The Village's economic development coordinator is working with businesses to attain and attract businesses to the Village of Libertyville.

The cost of all governmental activities this year was \$24,928,641 compared to \$22,674,371 last fiscal year. Due to competition in the local area for qualified employees, the Village did grant a 3.50% salary range adjustment this fiscal year for its union and non-union employees. Expenditures for governmental funds were slightly above budgeted amounts and a budget amendment was necessary due to several major snow events this past winter. A shortage of ice control salt also incurred which increased costs to purchase this commodity. Other costs were due to overtime pay for plowing Village roads.

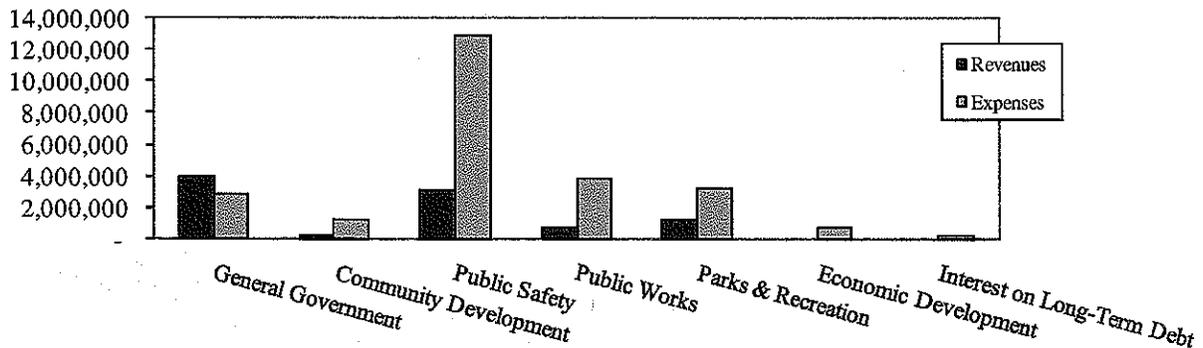
Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2008



The expenses and program revenues table below identifies those governmental functions where program expenses exceed revenues. Most governmental activities do not generate sufficient program revenues to fund operations. These activities are normally financed through general property and sales tax revenues.

Expenses and Program Revenues - Governmental Activities



Village of Libertyville, ILLINOIS

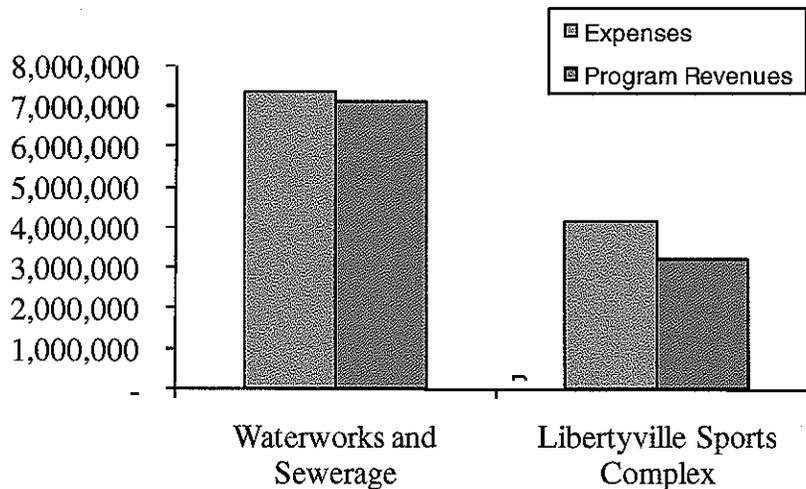
Management's Discussion and Analysis April 30, 2008

Business-type activities

Revenues of the Village's business-type activities decreased by 3% (\$10,886,262 in 2007 compared to \$10,579,966 in 2008) and expenses increased by 6% (\$10,881,992 in 2007 compared to \$11,516,049 in 2008). Key factors behind these results include:

- The waterworks and sewerage system had decreased revenues from due to the slowdown in the housing industry which caused lower connection fees that in the previous fiscal year. Excluding depreciation, this fund had a change in net assets of \$951,067. Once depreciation of \$1,061,826 is included, this becomes a change in net assets of (\$110,759). Expenses before depreciation amounted to \$6,312,234 compared to \$5,993,505 in 2007. This change is attributable to increases in the cost of electricity to run the Wastewater Treatment Plant and increases in the cost of various commodities purchased.
- The Libertyville Sports Complex had an operating income of \$215,191 compared to last year's income of \$417,669. With the addition of depreciation and debt expense, the complex had a net loss or decrease in net assets of \$928,329. Operating expenses before depreciation and debt expense amounted to \$2,520,840 compared to \$2,179,769 in 2007.

Expenses and Program Revenues - Business-Type Activities



The above graph compares program expenses to revenues for waterworks and sewerage operations, and The Libertyville Sports Complex. The Village Board has authorized the sale of a portion of Sports Complex property where the Family Entertainment Center and Golf Learning Center's are located since the underlying property is more valuable than the cash flows generated by these facilities. The proceeds will be used to reduce the amount of debt and to refund the current bonds outstanding. Projections have shown the complex will break even or generate a profit once this is completed. A management analysis of the Indoor Sports Center will also be performed in order to enhance the profitability of the complex.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2008

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$22,370,590, which is 9% above last year's total of \$20,584,109. Approximately 86% of the governmental fund balance total constitutes unreserved fund balance, which is available for spending at the village's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to pay debt service (\$974,048), 2) to fund specific programs (\$1,416,554), or 3) for prepaid insurance premiums and special purposes (\$745,341).

The General fund is the chief operating fund of the Village. At the end of the current fiscal year, unreserved fund balance of the general fund was \$10,447,178, while total fund balance reached \$11,564,940. This is slightly below last year's total fund balance of \$11,627,731. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 48% of total general fund expenditures, while total fund balance represents 53% of that same amount.

The Debt Service Fund has a total fund balance of \$974,048, all of which is reserved for the payment of debt service. The fund balance increased \$12,467 from the previous fiscal year mainly due to earnings on investments.

The Capital Improvement Fund provides funding for capital projects of the Village of Libertyville which are not normal operating or maintenance type expenditures reportable within the general fund or other governmental funds. The total fund balance as of April 30, 2008 is \$2,843,754, of which 100% is unreserved. The Capital Improvement Fund balance increased by \$410,278 this fiscal year. Capital Expenditures amounted to \$1,706,022.

The Tax Increment Financing Construction (TIF) Fund provides funding for the redevelopment of the Village's downtown area. The TIF is due to expire in 2009, although there is legislation pending for a 12 year extension of the TIF in order to complete additional parking improvements for this area. The total fund balance increased by \$1,338,189 to \$5,988,765 as of April 30, 2008. The Village has been accumulating revenues in the TIF Fund in order to construct parking improvements and is currently working with Walker Parking Consultants on design.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

The Commuter Parking Fund is included as a governmental fund but is considered a nonmajor fund. Fund balance increased by \$88,338 to \$999,083. The Village is working with the owners of the Trimm property in order to increase the size of the commuter parking facility and is planning on using a portion of this fund balance for the redevelopment of the train station area.

Proprietary Funds

The Village of Libertyville's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the Waterworks and Sewerage Fund and Sports Complex Fund as major proprietary funds. These funds account for all of the operations of the municipal water and sewer system and the sports complex. Water is purchased from the Central Lake County Joint Action Water Agency (CLCJAWA) at a rate of \$2.15 per thousand gallons. Water is sold to all municipal customers at a rate of \$4.60 per thousand gallons for the first 4,000 gallons and \$4.40 for each additional 1,000 gallons. For users connected to the Village's sewage system, the charge is \$4.40 per thousand gallons for the first 4,000 gallons. For each additional 1,000 gallons, the charge is \$2.60. The spread between purchase and sale rates is intended to finance the operations of the waterworks and sewerage system, including labor costs, supplies, and infrastructure maintenance. The Village Board is reviewing a possible rate increase to fund future improvements to the water, sewer and wastewater systems. The last increase was in June 2006.

The Village intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The loss during the current fiscal year was \$110,759 which includes \$1,061,826 of depreciation. Net assets of the water and sewer fund at the end of the year amounted to \$25,332,621 compared to \$25,443,380 in 2007.

Net assets for the Libertyville Sports Complex Fund amounted to (\$7,630,883) compared to (\$6,702,554) at the end of 2007. The loss for 2008 amounts to \$928,329 which includes \$477,629 in depreciation expense. As mentioned elsewhere in this report, this fund was anticipated to have a loss for the first three years of operation. Due to continued losses in the fourth and fifth years, the Village Board has authorized the sale of a portion of the property where the Family Entertainment Center and Golf Learning Centers are located. The proceeds of this sale will be used to pay a portion of the debt in order to reduce the amount of debt and interest expenses.

GENERAL FUND BUDGETARY HIGHLIGHTS

The 2007-2008 expenditure budget was revised once at the end of the fiscal year. The increases include:

- \$38,900 in General Government due to additional legal costs, increases in the dial-a-ride service, snow removal for the Central Business District parking lots, additional maintenance costs for various Village buildings.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

- \$13,700 in Fire Department due to sick leave buy-back expenses for an employee that retired during the year. This retirement was not known at the time the budget was prepared.
- \$210,100 in Public Works for additional costs associated with snow removal and street lighting electric charges.
- \$18,800 in Parks and Recreation due to sick leave buy-back expense for an employee that retired during the year.
- \$28,000 in Commuter Parking for costs associated with snow removal.
- \$460,980 in the Sports Complex to cover increases in electric costs, concession expenses due to the Village taking over concession operations formerly handled by an outside firm, and bond interest due to the delay in the sale of the Family Entertainment Center property.
- \$48,000 in Vehicle Maintenance budgets to cover costs for gasoline and accident expenses.
- \$261,850 in the Pension Funds for pension payments due to several retirements unknown at the time the budget was prepared.

Revenues in the general fund were \$21,703,460, which was \$190,745 above budget. The final expense budget amounted to \$21,782,605, a \$281,500 variance from the original budget of \$21,501,105. Actual expenses were below the final budget by \$96,354. For the General Fund, sales tax revenues were \$516,490 below the budget of \$6,727,700 due to reduced sales from the automotive category. Ambulance fees were \$93,081 above the budget of \$440,000 due to billing for ambulance and paramedic services within the Fire District area and investment income was \$85,317 above budget of \$454,050 due to rates being above projections for a portion of the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village of Libertyville's investment in capital assets for its governmental and business type activities as of April 30, 2008 was \$195.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, park facilities, roads, sidewalks, and bridges. The Village of Libertyville had a decrease of \$1,047,151 in its capital assets for the current fiscal year despite the addition of \$3,099,788 in assets this fiscal year. Funds were also expended to maintain the Village's infrastructure assets, however, maintenance costs are not included as an increase to a capital asset.

This year's major additions included \$215,041 in machinery and equipment, \$1,711,460 in roadway and infrastructure additions, \$283,516 in sanitary sewer additions and \$586,168 in water system improvements.

Village of Libertyville, ILLINOIS

Management's Discussion and Analysis April 30, 2008

The governmental activities net capital assets decreased from last year by \$501,552 net of depreciation. This is attributable to the fact that the depreciation was greater than the amount of assets added this year. Depreciation increased by \$2,557,142 to a total of \$46,593,439.

For Business-type activities, the net capital assets decreased by \$545,599. A total of \$993,856 was added in water and sewer improvements and \$1,539,455 was expensed as depreciation. Additional information on the Village of Libertyville's capital assets can be found in note 3 on pages 54 – 55 of this report.

Debt Outstanding

At year-end, the Village of Libertyville had total outstanding bonded debt of \$32.6 million as compared to \$35.4 million the previous year, decrease of 8%. The following is a comparative statement of outstanding debt:

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
General Obligation Bonds	\$ 3,700,000	4,940,000	27,355,000	28,560,000	31,055,000	33,500,000
IEPA Loans Payable	-	-	1,154,376	1,312,876	1,154,376	1,312,876
Installment Contracts	291,675	533,409	76,364	27,293	368,039	560,702
Total	3,991,675	5,473,409	28,585,740	29,900,169	32,577,415	35,373,578

The Village did not issue bonds this fiscal year, but did enter into an installment purchase contract for the purchase of fitness equipment for the Indoor Sports Complex.

As of April 30, 2008, the Village of Libertyville maintained an Aa1 rating from Moody's Investors Service for general obligation debt. State statutes limit the amount of general obligation debt a non home-rule community may issue to 8.625% of total assessed value. The current debt limitation for the Village of Libertyville is \$103.8 million, which significantly exceeds the Village's outstanding general obligation debt. Additional information on the Village of Libertyville's long-term debt can be found in Note 3 on pages 57 - 65 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2008-09 budget, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. The unemployment rate for 2007(latest

Village of Libertyville, ILLINOIS

**Management's Discussion and Analysis
April 30, 2008**

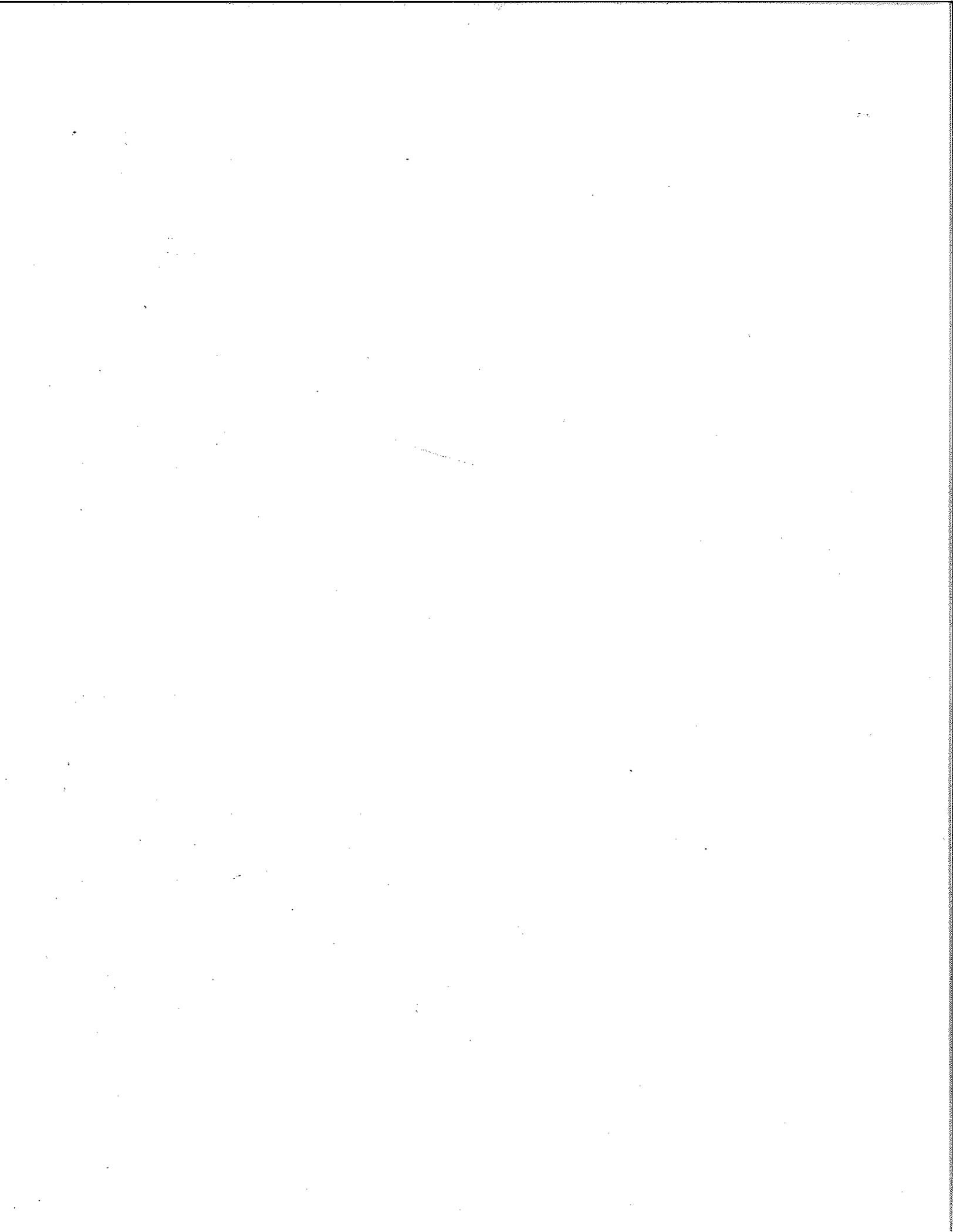
available) for the Village of Libertyville was 2.5%. This is below the latest rate for the Chicagoland area of 6.4% and the national unemployment rate of 5.5%.

Inflation increases in the Midwest area is somewhat lower than the national Consumer Price Index (CPI) increases. The Midwest CPI increase was 4.0% for fiscal year 2007-08 compared with the average national rate of 4.7%.

These indicators were taken into account when adopting the General Fund budget for 2008-09. Amounts available for appropriation in the General Fund budget are \$21,366,365, an increase of \$486,465 over the final 2007-08 budget of \$20,879,900. Budgeted expenditures are expected to increase \$499,950, from \$20,865,540 to \$21,365,490. Due to reductions in sales tax revenues, the budget does not include any capital purchase for the General Fund.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Libertyville 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 information should be directed to Office of the Finance Director, Village of Libertyville, 118 W. Cook Ave., Libertyville, IL 60048.



BASIC FINANCIAL STATEMENTS

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

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

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Net Assets
April 30, 2008

See Following Page

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Statement of Net Assets
April 30, 2008**

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 17,714,305	5,713,503	23,427,808
Receivables - Net	9,866,989	1,111,523	10,978,512
Internal Balances	4,400,729	(4,400,729)	-
Prepaid Items/Inventories	794,849	160,645	955,494
	<u>32,776,872</u>	<u>2,584,942</u>	<u>35,361,814</u>
Capital Assets			
Land	98,301,694	7,043,248	105,344,942
Buildings and Improvements	16,989,687	31,587,893	48,577,580
Machinery and Equipment	6,624,440	2,133,152	8,757,592
Infrastructure	74,799,074	-	74,799,074
Waterworks and Sewerage System	-	28,718,780	28,718,780
	<u>196,714,895</u>	<u>69,483,073</u>	<u>266,197,968</u>
Accumulated Depreciation	(46,593,439)	(24,183,898)	(70,777,337)
	<u>150,121,456</u>	<u>45,299,175</u>	<u>195,420,631</u>
Total Assets	<u>182,898,328</u>	<u>47,884,117</u>	<u>230,782,445</u>

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

	Governmental Activities	Business- Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	726,610	490,295	1,216,905
Accrued Payroll	534,305	124,069	658,374
Deposits Payable	812,227	41,794	854,021
Interest Payable	62,760	517,065	579,825
Unearned Revenues	7,698,984	242,748	7,941,732
Current Portion of Long-Term Debt	1,826,933	1,944,013	3,770,946
	<u>11,661,819</u>	<u>3,359,984</u>	<u>15,021,803</u>
Noncurrent Liabilities			
Net Pension Obligation	116,141	-	116,141
Compensated Absences Payable	1,353,602	290,443	1,644,045
Installment Contracts Payable	113,143	38,277	151,420
IEPA Loans Payable	-	991,061	991,061
General Obligation Bonds Payable	2,390,000	25,685,000	28,075,000
Unamortized Bond Discount	-	(182,386)	(182,386)
	<u>3,972,886</u>	<u>26,822,395</u>	<u>30,795,281</u>
Total Liabilities	<u>15,634,705</u>	<u>30,182,379</u>	<u>45,817,084</u>
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	146,129,781	16,895,821	163,025,602
Restricted - Special Revenues	427,485	-	427,485
Restricted - Debt Service	911,288	-	911,288
Unrestricted	19,795,069	805,917	20,600,986
	<u>167,263,623</u>	<u>17,701,738</u>	<u>184,965,361</u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Activities
Year Ended April 30, 2008

	Expenses	Program Revenues	
		Charges for Services	Capital Grants/ Contributions
Governmental Activities			
General Government	\$ 2,815,826	3,940,484	-
Community Development	1,286,825	299,923	-
Public Safety	12,893,235	3,092,050	-
Public Works	3,848,776	-	704,992
Parks and Recreation	3,194,934	1,294,725	-
Economic Development	695,858	-	-
Interest on Long-Term Debt	193,187	-	-
Total Governmental Activities	24,928,641	8,627,182	704,992
Business-Type Activities			
Waterworks and Sewerage	7,374,060	6,261,728	829,396
Libertyville Sports Complex	4,141,989	3,213,660	-
Total Business-Type Activities	11,516,049	9,475,388	829,396
	36,444,690	18,102,570	1,534,388

General Revenues
Taxes
Property Taxes
Other Taxes
Intergovernmental - Unrestricted
Sales and Use Taxes
Income Taxes
Other
Interest Income
Miscellaneous
Transfers - Internal Activity

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

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

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
1,124,658	-	1,124,658
(986,902)	-	(986,902)
(9,801,185)	-	(9,801,185)
(3,143,784)	-	(3,143,784)
(1,900,209)	-	(1,900,209)
(695,858)	-	(695,858)
(193,187)	-	(193,187)
<u>(15,596,467)</u>	-	<u>(15,596,467)</u>
-	(282,936)	(282,936)
-	(928,329)	(928,329)
-	<u>(1,211,265)</u>	<u>(1,211,265)</u>
<u>(15,596,467)</u>	<u>(1,211,265)</u>	<u>(16,807,732)</u>
7,199,409	24,637	7,224,046
447,149	-	447,149
7,304,853	-	7,304,853
1,909,785	-	1,909,785
85,138	-	85,138
885,382	242,545	1,127,927
361,404	8,000	369,404
103,005	(103,005)	-
<u>18,296,125</u>	<u>172,177</u>	<u>18,468,302</u>
2,699,658	(1,039,088)	1,660,570
<u>164,563,965</u>	<u>18,740,826</u>	<u>183,304,791</u>
<u>167,263,623</u>	<u>17,701,738</u>	<u>184,965,361</u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Balance Sheet - Governmental Funds
April 30, 2008

	<u>General</u>
ASSETS	
Cash and Investments	\$ 6,031,808
Receivables - Net of Allowances	
Property Taxes	4,971,403
Other Taxes	1,582,618
Accounts	528,017
Accrued Interest	52,269
Due from Other Funds	4,400,729
Prepays	<u>690,277</u>
 Total Assets	 <u><u>18,257,121</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	394,973
Accrued Payroll	513,578
Deposits Payable	812,227
Unearned/Deferred Revenues	<u>4,971,403</u>
Total Liabilities	<u>6,692,181</u>
Fund Balances	
Reserved - Prepays	690,277
Reserved - Special Revenues	427,485
Reserved - Debt Service	-
Reserved - Nonmajor Special Revenues	-
Unreserved	<u>10,447,178</u>
Total Fund Balances	<u>11,564,940</u>
 Total Liabilities and Fund Balances	 <u><u>18,257,121</u></u>

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

Debt Service	Capital Improvement	Tax Increment Financing Construction	Nonmajor Commuter Parking	Total
771,173	2,862,268	6,075,813	991,108	16,732,170
240,709	-	2,070,872	-	7,282,984
202,875	-	-	-	1,785,493
-	111,151	-	-	639,168
-	5,036	16,790	5,871	79,966
-	-	-	-	4,400,729
-	-	45,050	10,014	745,341
<u>1,214,757</u>	<u>2,978,455</u>	<u>8,208,525</u>	<u>1,006,993</u>	<u>31,665,851</u>
-	134,701	148,888	5,207	683,769
-	-	-	2,703	516,281
-	-	-	-	812,227
240,709	-	2,070,872	-	7,282,984
<u>240,709</u>	<u>134,701</u>	<u>2,219,760</u>	<u>7,910</u>	<u>9,295,261</u>
-	-	45,050	10,014	745,341
-	-	-	-	427,485
974,048	-	-	-	974,048
-	-	-	989,069	989,069
-	2,843,754	5,943,715	-	19,234,647
<u>974,048</u>	<u>2,843,754</u>	<u>5,988,765</u>	<u>999,083</u>	<u>22,370,590</u>
<u>1,214,757</u>	<u>2,978,455</u>	<u>8,208,525</u>	<u>1,006,993</u>	<u>31,665,851</u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

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

April 30, 2008

Total Governmental Fund Balances \$ 22,370,590

Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Capital assets used in governmental activities are not financial
resources and therefore, are not reported in the funds. 147,610,823

Internal service funds are used by the Village to charge the costs of vehicle
and equipment management and technology services to individual funds.
The assets and liabilities of the internal service funds are included
in the governmental activities in the Statement of Net Assets. 2,791,985

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Pension Obligation Payable (116,141)
Compensated Absences Payable (1,630,874)
General Obligation Bonds Payable (3,700,000)
Accrued Interest Payable (62,760)

Net Assets of Governmental Activities 167,263,623

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
April 30, 2008**

See Following Page

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2008

	<u>General</u>
Revenues	
Taxes	\$ 5,396,947
Licenses and Permits	1,221,835
Intergovernmental	8,487,357
Charges for Services	5,606,483
Fines and Forfeits	232,859
Interest	539,367
Miscellaneous	218,612
Total Revenues	<u>21,703,460</u>
Expenditures	
Current	
General Government	2,408,271
Community Development	1,286,825
Public Safety	12,737,445
Public Works	2,344,969
Parks and Recreation	2,908,741
Economic Development	-
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>21,686,251</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>17,209</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	<u>(80,000)</u>
	<u>(80,000)</u>
Net Change in Fund Balances	(62,791)
Fund Balances - Beginning	<u>11,627,731</u>
Fund Balances - Ending	<u><u>11,564,940</u></u>

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

Debt Service	Capital Improvement	Tax Increment Financing Construction	Nonmajor Commuter Parking	Total
225,311	-	2,024,300	-	7,646,558
-	962,693	-	-	2,184,528
807,004	704,992	5,415	-	10,004,768
-	267,222	-	336,090	6,209,795
-	-	-	-	232,859
6,507	61,144	223,097	27,093	857,208
-	142,784	-	8	361,404
<u>1,038,822</u>	<u>2,138,835</u>	<u>2,252,812</u>	<u>363,191</u>	<u>27,497,120</u>
-	-	-	274,853	2,683,124
-	-	-	-	1,286,825
-	-	-	-	12,737,445
-	-	-	-	2,344,969
-	-	-	-	2,908,741
-	-	695,858	-	695,858
-	1,706,022	-	-	1,706,022
1,240,000	-	-	-	1,240,000
210,660	-	-	-	210,660
<u>1,450,660</u>	<u>1,706,022</u>	<u>695,858</u>	<u>274,853</u>	<u>25,813,644</u>
<u>(411,838)</u>	<u>432,813</u>	<u>1,556,954</u>	<u>88,338</u>	<u>1,683,476</u>
424,305	55,000	-	-	479,305
-	(77,535)	(218,765)	-	(376,300)
<u>424,305</u>	<u>(22,535)</u>	<u>(218,765)</u>	<u>-</u>	<u>103,005</u>
12,467	410,278	1,338,189	88,338	1,786,481
961,581	2,433,476	4,650,576	910,745	20,584,109
<u>974,048</u>	<u>2,843,754</u>	<u>5,988,765</u>	<u>999,083</u>	<u>22,370,590</u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

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

Year Ended April 30, 2008

Net Change in Fund Balances - Total Governmental Funds **\$ 1,786,481**

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

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	1,890,891
Depreciation Expense	(2,219,692)

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

Reductions to Net Pension Obligation	16,933
Additions to Compensated Absences Payable	(100,776)
Retirement of Debt	1,240,000

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

17,473

Internal service funds are used by the Village to charge the costs of vehicle
and equipment management and technology services to individual funds.

The net revenue of certain activities of internal service funds is
reported with governmental activities.

68,348

Changes in Net Assets of Governmental Activities

2,699,658

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Statement of Net Assets - Proprietary Funds
April 30, 2008**

See Following Page

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Net Assets - Proprietary Funds

April 30, 2008

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
ASSETS				
Current Assets				
Cash and Investments	\$ 5,713,503	-	5,713,503	982,135
Receivables - Net of Allowances				
Property Taxes	25,479	-	25,479	-
Accounts	979,478	78,832	1,058,310	66,933
Accrued Interest	27,734	-	27,734	12,445
Due from Other Funds	951,273	-	951,273	-
Inventories	-	36,118	36,118	37,499
Prepays	66,470	58,057	124,527	12,009
Total Current Assets	7,763,937	173,007	7,936,944	1,111,021
Noncurrent Assets				
Capital Assets				
Land	2,272,080	4,771,168	7,043,248	-
Buildings and Improvements	14,140,793	17,447,100	31,587,893	-
Machinery and Equipment	1,684,716	448,436	2,133,152	6,010,533
Waterworks System	14,234,524	-	14,234,524	-
Sewerage System	14,484,256	-	14,484,256	-
	46,816,369	22,666,704	69,483,073	6,010,533
Accumulated Depreciation	(22,034,570)	(2,149,328)	(24,183,898)	(3,499,900)
Total Noncurrent Assets	24,781,799	20,517,376	45,299,175	2,510,633
Total Assets	32,545,736	20,690,383	53,236,119	3,621,654

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

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
LIABILITIES				
Current Liabilities				
Accounts Payable	391,765	98,530	490,295	42,841
Accrued Payroll	76,275	47,794	124,069	18,024
Deposits Payable	41,035	759	41,794	-
Accrued Interest Payable	107,170	409,895	517,065	-
Due to Other Funds	-	5,352,002	5,352,002	-
Unearned/Deferred Revenues	152,981	89,767	242,748	416,000
Compensated Absences Payable	63,805	8,806	72,611	12,226
Installment Contract Payable	-	38,087	38,087	178,532
IEPA Loans Payable	163,315	-	163,315	-
General Obligation Bonds Payable	385,000	1,285,000	1,670,000	-
Total Current Liabilities	1,381,346	7,330,640	8,711,986	667,623
Noncurrent Liabilities				
Compensated Absences Payable	255,219	35,224	290,443	48,903
Installment Contract Payable	-	38,277	38,277	113,143
IEPA Loans Payable	991,061	-	991,061	-
General Obligation Bonds Payable	4,610,000	21,075,000	25,685,000	-
Unamortized Bond Discount	(24,511)	(157,875)	(182,386)	-
Total Noncurrent Liabilities	5,831,769	20,990,626	26,822,395	162,046
Total Liabilities	7,213,115	28,321,266	35,534,381	829,669
NET ASSETS				
Invested in Capital Assets - Net of Related Debt				
Unrestricted	18,656,934	(1,761,113)	16,895,821	2,218,958
	6,675,687	(5,869,770)	805,917	573,027
Total Net Assets	25,332,621	(7,630,883)	17,701,738	2,791,985

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds
Year Ended April 30, 2008**

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
Operating Revenues				
Charges for Services	\$ 6,054,269	3,213,660	9,267,929	-
Interfund Services	-	-	-	1,826,164
Total Operating Revenues	6,054,269	3,213,660	9,267,929	1,826,164
Operating Expenses				
Operations	6,062,911	2,520,840	8,583,751	1,443,741
Depreciation and Amortization	1,069,984	499,070	1,569,054	387,792
Total Operating Expenses	7,132,895	3,019,910	10,152,805	1,831,533
Operating Income (Loss)	(1,078,626)	193,750	(884,876)	(5,369)
Nonoperating Revenues (Expenses)				
Interest Income	242,545	-	242,545	28,174
Connection Fees	207,459	-	207,459	-
Property Tax	24,637	-	24,637	-
Other Income	8,000	-	8,000	68,141
Interest Expense and Fiscal Charges	(241,165)	(1,122,079)	(1,363,244)	(22,598)
	241,476	(1,122,079)	(880,603)	73,717
Income (Loss) Before Contributions and Transfers	(837,150)	(928,329)	(1,765,479)	68,348
Capital Contributions	829,396	-	829,396	-
Transfers Out	(103,005)	-	(103,005)	-
Change in Net Assets	(110,759)	(928,329)	(1,039,088)	68,348
Net Assets - Beginning	25,443,380	(6,702,554)	18,740,826	2,723,637
Net Assets - Ending	25,332,621	(7,630,883)	17,701,738	2,791,985

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Statement of Cash Flows - Proprietary Funds
Year Ended April 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental
	Waterworks and Sewerage	Libertyville Sports Complex	Total	Activities Internal Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 6,455,102	3,191,757	9,646,859	-
Receipts from Interfund Services	-	-	-	1,873,519
Payments to Employees	(1,625,762)	(1,069,805)	(2,695,567)	(409,264)
Payments to Suppliers	(4,232,804)	(133,944)	(4,366,748)	(1,027,622)
	<u>596,536</u>	<u>1,988,008</u>	<u>2,584,544</u>	<u>436,633</u>
Cash Flows from Noncapital Financing Activities				
Transfers Out	(103,005)	-	(103,005)	-
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(164,460)	-	(164,460)	(215,041)
Interest on Capital Debt	(241,165)	(1,122,079)	(1,363,244)	(22,598)
Principal on Capital Debt	(448,500)	(865,929)	(1,314,429)	(241,734)
	<u>(854,125)</u>	<u>(1,988,008)</u>	<u>(2,842,133)</u>	<u>(479,373)</u>
Cash Flows from Investing Activities				
Interest Received	242,545	-	242,545	28,174
Net Change in Cash and Cash Equivalents	(118,049)	-	(118,049)	(14,566)
Cash and Cash Equivalents - Beginning	5,831,552	-	5,831,552	996,701
Cash and Cash Equivalents - Ending	<u>5,713,503</u>	<u>-</u>	<u>5,713,503</u>	<u>982,135</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(1,078,626)	193,750	(884,876)	(5,369)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization Expense	1,069,984	499,070	1,569,054	387,792
Other Income	240,096	-	240,096	68,141
(Increase) Decrease in Current Assets	160,737	(21,903)	138,834	(20,786)
Increase (Decrease) in Current Liabilities	204,345	1,317,091	1,521,436	6,855
Net Cash Provided by Operating Activities	<u>596,536</u>	<u>1,988,008</u>	<u>2,584,544</u>	<u>436,633</u>
Noncash Capital and Related Financing Activities				
Capital Contributions	829,396	-	829,396	-

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Statement of Net Assets - Fiduciary Funds
April 30, 2008**

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,285,528
Investments	
State and Local Obligations	956,849
U.S. Government and Agency Obligations	16,867,313
Mutual Funds	15,511,130
Receivables	
Accrued Interest	<u>402,486</u>
Total Assets	35,023,306
LIABILITIES	
Accounts Payable	<u>15,457</u>
NET ASSETS	
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	<u><u>35,007,849</u></u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Statement of Changes in Net Assets - Fiduciary Funds
Year Ended April 30, 2008**

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 1,449,748
Contributions - Plan Members	<u>538,632</u>
Total Contributions	<u>1,988,380</u>
Investment Income	
Interest Earned	2,129,377
Net Change in Fair Value	<u>(1,003,470)</u>
	1,125,907
Less Investment Expenses	<u>(69,166)</u>
	<u>1,056,741</u>
Total Additions	<u>3,045,121</u>
Deductions	
Administration	66,709
Benefits	<u>1,939,692</u>
Total Deductions	<u>2,006,401</u>
Change in Net Assets	1,038,720
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>33,969,129</u>
Ending	<u><u>35,007,849</u></u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

PAGE

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity.....	36
Blended Component Unit.....	37
Basis of Presentation	
Government-Wide Statements	37 - 38
Fund Financial Statements	38 - 39
Governmental Funds	39
General Fund	39
Special Revenue Funds.....	39
Debt Service Funds.....	39
Capital Projects Fund.....	39 - 40
Proprietary Funds	40
Enterprise Funds	40
Internal Service Funds	40
Fiduciary Funds.....	41
Pension Trust Funds	41
Measurement Focus and Basis of Accounting.....	41
Measurement Focus.....	41 - 42
Basis of Accounting	42 - 43
Assets, Liabilities, and Net Assets or Equity	
Cash and Investments.....	43
Interfund Receivables, Payables and Activity.....	43
Inventories	43
Prepays	44
Receivables.....	44
Capital Assets.....	44 - 45
Compensated Absences.....	45
Long-Term Obligations.....	45
Unearned/Deferred Revenue	46
Fund Equity	46

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information.....	46 - 47
Excess of Actual Expenditures/Expenses over Budget in Individual Funds.....	47
Deficit Fund Equity	47

NOTE 3 – DETAIL NOTES ON ALL FUNDS

Deposits and Investments	47 - 48
Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk	
Village.....	49 - 51
Police Pension Fund	51 - 52
Firefighters' Pension Fund	52 - 53

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

PAGE

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

Property Taxes	53
Capital Assets	
Governmental Activities	54
Business-Type Activities.....	55
Interfund Receivables, Payables and Transfers	
Interfund Balances.....	56
Interfund Transfers.....	56
Long-Term Debt	
General Obligation Bonds/Certificates	57 - 59
IEPA Loans Payable.....	60
Installment Contracts Payable.....	60 - 61
Long-Term Liability Activity.....	61 - 62
Debt Service Requirements to Maturity.....	62 - 63
Legal Debt Margin	63 - 64
Bond Defeasances	64
Fund Equity	
Fund Balance – Reserved for Special Revenues.....	65

NOTE 4 – OTHER INFORMATION

Risk Management	66
Post-employment Benefits.....	67
Contingent Liabilities	
Commitments – CLC-JAWA	67
Litigation	67
Grants	68
Joint Ventures	68
Employee Retirement System – Defined Benefit Pension Plans.....	69
Plan Descriptions, Provisions and Funding Policies	
Illinois Municipal Retirement System	69
Police Pension Plan	70
Firefighters’ Pension Plan	71 - 72
Summary of Significant Accounting Policies and Plan Asset Matters	
Basis of Accounting.....	72
Method Used to Value Investments.....	72
Significant Investments.....	72
Related Party Transactions	72
Annual Pension Cost and Net Pension Obligation.....	73 - 74
Trend Information	75

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Libertyville, Illinois, incorporated in 1882, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, water and sanitary sewer services, recreation services and general administrative services.

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Libertyville
Blended Component Units:	Police Pension Employees Retirement System Firefighters' Pension Employees Retirement System

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the Village.

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Blended Component Unit

Police Pension Employees Retirement System

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

Firefighters' Pension Employees Retirement System

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

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The Village's police and fire safety, highway and street maintenance and reconstruction, parks and recreation, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage services and sports complex are classified as business-type activities.

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

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

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

The Village allocates indirect costs to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid through the General Fund

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

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

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

Governmental Funds

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

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

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

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

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

The Village maintains two major capital projects fund, the Capital Improvements Fund and the Tax Increment Financing Construction Fund, and two nonmajor capital projects fund. The Capital Improvements Fund accounts for the purchase or construction of major capital facilities that are not financed by proprietary funds. The Tax Increment Financing District Construction Fund accounts for resources to acquire property and construct certain improvements in the Tax Increment Financing District.

Proprietary Funds

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

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds, the Waterworks and Sewerage Fund and the Libertyville Sports Complex Fund. The Waterworks and Sewerage Fund accounts for the provision of water and sewer service to the residents of the Village. The Libertyville Sports Complex Fund accounts for all activities associated with the complex, including, but not limited to, purchase of land, construction of facilities, operations, maintenance and all related debt service for the 48-acre site.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains two internal service funds. The Vehicle Maintenance and Replacement Service Fund accounts for costs associated with maintaining and replacing motor vehicles in all Village departments. The Technology Equipment and Replacement Service Fund accounts for acquiring, maintaining, and updating management information systems including computers, communications, software, etc. in all Village departments. The Village's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, public works, etc.).

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

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

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police and Firefighters' Pension Funds account for the accumulation of resources to pay pension costs. Resources are contributed by members at rates fixed by state statutes and by the Village through an annual property tax levy.

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

Basis of Accounting

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

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

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

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

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

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

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Prepays

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

Receivables

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

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

Land Improvements	20 - 30 Years
Buildings and Improvements	10 - 50 Years
Machinery and Equipment	3 - 30 Years
Infrastructure	40 - 50 Years

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Capital Assets – Continued

GASB Statement No. 34 requires the Village to report and depreciate new infrastructure assets effective with the beginning of the 2004 fiscal year. Infrastructure assets include roads, sidewalks, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period; the Village has elected to implement retroactive infrastructure reporting in the current year.

Compensated Absences

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

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

Long-Term Obligations

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

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Unearned/Deferred Revenue

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

Fund Equity

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

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. All departments of the Village submit requests for budgets to the government’s administrator so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested budgets for the next fiscal year. 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 budgeted amounts, but may not change the form of the budget.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

The administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year several supplementary appropriations were necessary.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

<u>Fund</u>	<u>Excess</u>
Libertyville Sports Complex	\$ 60,398
Technology Equipment and Replacement Service	16,377

DEFICIT FUND EQUITY

The following funds had deficit fund equity as of the date of this report:

<u>Fund</u>	<u>Deficit</u>
Libertyville Sports Complex	\$ 7,630,883
Technology Equipment and Replacement Service	246,644

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least 5 million that have appointed an investment advisor may, through that investment advisor, invest up to thirty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

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

Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is 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 the share price, the price for which the investment could be sold.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$6,775,684 and the bank balances totaled \$6,271,910.

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

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1 to 5	6 to 10
Federal Home Loan Bank	\$ 1,000,790	-	1,000,790	-
Federal Home Loan Mortgage Corp	450,834	450,834	-	-
Illinois Metropolitan Investment Trust	4,728,198	4,728,198	-	-
Illinois Funds	10,215,919	10,215,919	-	-
US Treasury Notes	256,383	256,383	-	-
	<u>16,652,124</u>	<u>15,651,334</u>	<u>1,000,790</u>	<u>-</u>

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that the investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements which may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Village's investment policy further states investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. At year-end, the Village's investments U.S. Government Agencies are all rated AAA by Standard & Poor's, and the Village's investment in the Illinois Funds and the Illinois Metropolitan Investment Fund were rated AAAM by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy states that deposits in excess of FDIC or SAIF insurable limits be secured by some form of collateral or insurance. Every pledge of collateral will be documented by an approved written security and pledge agreement.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Eligible collateral or insurance instruments and collateral ratios (market value divided by deposit) are as follows:

a) U.S. Government Securities	110%
b) Obligations of Federal Agencies	110%
c) Obligations of Federal Instrumentalities	110%
d) Obligations of the State of Illinois	110%
e) General Obligation Bonds of the Village	110%
f) Surety Bond issued by the Municipal Bond Investment Assurance (MBIA) or other Village approved issuer	110%

Third party safekeeping is required for all collateral. To accomplish this, the securities can be held at the following locations: a Federal Reserve Bank or its branch office, at another custodial facility – generally in a trust department through book-entry at the Federal Reserve, unless physical securities are involved, or by an escrow agent of the pledging institution. Safekeeping will be documented by an approved written agreement. At year-end, the entire amount of the bank balance of deposits was covered by federal depository collateral or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy states that third party safekeeping is preferred for all securities. To accomplish this, the securities can be held at the following locations: a Federal Reserve Bank or its branch office, at another custodial facility – generally in a trust department through book-entry at the Federal Reserve, unless physical securities are involved, by an escrow agent of the pledging institution, or at a financial institution on the Illinois State Treasurer's approved list of safekeeping banks. Safekeeping will be documented by an approved written agreement. At year-end, the Village's investments in U.S. Government Agencies are all insured or registered with the Village or its agent in the Village's name and the Village's investment in the Illinois Fund and the Illinois Metropolitan Investment Trust are noncategorizable.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that investments shall be diversified to eliminate the risk of loss resulting in over concentration in a specific maturity, issuer, or class of securities. In order to reduce the risk of default, the investment portfolio of the Village shall not exceed the following diversification limits unless specifically authorized by the Board of Trustees:

- No financial institution shall hold more than 40% of the Village's investment portfolio, exclusive of U.S. Treasury securities in safekeeping.
- Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution.
- Commercial paper shall not exceed 10% of the Village's investment portfolio.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

- Deposits in the Illinois Public Treasurer’s Investment Pool shall not exceed 50% of the Village’s investment portfolio.
- Brokered certificates of deposit shall not exceed 25% of the Village’s investment portfolio.

At year-end, the Village’s investment in the Illinois Fund and the Illinois Metropolitan Investment Trust represents more than 5 percent of the total cash and investment portfolio. At year-end, the Village has over 5 percent of the total cash and investment portfolio (other than U.S. Government guaranteed obligations) invested in the Illinois Funds and the Illinois Metropolitan Investment Fund.

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

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$831,132 and the bank balances totaled \$831,132.

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More than 10
Treasury Notes	\$ 2,292,844	-	523,360	1,645,111	124,373
Federal Home Loan Bank	3,377,282	-	337,267	1,631,575	1,408,440
Federal Home Loan Mortgage Corp	1,161,597	-	1,148,231	-	13,366
Federal Farm Credit Bank	1,455,008	-	704,462	515,421	235,125
Government National Mortgage Association	11,004	470	-	10,534	-
Municipal Bonds	956,849	-	326,593	533,392	96,864
	<u>9,254,584</u>	<u>470</u>	<u>3,039,913</u>	<u>4,336,033</u>	<u>1,878,168</u>

Interest Rate Risk. The Fund’s investment policy states that the investment portfolio shall remain sufficiently liquid to pay all benefit payments as well as any operating requirements, which may be reasonably anticipated. Specifically, in no case will the Fund purchase securities with maturities of more than 20 years from the date of purchase.

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Custodial Credit Risk. The Fund’s investment policy does not address custodial credit risk. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund’s investment in U.S. Treasury and Agency securities as well as municipal bonds are categorized as insured, registered, or held by the Fund or its agent in the Fund’s name.

Concentration Risk. The Fund’s investment policy states that not more than 10% of the Pension Fund monies shall be invested in any one financial institution. At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$8,534,237 invested in mutual funds. At year-end, the Fund has over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in the Dodge and Cox Stock Fund (\$1,083,941), Enterprise Group Funds (\$1,785,201) and Vanguard (\$2,531,850).

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

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$449,860 and the bank balances totaled \$449,860.

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

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1 to 5	6 to 10
Federal Home Loan Bank	\$ 4,388,768	704,335	3,421,425	263,008
Federal Home Loan Mortgage Corp	970,638	452,111	518,527	-
Federal Farm Credit Bank	1,210,554	-	417,156	793,398
Federal National Mortgage Association	1,999,137	1,167,246	831,891	-
Government National Mortgage Association	481	15	-	466
IMET	4,536	4,536	-	-
	<u>8,574,114</u>	<u>2,328,243</u>	<u>5,188,999</u>	<u>1,056,872</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Interest Rate Risk. The Fund's investment policy states that the investment portfolio shall remain sufficiently liquid to pay all benefit payments as well as any operating requirements, which may be reasonably anticipated. Specifically, in no case will the Fund purchase securities with maturities of more than 20 years from the date of purchase.

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

Custodial Credit Risk. The Fund's investment policy does not address custodial credit risk. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investment in U.S. Treasury and Agency securities as well as municipal bonds are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

Concentration Risk. The Fund's investment policy states that not more than 10% of the Pension Fund monies shall be invested in any one financial institution. At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$6,976,893 invested in mutual funds. At year-end, the Fund has over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in the Dodge and Cox Stock Fund (\$802,461), Fidelity (\$1,227,982), T Rowe Price (\$1,991,477) and Vanguard (\$2,597,634).

PROPERTY TAXES

Property taxes for 2007 attach as an enforceable lien on January 1, 2007, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Lake County and are payable in two installments, on or about May 1, 2008 and September 1, 2008. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets- Not Being Depreciated				
Land	\$ 98,301,694	-	-	98,301,694
Other Capital Assets				
Buildings and Improvements	16,810,256	179,431	-	16,989,687
Machinery and Equipment	6,459,741	215,041	50,342	6,624,440
Infrastructure	73,087,614	1,711,460	-	74,799,074
	<u>96,357,611</u>	<u>2,105,932</u>	<u>50,342</u>	<u>98,413,201</u>
Less Accumulated Depreciation				
Buildings and Improvements	7,927,420	508,690	-	8,436,110
Machinery and Equipment	3,374,612	444,052	50,342	3,768,322
Infrastructure	32,734,265	1,654,742	-	34,389,007
	<u>44,036,297</u>	<u>2,607,484</u>	<u>50,342</u>	<u>46,593,439</u>
Total Other Capital Assets	<u>52,321,314</u>	<u>(501,552)</u>	<u>-</u>	<u>51,819,762</u>
Total Capital Assets	<u>150,623,008</u>	<u>(501,552)</u>	<u>-</u>	<u>150,121,456</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 72,100
Public Safety	172,723
Public Works	1,688,676
Parks and Recreation	286,193
Internal Service	387,792
	<u>2,607,484</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets - Not Being Depreciated				
Land	\$ 7,043,248	-	-	7,043,248
Other Capital Assets				
Buildings and Improvements	31,463,721	124,172	-	31,587,893
Machinery and Equipment	2,133,152	-	-	2,133,152
Waterworks System	13,648,356	586,168	-	14,234,524
Sewerage System	14,200,740	283,516	-	14,484,256
	<u>61,445,969</u>	<u>993,856</u>	-	<u>62,439,825</u>
Less Accumulated Depreciation				
Buildings and Improvements	8,270,321	759,040	-	9,029,361
Machinery and Equipment	1,486,213	73,317	-	1,559,530
Waterworks System	6,147,479	348,536	-	6,496,015
Sewerage System	6,740,430	358,562	-	7,098,992
	<u>22,644,443</u>	<u>1,539,455</u>	-	<u>24,183,898</u>
Total Other Capital Assets	<u>38,801,526</u>	<u>(545,599)</u>	-	<u>38,255,927</u>
Total Capital Assets	<u>45,844,774</u>	<u>(545,599)</u>	-	<u>45,299,175</u>

Depreciation expense was charged to business-type as follows:

Waterworks and Sewerage	\$ 1,061,826
Libertyville Sports Complex	<u>477,629</u>
	<u>1,539,455</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

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

Receivable Fund	Payable Fund	Amount
General	Libertyville Sports Complex	\$ 4,400,729
Waterworks and Sewerage	Libertyville Sports Complex	<u>951,273</u>
		<u><u>5,352,002</u></u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

	Transfer In		Totals
	Debt Service	Capital Improvements	
Transfer Out			
General	\$ 25,000	55,000	80,000
Capital Improvement	77,535	-	77,535
TIF Construction	218,765	-	218,765
Waterworks and Sewerage	103,005	-	103,005
	<u>424,305</u>	<u>55,000</u>	<u>479,305</u>

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds/Certificates

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

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation (Sales Tax Alternate Revenue Source) Bonds of 1997 (\$1,000,000), due in annual installments of \$30,000 to \$75,000, including interest at 4.375% to 5.15% through December 15, 2017.	Debt Service	\$ 655,000	-	45,000	610,000
General Obligation (Sales Tax Alternate Revenue Source) Bonds of 1998 (\$3,695,000), due in annual installments of \$305,000 to \$435,000, including interest at 3.60% to 3.75% through December 15, 2008.	Debt Service	850,000	-	415,000	435,000
General Obligation Limited Tax Bonds of 2000 (\$1,800,000), due in annual installments of \$10,000 to \$215,000, including interest at 5.20% to 5.70% through December 15, 2019.	Debt Service	1,690,000	-	15,000	1,675,000

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds/Certificates – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds of 2001 (\$2,600,000), due in annual installments of \$340,000 to \$405,000, including interest at 3.25% to 3.75% through December 15, 2008.	Debt Service	\$ 795,000	-	390,000	405,000
General Obligation Refunding Bonds of 2003A (\$665,000), due in annual installments of \$75,000 to \$115,000, including interest at 1.50% to 2.90% through December 15, 2010.	Debt Service	390,000	-	100,000	290,000
General Obligation Refunding Bonds of 2003B (\$1,360,000), due in annual installments of \$260,000 to \$285,000, including interest at 1.50% to 2.90% through December 15, 2008.	Debt Service	560,000	-	275,000	285,000
General Obligation Alternate Revenue Bonds of 2000 (\$5,000,000), due in annual installments of \$180,000 to \$415,000, including interest at 5.125% to 5.15% through December 15, 2020.	Sports Complex	4,230,000	-	215,000	4,015,000

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds/Certificates – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds of 2001A (\$5,290,000), due in annual installments of \$290,000 to \$635,000, including interest at 3.20% to 4.25% through May 1, 2013.	Waterworks and Sewerage	\$ 2,285,000	-	290,000	1,995,000
General Obligation Refunding Bonds of 2001 (\$17,800,000), due in annual installments of \$245,000 to \$1,590,000, including interest at 4.25% to 5.125% through December 15, 2020.	Sports Complex	16,610,000	-	700,000	15,910,000
General Obligation Refunding Bonds of 2004 (\$2,435,000), due in annual installments of \$125,000 to \$250,000, including interest at 4.10% to 4.45% through December 15, 2020.	Sports Complex	2,435,000	-	-	2,435,000
General Obligation Alternate Revenue Bonds of 2006 (\$3,000,000), due in annual installments of \$75,000 to \$330,000, including interest at 3.90% to 4.20% through May 1, 2022.	Waterworks and Sewerage	3,000,000	-	-	3,000,000
		<u>33,500,000</u>	<u>-</u>	<u>2,445,000</u>	<u>31,055,000</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Loan Payable in Illinois Environmental Protection Agency (IEPA), due in annual installments of \$98,449, including interest at 3.015% through September 1, 2014.	Waterworks and Sewerage	\$ 1,312,876	-	158,500	1,154,376

Installment Contracts Payable

The balance on the installment contracts currently outstanding is as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Sports Complex installment contract dated May 24, 2002 due in annual installments of \$12,116 to \$14,000 plus interest through maturity at February 24, 2006.	Sports Complex	\$ 27,293	-	13,378	13,915
Vehicle Maintenance installment contracts due in annual installments of \$12,036 to \$117,345 plus interest through maturity at fiscal year 2005 to fiscal year 2008.	Vehicle Maintenance	533,409	-	241,734	291,675

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts Payable – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Sports Complex installment contract dated December 1, 2007 due in quarterly installments of \$6,624, including interest at 4.35% through maturity at September 1, 2010.	Sports Complex	\$ -	74,955	12,506	62,449
		560,702	74,955	267,618	368,039

Long-term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Obligation	\$ 133,074	-	16,933	116,141	-
Compensated Absences	1,559,880	264,246	132,123	1,692,003	338,401
Installment Contracts	533,409	-	241,734	291,675	178,532
General Obligation Bonds	4,940,000	-	1,240,000	3,700,000	1,310,000
	7,166,363	264,246	1,630,790	5,799,819	1,826,933
Business-type Activities					
Compensated Absences	315,745	94,618	47,309	363,054	72,611
Installment Contracts	27,293	74,955	25,884	76,364	38,087
IEPA Loans Payable	1,312,876	-	158,500	1,154,376	163,315
General Obligation Bonds	28,560,000	-	1,205,000	27,355,000	1,670,000
	30,215,914	169,573	1,436,693	28,948,794	1,944,013

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-term Liability Activity – Continued

The Libertyville Sports Complex, Vehicle Maintenance and Technology Equipment Funds make payments on the installments contracts. Payments on the IEPA bonds payable are made by the Waterworks and Sewerage Fund. The Debt Service, Waterworks and Sewerage and Sports Complex Funds make payments on the general obligation bonds. Governmental compensated absences are retired by the General and Vehicle Maintenance Funds.

Debt Service Requirements to Maturity

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

Fiscal Year Ending April 30	Governmental Activities			
	General Obligation Bonds		Installment Contracts	
	Principal	Interest	Principal	Interest
2009	\$ 1,310,000	167,360	178,532	9,873
2010	180,000	123,398	113,142	2,585
2011	165,000	116,922	-	-
2012	195,000	110,244	-	-
2013	210,000	100,197	-	-
2014	215,000	89,322	-	-
2015	230,000	78,107	-	-
2016	245,000	65,883	-	-
2017	255,000	52,776	-	-
2018	270,000	38,902	-	-
2019	210,000	24,120	-	-
2020	215,000	12,255	-	-
Total	3,700,000	979,486	291,674	12,458

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year Ending April 30	Business-Type Activities					
	General Obligation Bonds		IEPA Loans Payable		Installment Contracts	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 1,670,000	1,288,595	163,315	33,583	38,087	2,668
2010	1,730,000	1,216,481	168,276	28,622	25,241	1,257
2011	1,810,000	1,139,604	173,388	23,510	13,036	213
2012	1,885,000	1,058,927	178,655	18,243	-	-
2013	1,975,000	969,395	184,081	12,816	-	-
2014	2,080,000	874,941	189,673	7,224	-	-
2015	1,920,000	781,236	96,988	1,462	-	-
2016	2,010,000	688,658	-	-	-	-
2017	2,110,000	591,333	-	-	-	-
2018	2,210,000	488,896	-	-	-	-
2019	2,320,000	381,280	-	-	-	-
2020	2,435,000	268,104	-	-	-	-
2021	2,555,000	147,372	-	-	-	-
2022	315,000	20,475	-	-	-	-
2023	330,000	6,930	-	-	-	-
Total	27,355,000	9,922,227	1,154,376	125,460	76,364	4,138

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin – Continued

Assessed Valuation - 2007	<u>\$ 1,203,544,687</u>
Legal Debt Limit - 8.625% of Assessed Valuation	103,805,729
Amount of Debt Applicable to Debt Limit	
General Obligation Bonds of 2000	1,675,000
General Obligation Bonds of 2003A	<u>290,000</u>
Legal Debt Margin	<u>101,840,729</u>

Bond Defeasances

During prior years, the Village defeased general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Since the requirements which normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's general purpose financial statements. Defeased bonds in the amount of \$590,000 are still outstanding as of the date of this report.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND EQUITY

Fund Balance – Reserved for Special Revenues

The following is a schedule of fund balance reservations for special or restricted revenues as of the date of this report:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
General Fund				
Emergency Telephone System 911	\$ 264,018	336,239	320,073	280,184
Foreign Fire Insurance	33,969	29,718	23,158	40,529
Tim/Creek Special Service Area	10,134	23,444	16,258	17,320
Hotel/Motel Tax	90,080	230,113	259,317	60,876
Lucerne/Interlaken Special Service Area	18,738	24,238	14,400	28,576
	416,939	<u>643,752</u>	<u>633,206</u>	427,485
Nonmajor Governmental Funds				
Commuter Parking	<u>910,745</u>	<u>363,191</u>	<u>274,853</u>	<u>999,083</u>
Total Reserved Amount	<u>1,327,684</u>			<u>1,426,568</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the government's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program. The Village currently reports all its risk management activities in its General Fund.

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

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 by-laws of IRMA and experience modification factors based on past member loss experience. Each member assumes the first \$1,000 of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. 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's payments to IRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. The coverages provided by IRMA are generally consistent with the coverages in the prior year.

Risks for medical, dental and health benefits for employees and retirees are provided through the Village's participation in the North Suburban Employee Benefit Cooperative (NSEBC). NSEBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each participating member. NSEBC maintains specific reinsurance coverage for claims in excess of \$100,000 per individual employee participant. The Village pays premiums to NSEBC based upon current employee participation and its prior experience factor with the pool. Current year coverages or underages for participation in the pool are adjusted into the subsequent year's experience factor of premiums.

For insured programs, there have been no significant reductions in insurance coverage over the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current year or for the three prior years.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 4 – OTHER INFORMATION

POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits, the Village provides certain health care insurance benefits for retired employees. In accordance with the personnel policy substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. The retirees pay an annual premium that is equal to the actuarially determined costs for each plan year. Accordingly, no liability has been recorded for post-retirement health care benefits. The Village also provides COBRA health and dental benefits to all prior employees as required by federal law. The prior employee pays 100 percent of the premium.

CONTINGENT LIABILITIES

Commitments – Central Lake County Joint Action Water Agency (CLC-JAWA)

The government has committed to purchase water from the Central Lake County Joint Action Water Agency (CLC-JAWA). The government expects to pay the following minimum amounts:

Year Ending	Amount
2008	\$ 2,393,129
2009	1,686,900
2010	1,602,556
2011	1,602,556
2012	1,602,556
2013-2029	<u>27,243,452</u>
	<u>36,131,149</u>

These amounts have been calculated using the government's current allocation percentage in accordance with the contract. In future years this allocation percentage will be subject to change.

Litigation

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES – Continued

Grants

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

JOINT VENTURE

Central Lake County Joint Action Water Agency (CLCJAWA)

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

CLCJAWA is governed by a board of directors, which consists of one elected official from each member municipality. Each director has an equal vote. The officers of CLCJAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of CLCJAWA; makes all appropriations; approves contracts for sale or purchase of water; adopts resolutions providing for the issuance of bonds or notes by CLCJAWA; and adopts bylaws, rules and regulations. The Village has no explicit and measurable equity interest in CLCJAWA, although there does exist a residual interest in CLCJAWA's assets upon dissolution of the joint venture. The Village has an ongoing financial responsibility for its share of CLCJAWA's liabilities. Each participant is liable for its share of any agency contacts entered into while bound by the intergovernmental agreement, until those contacts are paid off. Additionally, the Village has an ongoing financial responsibility to purchase water from CLCJAWA. To obtain complete government financial statements, write to: Central Lake County Joint Action Water Agency, 200 Rockland Road, Lake Bluff, Illinois 60044.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2008

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 118 West Cook Avenue, Libertyville, IL 60048-1847. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The Police and Firefighters' Pension plans also issue separate reports that may be obtained by writing the Village of Libertyville, 118 West Cook Avenue, Libertyville, Illinois 60048. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

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

Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2007 was 9.79 percent.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 4 – OTHER INFORMATION – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan

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

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

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	26
Current Employees	
Vested	28
Nonvested	<u>12</u>
	<u>66</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions, and Funding Policies – Continued

Firefighters' Pension Plan

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

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

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	14
Current Employees	
Vested	19
Nonvested	<u>12</u>
	<u>45</u>

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

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions, and Funding Policies – Continued

Firefighters' Pension Plan – Continued

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

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

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

Significant Investments

There are no investments (other than U.S. Government and U.S. Government - guaranteed obligations) in any one organization that represent 5 percent or more of net assets available for benefits for either the Police or Firefighters' Pension Plans. Information for IMRF is not available.

Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation

The pension liability was determined in accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers." There was no net pension obligation for the IMRF plan. The pension liability (asset) for the Police and Firefighters' Pension Plans is as follows:

	Police Pension	Firefighters' Pension	Totals
Annual Required Contribution	\$ 788,887	539,085	1,327,972
Interest on the NPO	5,240	4,740	9,980
Adjustment to the ARC	(3,538)	(3,200)	(6,738)
Annual Pension Cost	790,589	540,625	1,331,214
Actual Contribution	798,558	549,589	1,348,147
Increase in the NPO	(7,969)	(8,964)	(16,933)
NPO Beginning of Year	69,869	63,205	133,074
NPO End of Year	61,900	54,241	116,141

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	9.79%	24.81%	22.61%
Employee	4.50%	9.91%	9.455%
Annual Pension Cost	\$677,977	\$790,589	\$540,625
Contributions Made	\$677,977	\$798,558	\$549,589
Actuarial Valuation Date	12/31/2005	4/30/2007	4/30/2007
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	25 Years	26 Years	26 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.00%	5.00%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2008**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

Employer annual pension cost (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.

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2006	\$ 556,124	669,357	518,262
	2007	648,020	721,307	529,639
	2008	677,977	790,589	540,625
Actual Contributions	2006	556,124	724,464	533,880
	2007	648,020	798,558	549,589
	2008	677,977	854,428	595,320
Percentage of APC Contributed	2006	100.00%	108.23%	103.01%
	2007	100.00%	110.71%	103.77%
	2008	100.00%	108.07%	110.12%
Net Pension Obligation	2006	-	73,026	67,446
	2007	-	69,869	63,205
	2008	-	61,900	54,241

REQUIRED SUPPLEMENTARY INFORMATION

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

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

- Schedule of Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Budgetary Comparison Schedule – General Fund

Notes to the Required Supplementary Information

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

VILLAGE OF LIBERTYVILLE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Funding Progress

April 30, 2008

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 12,129,280	\$ 12,077,990	100.42%	\$ (51,290)	\$ 5,696,062	(0.90%)
2003	12,983,971	13,510,740	96.10%	526,769	6,133,563	8.59%
2004	13,135,869	14,374,301	91.38%	1,238,432	6,203,695	19.96%
2005	14,438,306	15,949,450	90.53%	1,511,144	6,138,236	24.62%
2006	16,188,371	17,418,295	92.94%	1,229,924	6,605,711	18.62%
2007	17,094,116	18,561,058	92.10%	1,466,942	6,925,199	21.18%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2008**

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2002	\$ 314,992	\$ 314,992	100.00%
2003	389,481	389,481	100.00%
2004	540,962	540,962	100.00%
2005	556,124	556,124	100.00%
2006	648,020	648,020	100.00%
2007	677,977	677,977	100.00%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
 Schedule of Funding Progress
 April 30, 2008

Actuarial Valuation April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 12,974,373	\$ 20,303,638	63.90%	\$ 7,329,265	\$ 2,584,753	283.56%
2003	12,761,516	21,076,678	60.55%	8,315,162	2,619,717	317.41%
2004	14,417,561	23,037,972	62.58%	8,620,411	2,790,845	308.88%
2005	15,268,089	24,534,390	62.23%	9,266,301	2,954,668	313.62%
2006	16,685,424	26,489,010	62.99%	9,803,586	3,134,860	312.73%
2007	18,319,178	27,745,651	66.03%	9,426,473	3,218,075	292.92%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2008**

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2003	\$ 533,219	\$ 545,383	97.77%
2004	582,020	587,484	99.07%
2005	670,984	667,352	100.54%
2006	724,464	719,433	100.70%
2007	798,558	788,887	101.23%
2008	854,428	841,021	101.59%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Funding Progress

April 30, 2008

Actuarial Valuation April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 10,186,823	\$ 13,558,360	75.13%	\$ 3,371,537	\$ 2,025,081	166.49%
2003	10,186,046	14,004,618	72.73%	3,818,572	2,063,417	185.06%
2004	11,692,117	15,393,069	75.96%	3,700,952	2,114,190	175.05%
2005	12,448,433	16,701,838	74.53%	4,253,405	2,165,528	196.41%
2006	14,146,603	18,337,848	77.14%	4,191,245	2,333,541	179.61%
2007	15,649,951	20,169,717	77.59%	4,519,766	2,430,457	185.96%

VILLAGE OF LIBERTYVILLE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2008**

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2003	\$ 419,493	\$ 414,572	101.19%
2004	478,900	478,147	100.16%
2005	519,107	516,428	100.52%
2006	533,880	527,909	101.13%
2007	549,589	539,085	101.95%
2008	595,320	575,385	103.46%

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 5,378,430	5,378,430	5,396,947
Licenses and Permits	987,650	987,650	1,221,835
Intergovernmental	8,884,200	8,884,200	8,487,357
Charges for Services	5,368,885	5,368,885	5,606,483
Fines and Forfeits	251,000	251,000	232,859
Interest	454,050	454,050	539,367
Miscellaneous	188,500	188,500	218,612
Total Revenues	<u>21,512,715</u>	<u>21,512,715</u>	<u>21,703,460</u>
Expenditures			
General Government	2,311,735	2,442,135	2,408,271
Community Development	1,342,870	1,287,370	1,286,825
Public Safety	12,799,915	12,783,615	12,737,445
Public Works	2,153,040	2,360,140	2,344,969
Parks and Recreation	2,893,545	2,909,345	2,908,741
Total Expenditures	<u>21,501,105</u>	<u>21,782,605</u>	<u>21,686,251</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,610	(269,890)	17,209
Other Financing (Uses)			
Transfers Out	<u>(80,000)</u>	<u>(80,000)</u>	<u>(80,000)</u>
Net Change in Fund Balance	<u>(68,390)</u>	<u>(349,890)</u>	<u>(62,791)</u>
Fund Balance - Beginning			<u>11,627,731</u>
Fund Balance - Ending			<u>11,564,940</u>

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
General, Debt Service, Capital Improvement and
Tax Increment Financing Construction Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Fund
- Budgetary Comparison Schedules – Enterprise Funds
- Combining Statements – Internal Service Funds
- Budgetary Comparison Schedules – Internal Service Funds
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes. The Village's Special Revenue Funds are all nonmajor funds.

Commuter Parking System Fund

The Commuter Parking System Fund is used to account for the operations of the Village's commuter parking lot. Financing is provided by parking fees.

DEBT SERVICE FUND

The Debt Service Fund, a major fund, accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

CAPITAL PROJECTS FUND

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

Capital Improvement Fund

The Capital Improvements Fund is used to account for the acquisition and improvement of Village property including infrastructure and general fixed assets.

Tax Increment Financing Construction

The Tax Increment Financing Construction Fund is used to account for a portion of the infrastructure costs for the tax increment service area.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. The Village's enterprise funds are both major funds.

Waterworks and Sewerage Fund

The Waterworks and Sewerage Fund is used to account for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

Libertyville Sports Complex Fund

The Libertyville Sports Complex Fund is used to account for all activities associated with the complex, but not limited to, purchase of land, construction of facilities, operations, maintenance, and all related debt service for the 48-acre site.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Vehicle Maintenance and Replacement Service Fund

The Vehicle Maintenance and Replacement Service Fund is used to account for costs associated with maintaining and replacing motor vehicles in all Village departments.

Technology Equipment and Replacement Service Fund

The Technology Equipment and Replacement Service Fund is used to account for acquisition, maintenance and updates of management information systems including computers, communications, software, etc. in all Village departments.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund

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

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes			
General Corporate	\$ 838,000	838,000	833,280
Fire Protection	750,000	750,000	754,303
Parks	325,000	325,000	326,212
Recreation	325,000	325,000	326,212
Highway and Bridges - Village	520,000	520,000	507,930
Highway and Bridges - Township	212,000	212,000	229,582
Municipal Retirement	375,000	375,000	371,274
Police Pension	841,000	841,000	844,428
Fire Pension	575,000	575,000	585,320
Special Recreation	123,200	123,200	123,921
Concord/Interlaken Special Service Area	24,030	24,030	24,030
Timber Creek Special Service Area	23,200	23,200	23,306
Leased Car Tax	48,000	48,000	67,297
Hotel/Motel Tax	240,000	240,000	226,591
Foreign Fire Insurance Tax	33,000	33,000	29,453
Personal Property Replacement Tax			
General	106,000	106,000	103,808
Police	10,000	10,000	10,000
Fire	10,000	10,000	10,000
	<u>5,378,430</u>	<u>5,378,430</u>	<u>5,396,947</u>
Licenses and Permits			
Building Plan Review Fees	60,000	60,000	104,820
Building Permits	700,000	700,000	922,963
Zoning Fees	85,000	85,000	60,382
Fire Bureau - Permits/Fees	70,000	70,000	59,214
Liquor Licenses	56,650	56,650	55,730
Other Licenses	16,000	16,000	18,726
	<u>987,650</u>	<u>987,650</u>	<u>1,221,835</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Intergovernmental			
Sales Tax	\$ 6,727,700	6,727,700	6,211,210
Income Tax	1,804,000	1,804,000	1,909,785
Use Tax	281,000	281,000	281,224
Banner Program	1,000	1,000	700
Street/Signal Maintenance Fees	60,500	60,500	64,393
Grants	10,000	10,000	20,045
	<u>8,884,200</u>	<u>8,884,200</u>	<u>8,487,357</u>
Charges for Services			
Libertyville Fire Protection	2,168,000	2,168,000	2,178,824
Ambulance Fees	440,000	440,000	533,081
Golf Rentals	4,000	4,000	5,041
Recreation Fees	784,000	784,000	743,768
Green Fees	90,000	90,000	64,390
Swimming Fees	260,000	260,000	279,490
Swimming Programs	130,000	130,000	136,050
Senior Meals Fees	26,850	26,850	23,578
Parking Fees	5,000	5,000	6,162
Engineering	60,000	60,000	50,288
Burglary Fire Alarm Fees	215,000	215,000	218,495
Elevator Inspection Fees	11,500	11,500	31,140
Fire Services	7,000	7,000	67,644
Legal Fee Reimbursement	15,000	15,000	12,935
Birth/Death Certificates	123,000	123,000	134,423
Cable Franchise Fee	225,000	225,000	257,475
Telecom Infrastructure Maintenance Fee	380,000	380,000	404,634
Police Services	78,000	78,000	79,642
Damage to Village Property	-	-	2,104
Senior Center Sponsorship	5,000	5,000	4,055
Concessions - Pools	40,000	40,000	37,441
Pro Shop Merchandise	1,500	1,500	912
Telephone Surcharge	177,000	177,000	169,010
Wireless Surcharge	123,035	123,035	165,901
	<u>5,368,885</u>	<u>5,368,885</u>	<u>5,606,483</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Fines and Forfeits			
Local Fines	\$ 120,000	120,000	103,901
Circuit Court Fines	125,000	125,000	125,241
DUI Fines - Senate Bill 740	6,000	6,000	3,717
	<u>251,000</u>	<u>251,000</u>	<u>232,859</u>
Interest			
Investment Income	454,050	454,050	539,367
Miscellaneous			
Park Rentals	1,500	1,500	8,615
Scholarship/Donations	13,500	13,500	4,700
Tree Program	6,000	6,000	8,612
Hazardous Material Reimbursement	-	-	612
Drug Forfeiture	-	-	750
D.A.R.E. Donations	-	-	1,500
Cash Over	-	-	465
Insurance Surplus	100,000	100,000	138,674
Goosedrop Festival	7,500	7,500	2,482
Miscellaneous	60,000	60,000	52,202
	<u>188,500</u>	<u>188,500</u>	<u>218,612</u>
Total Revenues	<u>21,512,715</u>	<u>21,512,715</u>	<u>21,703,460</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government			
Legislative	\$ 115,705	142,205	141,354
Administration and Finance	1,121,225	1,121,225	1,120,725
Legal	352,000	415,000	414,927
Public Buildings	181,790	200,090	199,735
Community Organization/Activities	174,700	183,700	180,435
Senior Programs	62,055	68,855	68,833
Central Business District Parking	16,200	23,000	22,945
Hotel/Motel Tax	288,060	288,060	259,317
	<u>2,311,735</u>	<u>2,442,135</u>	<u>2,408,271</u>
Community Development			
Planning	439,050	425,550	424,574
Building Services	712,775	705,775	702,631
Economic Development	191,045	156,045	159,620
	<u>1,342,870</u>	<u>1,287,370</u>	<u>1,286,825</u>
Public Safety			
Police Department			
Administration/Communication/Records	2,027,235	1,997,235	1,971,568
Patrol Services	3,986,865	3,986,865	4,043,981
Investigation	575,525	575,525	557,405
Public Education	9,700	9,700	7,642
Community Service	180,415	180,415	162,526
	<u>6,779,740</u>	<u>6,749,740</u>	<u>6,743,122</u>
Fire Services Department			
Administration	209,265	217,265	218,473
Fire Prevention	253,755	266,955	266,948
Emergency Services	4,649,140	4,657,140	4,656,761
Support Services	546,060	530,560	530,119
Foreign Fire Insurance	32,500	32,500	23,158
	<u>5,690,720</u>	<u>5,704,420</u>	<u>5,695,459</u>
Emergency Management Agency	<u>5,350</u>	<u>5,350</u>	<u>3,791</u>
Emergency Telephone System (911)	<u>324,105</u>	<u>324,105</u>	<u>295,073</u>
Total Public Safety	<u>12,799,915</u>	<u>12,783,615</u>	<u>12,737,445</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Works			
Engineering	\$ 385,635	382,635	383,251
Highways and Bridges	1,467,535	1,503,935	1,503,826
Snow Removal and Ice Control	253,970	427,670	427,234
Concord/Interlaken Special Service Area	21,700	21,700	14,400
Timber Creek Special Service Area	24,200	24,200	16,258
	<u>2,153,040</u>	<u>2,360,140</u>	<u>2,344,969</u>
Parks and Recreation			
Parks	1,404,450	1,451,750	1,451,680
Recreation	944,065	915,565	915,448
Libertyville Golf Course	169,860	159,860	159,760
Swimming Pool	375,170	382,170	381,853
	<u>2,893,545</u>	<u>2,909,345</u>	<u>2,908,741</u>
Total Expenditures	<u>21,501,105</u>	<u>21,782,605</u>	<u>21,686,251</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
General Government			
Legislative			
Salaries	\$ 45,600	46,000	39,800
Employer Contribution - IMRF	1,680	2,480	1,519
Employer Contribution - FICA & Medicare	4,360	4,360	4,141
Travel, Training, Subscriptions and Dues	23,490	23,490	31,001
Appearance Review Committee	3,500	3,500	1,368
Board of Police and Fire Commissions	9,375	28,175	28,109
Economic Development Commission	600	600	1,948
Keep Libertyville Beautiful	1,500	1,500	819
Plan Commission/Zoning Board of Appeals	15,600	15,600	16,149
Business appreciation Breakfast	-	4,500	4,577
Miscellaneous	10,000	12,000	11,923
	<u>115,705</u>	<u>142,205</u>	<u>141,354</u>
Administration and Finance			
Salaries	613,835	613,835	609,095
Employer Contribution - IMRF	60,900	60,900	58,041
Employer Contribution - FICA & Medicare	42,600	42,600	41,193
Materials and Supplies	700	700	-
Telephone	18,390	18,390	20,748
Maintenance - Copy Machines	7,815	7,815	6,360
Maintenance - Motor Vehicles	2,960	2,960	2,960
Maintenance - Other Equipment	450	450	840
Vital Records	19,500	19,500	26,141
Insurance	102,445	102,445	104,958
Intergovernmental Risk Management Agency	115,460	115,460	113,717
Postage	18,675	18,675	15,884
Office Supplies	10,000	10,000	12,346
Audit Services	19,450	19,450	18,415
Travel, Training, Subscriptions and Dues	11,910	11,910	10,935
Technical Services	3,500	3,500	3,344
Credit Card/Bank Fees	1,500	1,500	4,583
Publication	20,200	20,200	16,535
Printing	23,800	23,800	21,371
Section 125 Administration Fees	4,380	4,380	6,007

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration and Finance - Continued			
Employee Programs	\$ 15,000	15,000	20,299
Cash Under	-	-	102
Vehicle Replacement Fees	4,755	4,755	4,755
Miscellaneous	3,000	3,000	2,096
	<u>1,121,225</u>	<u>1,121,225</u>	<u>1,120,725</u>
Legal			
Village Attorney	200,000	215,000	214,924
Village Prosecutor	45,000	45,000	44,477
Labor Counsel	50,000	60,000	60,268
Litigation	50,000	88,000	88,513
Special Projects	5,000	5,000	5,413
Miscellaneous	2,000	2,000	1,332
	<u>352,000</u>	<u>415,000</u>	<u>414,927</u>
Public Buildings			
Salaries	52,555	52,555	52,062
Employer Contribution - IMRF	5,245	5,245	5,023
Employer Contribution - FICA & Medicare	4,010	4,010	3,768
Materials and Supplies	-	-	44
North Shore Gas	1,500	1,500	1,562
Maintenance - Village Hall	23,000	26,000	27,541
Maintenance - Schertz Building	54,000	69,300	69,189
Maintenance - Motor Vehicle	4,980	4,980	4,980
Insurance	13,330	13,330	13,052
Intergovernmental Risk Management Agency	6,650	6,650	6,605
Uniforms	250	250	165
Civic Center	9,000	9,000	11,201
Vehicle Replacement Costs	1,710	1,710	1,710
Brainerd Community Center	3,000	3,000	1,115
Miscellaneous	2,560	2,560	1,718
	<u>181,790</u>	<u>200,090</u>	<u>199,735</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Organization/Activities			
Dial-A-Ride	\$ 15,000	24,000	22,222
Northern Illinois Special Recreation Assn.	114,200	114,200	123,225
Special Events	20,000	20,000	20,000
Mosquito Control	25,000	25,000	14,988
Miscellaneous	500	500	-
	<u>174,700</u>	<u>183,700</u>	<u>180,435</u>
Senior Programs			
Salaries	26,845	28,345	28,304
Employer Contribution - IMRF	2,720	2,720	2,649
Employer Contribution - FICA & Medicare	2,150	2,150	2,165
Materials and Supplies	4,000	4,200	4,759
Meal Supplies	300	300	1,227
Utilities	240	240	299
Contractual Services	16,000	21,100	21,066
Senior Trips	8,000	8,000	8,314
Special Events	1,800	1,800	-
Miscellaneous	-	-	50
	<u>62,055</u>	<u>68,855</u>	<u>68,833</u>
Central Business District Parking			
Materials and Supplies	1,200	1,200	556
Maintenance - Parking Lots	10,000	16,800	17,289
Rent	5,000	5,000	3,300
Miscellaneous	-	-	1,800
	<u>16,200</u>	<u>23,000</u>	<u>22,945</u>
Hotel/Motel Tax			
Libertyville Days	24,000	24,000	30,000
Cook House	8,800	8,800	11,372
Chamber Book	2,000	2,000	-
Goosedrop Festival	5,000	5,000	822
Mainstreet Libertyville	10,000	10,000	10,000
Banner Program	1,000	1,000	7,668
Village Band	3,000	3,000	3,596

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
General Government - Continued			
Hotel/Motel Tax - Continued			
Lake County Convention	\$ 10,000	10,000	10,000
Special Events	21,000	21,000	22,561
Sports Complex Marketing	120,000	120,000	95,222
Adler Cultural Center	69,000	69,000	67,016
Lease Payments	14,260	14,260	1,060
	<u>288,060</u>	<u>288,060</u>	<u>259,317</u>
Total General Government	<u>2,311,735</u>	<u>2,442,135</u>	<u>2,408,271</u>
Community Development			
Planning			
Salaries	293,870	293,870	294,733
Employer Contribution - IMRF	29,380	29,380	28,431
Employer Contribution - FICA & Medicare	21,250	21,250	21,211
Materials and Supplies	4,000	4,000	3,889
Telephone	4,000	4,000	4,708
Maintenance - Motor Vehicle	2,150	2,150	2,150
Insurance	53,895	47,895	47,178
Intergovernmental Risk Management Agency	5,320	5,320	6,171
Postage	2,000	2,000	1,206
Technical Services	4,000	-	-
Travel, Training, Subscriptions and Dues	5,000	5,000	4,832
Printing and Photoprocessing	9,000	5,500	5,348
Vehicle Replacement Fees	4,185	4,185	4,185
Miscellaneous	1,000	1,000	532
	<u>439,050</u>	<u>425,550</u>	<u>424,574</u>
Building Services			
Salaries	464,095	457,095	456,958
Employer Contribution - IMRF	46,300	46,300	44,062
Employer Contribution - FICA & Medicare	35,500	35,500	33,633

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Community Development - Continued			
Building Services - Continued			
Materials and Supplies	\$ 2,500	2,500	2,880
Telephone	4,000	4,000	4,748
Maintenance - Motor Vehicle	14,695	14,695	14,695
Maintenance - Other Equipment	2,100	2,100	1,493
Insurance	89,095	89,095	90,488
Intergovernmental Risk Management Agency	14,290	14,290	15,213
Office Supplies	3,500	3,500	4,345
Travel, Training, Subscriptions and Dues	7,000	7,000	4,705
Technical Services	24,000	24,000	25,222
Reimbursable Expenses	1,000	1,000	-
Printing and Publication	4,000	4,000	2,895
Miscellaneous	700	700	1,294
	<u>712,775</u>	<u>705,775</u>	<u>702,631</u>
Economic Development			
Salaries	77,500	71,500	70,113
Employer Contribution - IMRF	7,750	7,750	6,779
Employer Contribution - FICA & Medicare	5,930	5,930	5,127
Materials and Supplies	2,000	2,000	132
Insurance	15,935	15,935	16,361
Intergovernmental Risk Management Agency	1,330	1,330	501
Postage	1,000	1,000	200
Travel, Training, Subscriptions and Dues	6,600	6,600	5,576
Technical Services	2,000	2,000	2,765
Economic Development Incentives	60,000	31,000	30,772
Promotion and Activities	8,000	8,000	8,897
Printing and Publication	3,000	3,000	1,250
Miscellaneous	-	-	11,147
	<u>191,045</u>	<u>156,045</u>	<u>159,620</u>
Total Community Development	<u>1,342,870</u>	<u>1,287,370</u>	<u>1,286,825</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety			
Police Department			
Administration/Communication/Records			
Salaries - Uniformed	\$ 416,240	386,240	307,102
Salaries - Civilian	181,735	181,735	168,523
Salaries - Dispatchers	306,625	306,625	343,323
Employer Contribution - IMRF	48,835	48,835	48,697
Employer Contribution - FICA & Medicare	39,200	39,200	39,939
Contractual Services	66,000	66,000	97,958
Materials and Supplies	5,000	5,000	5,393
Telephone	20,000	20,000	24,276
Maintenance - Motor Vehicles Fees	9,510	9,510	9,510
Maintenance - Other Equipment	3,000	3,000	1,048
Insurance	716,750	716,750	710,091
Intergovernmental Risk Management Agency	134,600	134,600	139,420
Postage	3,500	3,500	4,299
Office Supplies	9,000	9,000	9,911
Travel, Training, Subscriptions and Dues	9,000	9,000	7,406
Medical Services	500	500	518
Sick Leave Buyback	39,900	39,900	39,720
Photocopying	6,000	6,000	4,427
Printing and Publications	4,340	4,340	4,606
Uniforms	5,000	5,000	3,929
Miscellaneous	2,500	2,500	1,472
	<u>2,027,235</u>	<u>1,997,235</u>	<u>1,971,568</u>
Patrol Services			
Salaries - Uniformed	2,752,810	2,752,810	2,795,487
Employer Contribution - FICA & Medicare	33,000	33,000	32,013
Contractual Services	1,000	1,000	334
Materials and Supplies	23,000	23,000	24,526
Maintenance - Motor Vehicles Fees	121,200	121,200	121,200
Maintenance - Other Equipment	5,120	5,120	3,501
Squad Equipment Changeover	20,000	20,000	18,952
Travel, Training, Subscriptions and Dues	14,000	14,000	24,551
Equipment Rental and User Fees	5,200	5,200	5,105
Uniforms	30,000	30,000	28,435

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Patrol Services - Continued			
Northern Illinois Crime Lab	\$ 21,000	21,000	21,000
Police Pension	841,500	841,500	854,428
Capital Outlays	11,500	11,500	6,995
Vehicle Replacement Fees	107,435	107,435	107,435
Miscellaneous	100	100	19
	<u>3,986,865</u>	<u>3,986,865</u>	<u>4,043,981</u>
Investigations			
Salaries - Uniformed	535,110	535,110	519,526
Employer Contribution - FICA & Medicare	7,755	7,755	7,434
Contractual Services	1,725	1,725	1,495
Materials and Supplies	2,500	2,500	1,575
Maintenance - Motor Vehicles Fees	10,180	10,180	10,180
Maintenance - Other Equipment	500	500	90
Travel, Training, Subscriptions and Dues	1,000	1,000	740
Uniforms	4,600	4,600	4,612
Northern Illinois Crime Lab	10,830	10,830	10,824
Drug Forfeiture Expense	500	500	810
Miscellaneous	825	825	119
	<u>575,525</u>	<u>575,525</u>	<u>557,405</u>
Public Education			
Materials and Supplies	6,500	6,500	4,642
Maintenance - Motor Vehicles Fees	2,200	2,200	2,200
Travel, Training, Subscriptions and Dues	1,000	1,000	800
	<u>9,700</u>	<u>9,700</u>	<u>7,642</u>
Community Services			
Salaries - Civilian	140,905	140,905	127,511
Employer Contribution - IMRF	10,415	10,415	9,461
Employer Contribution - FICA & Medicare	10,770	10,770	9,374
Materials and Supplies	500	500	59
Maintenance - Motor Vehicles Fees	13,525	13,525	13,525
Travel, Training, Subscriptions and Dues	500	500	63

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Community Services - Continued			
Animal Care	\$ 2,000	2,000	659
Uniforms	1,800	1,800	1,874
	<u>180,415</u>	<u>180,415</u>	<u>162,526</u>
Total Police Department	<u>6,779,740</u>	<u>6,749,740</u>	<u>6,743,122</u>
Fire Department			
Administration			
Salaries - Uniformed	110,945	110,945	102,711
Salaries - Civilian	55,990	55,990	55,902
Employer Contribution - IMRF	5,600	5,600	5,394
Employer Contribution - FICA & Medicare	5,430	5,430	4,969
Telephone	21,000	21,000	28,716
Postage	2,000	2,000	2,186
Office Supplies	2,600	2,600	2,666
Travel, Training, Subscriptions and Dues	600	600	539
Sick Leave Buyback	-	8,000	11,379
Photocopying	4,600	4,600	3,515
Miscellaneous	500	500	496
	<u>209,265</u>	<u>217,265</u>	<u>218,473</u>
Fire Prevention			
Salaries - Uniformed	97,465	99,665	102,915
Salaries - Civilian	92,560	92,560	90,222
Employer Contribution - IMRF	9,250	9,250	8,706
Employer Contribution - FICA & Medicare	7,070	7,070	8,055
Maintenance - Motor Equipment Fees	6,660	6,660	6,660
Maintenance - Other Equipment	200	200	-
Postage	-	-	90
Office Supplies	200	200	-
Public Education	2,300	13,300	12,980
Travel, Training, Subscriptions and Dues	2,300	2,300	2,820
Sick Leave Buyback	35,600	35,600	34,500
Photocopying	150	150	-
	<u>253,755</u>	<u>266,955</u>	<u>266,948</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Emergency Services			
Salaries - Uniformed	\$ 2,442,290	2,442,290	2,410,983
Salaries - Paid on Call	41,520	41,520	11,052
Salaries - Dispatchers	203,565	203,565	214,659
Employer Contribution - IMRF	20,310	20,310	20,758
Employer Contribution - FICA & Medicare	47,400	47,400	44,301
Contractual Services	665,075	665,075	662,012
Firefighter/EMS Supplies	16,400	16,400	11,515
Insurance	480,415	480,415	487,668
Intergovernmental Risk Management Agency	124,920	124,920	139,294
Office Supplies	250	250	179
Travel, Training, Subscriptions and Dues	14,775	14,775	19,037
Technical Services	7,000	7,000	4,726
Rental & User Fees	5,170	5,170	5,170
Sick Leave Buyback	-	8,000	26,551
Photocopying	150	150	-
Firefighters' Pension	576,000	576,000	595,320
Paid on Call Pensions	2,800	2,800	2,450
Miscellaneous	1,100	1,100	1,086
	<u>4,649,140</u>	<u>4,657,140</u>	<u>4,656,761</u>
Support Services			
Salaries - Uniformed	29,595	14,095	13,050
Employer Contribution - FICA & Medicare	415	415	16
Materials and Supplies	14,000	14,000	14,099
Firefighter/EMS Supplies	24,400	24,400	24,431
Utilities	26,000	26,000	24,597
Maintenance - Buildings	20,000	20,000	20,762
Maintenance - Grounds	2,600	2,600	6,871
Maintenance - Motor Equipment	151,870	151,870	151,870
Maintenance - Other Equipment	10,200	10,200	7,387
Uniforms	16,380	16,380	16,352
Vehicle Replacement Fees	250,000	250,000	250,000
Miscellaneous	600	600	684
	<u>546,060</u>	<u>530,560</u>	<u>530,119</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Foreign Fire Insurance			
Firefighting/EMS Equipment	\$ 32,500	32,500	23,158
Total Fire Department	5,690,720	5,704,420	5,695,459
Emergency Management Agency			
Materials and Supplies	100	100	-
Electricity	400	400	168
Telephone	1,500	1,500	1,528
Maintenance - Other Equipment	2,000	2,000	1,727
Computer Equipment and Supplies	500	500	-
Office Supplies	100	100	-
Public Education	-	-	17
Travel, Training, Subscriptions and Dues	700	700	-
Photocopying	50	50	-
Capital Outlays	-	-	351
	5,350	5,350	3,791
Emergency Telephone System (911)			
Salaries	75,415	75,415	94,386
Employer Contribution - IMRF	7,615	7,615	9,088
Employer Contribution - FICA & Medicare	5,895	5,895	7,086
Materials and Supplies	500	500	55
Telephone	50,500	50,500	60,672
Maintenance - Other Equipment	19,150	19,150	18,326
Maintenance - 911 Equipment	105,000	105,000	69,086
Computer Equipment and Supplies	5,500	5,500	2,942
Insurance	6,060	6,060	6,198
Intergovernmental Risk Management Agency	9,970	9,970	9,905
Office Supplies	500	500	1,348
Travel, Training, Subscriptions and Dues	6,000	6,000	4,647
Technical Services	3,000	3,000	1,350
Uniforms	2,000	2,000	755
Capital Outlay	17,000	17,000	9,229

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Emergency Telephone System (911) - Continued			
Computer Aided Dispatch Equipment	\$ 10,000	10,000	-
	324,105	324,105	295,073
Total Public Safety	12,799,915	12,783,615	12,737,445
Public Works			
Engineering			
Salaries	241,510	238,510	237,971
Employer Contribution - IMRF	23,650	23,650	22,574
Employer Contribution - FICA & Medicare	18,430	18,430	17,577
Materials and Supplies	1,850	1,850	1,724
Telephone	3,375	3,375	4,722
Maintenance - Vehicles	10,610	10,610	10,610
Maintenance - Other Equipment	800	800	851
Insurance	63,335	63,335	64,196
Intergovernmental Risk Management Agency	6,780	6,780	6,736
Office Supplies	5,515	5,515	6,002
Travel, Training, Subscriptions and Dues	2,600	2,600	3,002
Technical Services	215	215	4
Vehicle Replacement Fees	6,965	6,965	6,965
Miscellaneous	-	-	317
	385,635	382,635	383,251
Highways and Bridges			
Salaries - Administration	76,430	76,430	65,986
Salaries - Clerical	15,210	15,210	15,257
Salaries - Maintenance	356,810	356,810	356,728
Employer Contribution - IMRF	44,520	44,520	41,447
Employer Contribution - FICA & Medicare	33,900	33,900	32,210
Materials and Supplies	16,000	16,000	16,695
Streetlights - Energy	104,400	140,800	142,101
Streetlights - Maintenance	77,300	77,300	79,834
Maintenance - Buildings	7,200	7,200	7,907
Maintenance - Roadway Medians	10,800	10,800	11,528
Maintenance - Motor Equipment Fees	193,190	193,190	193,190

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Works - Continued			
Highways and Bridges - Continued			
Maintenance - Other Equipment	\$ 1,400	1,400	866
Maintenance - Streets and Alleys	40,600	40,600	60,370
Maintenance - Sidewalks	45,000	45,000	41,527
Maintenance - Storm Sewers	11,300	11,300	11,079
Maintenance - Signs	7,300	7,300	10,131
Insurance	159,575	159,575	157,397
Intergovernmental Risk Management Agency	56,420	56,420	52,591
Equipment Rental	6,500	6,500	8,584
Travel, Training, Subscriptions and Dues	2,000	2,000	1,249
Technical Services	5,000	5,000	4,165
Traffic Signal Maintenance	44,265	44,265	40,932
Photoprocessing	-	-	2,025
Uniforms	5,500	5,500	3,382
Capital Outlay	7,495	7,495	7,285
Vehicle Replacement Fees	139,170	139,170	139,170
Miscellaneous	250	250	190
	<u>1,467,535</u>	<u>1,503,935</u>	<u>1,503,826</u>
Snow Removal and Ice Control			
Salaries - Administration	17,140	17,140	12,293
Salaries - Maintenance	120,390	160,390	160,731
Employer Contribution - IMRF	13,630	16,730	16,796
Employer Contribution - FICA & Medicare	10,500	12,600	12,739
Materials and Supplies	75,000	199,000	199,020
Maintenance - Other Equipment	7,000	11,500	11,419
Intergovernmental Risk Management Agency	8,310	8,310	7,263
Contractual Service	1,000	1,000	963
Sick Leave Buy Back	-	-	2,299
Miscellaneous	1,000	1,000	3,711
	<u>253,970</u>	<u>427,670</u>	<u>427,234</u>
Concord/Interlaken Special Service Area			
Maintenance of Retention Pond	5,500	5,500	3,288
Landscaping	10,200	10,200	11,112
Miscellaneous	6,000	6,000	-
	<u>21,700</u>	<u>21,700</u>	<u>14,400</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Public Works - Continued			
Timber Creek Special Service Area			
Maintenance of Retention Pond	\$ 4,200	4,200	5,652
Landscaping	16,000	16,000	10,606
Miscellaneous	4,000	4,000	-
	<u>24,200</u>	<u>24,200</u>	<u>16,258</u>
Total Public Works	<u>2,153,040</u>	<u>2,360,140</u>	<u>2,344,969</u>
Parks and Recreation			
Parks			
Salaries - Full Time	688,990	704,990	705,807
Salaries - Part Time	49,300	49,300	49,247
Employer Contribution - IMRF	70,300	70,300	69,557
Employer Contribution - FICA & Medicare	56,480	56,480	56,278
Contractual Services	18,300	18,300	20,561
Materials and Supplies	16,300	16,300	14,872
Electricity	7,000	7,000	6,815
North Shore Gas	1,200	1,200	1,852
Telephone	5,800	5,800	6,624
Gasoline and Oil	1,700	1,700	1,856
Maintenance - Building	11,300	11,300	9,904
Maintenance - Grounds	29,840	30,140	38,925
Maintenance - Motor Vehicles	68,240	68,240	68,240
Maintenance - Other Equipment	13,840	13,840	10,862
Maintenance - Roads and Parking Lots	750	750	-
Insurance	175,320	175,320	179,417
Intergovernmental Risk Management Agency	31,590	31,590	28,126
Office Supplies	250	250	208
Travel, Training, Subscriptions and Dues	2,000	2,000	2,203
Tree Surgery and Spraying	38,000	38,000	25,961
Nursery Stock and Trees	6,250	6,250	9,570
Equipment Rental	600	600	185
Maintenance Radios	200	200	-
Sick Leave Buy Back	-	31,000	33,413

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Parks - Continued			
Unemployment Benefits	\$ 5,190	5,190	6,171
Uniform	6,900	6,900	5,820
Vehicle Replacement Fees	98,310	98,310	98,310
Miscellaneous	500	500	896
	<u>1,404,450</u>	<u>1,451,750</u>	<u>1,451,680</u>
Recreation			
Salaries - Administrative Staff	167,285	167,285	165,700
Salaries - Tot Programs	103,720	99,720	98,830
Salaries - Youth/Teen Programs	103,925	94,925	93,294
Salaries - Special/Cultural Events	59,255	59,255	55,099
Employer Contribution - IMRF	21,460	21,460	21,596
Employer Contribution - FICA & Medicare	33,190	33,190	31,346
Supplies and Expenses - Tot Programs	10,000	10,000	10,856
Supplies and Expenses - Youth Programs	25,000	25,000	26,445
Electricity	35,000	35,000	40,016
North Shore Gas	3,000	3,000	2,203
Telephone	9,500	9,500	11,587
Maintenance - Motor Vehicles	1,110	1,110	1,110
Maintenance - Building	25,000	25,000	29,078
Independent Contractor	156,430	156,430	157,604
Cultural Arts Expenses	16,250	13,750	13,323
Insurance	38,470	38,470	38,900
Intergovernmental Risk Management Agency	25,930	25,930	30,294
Seasonal Brochures	38,000	38,000	32,043
Office Supplies	8,000	8,000	9,900
Travel, Training, Subscriptions and Dues	2,500	2,500	1,773
Supplies and Expenses - Special Event Family	3,200	3,200	4,847
Supplies and Expenses - Special Event Youth	5,500	5,500	1,909
Credit Card Bank Fee	40,000	27,000	28,577
Photoprocessing	4,065	4,065	3,463

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Recreation - Continued			
Supplies and Expenses - Teen Program	\$ 4,000	4,000	646
Cash Short	-	-	507
Vehicle Replacement Fees	2,375	2,375	2,375
Miscellaneous	1,900	1,900	2,127
	<u>944,065</u>	<u>915,565</u>	<u>915,448</u>
Libertyville Golf Course			
Salaries - Administration	4,315	4,315	9,550
Salaries - Pro Shop	23,660	14,660	14,113
Salaries - Maintenance	72,820	71,820	71,574
Employer Contribution - IMRF	5,465	5,465	5,441
Employer Contribution - FICA & Medicare	7,920	7,920	6,695
Materials and Supplies	700	700	1,105
Telephone	2,400	2,400	2,106
Maintenance - Building	805	805	888
Maintenance - Grounds	12,450	12,450	12,245
Maintenance - Motor Vehicles	2,600	2,600	2,600
Maintenance - Other Equipment	7,500	7,500	8,590
Intergovernmental Risk Management Agency	14,300	14,300	13,210
Travel, Training, Subscriptions and Dues	500	500	430
Golf Course Supplies	1,200	1,200	450
Special Events	600	600	318
Pro Shop Merchandise	475	475	-
Unemployment Insurance	6,700	6,700	5,279
Uniform	300	300	110
Vehicle Replacement Fees	5,000	5,000	5,000
Miscellaneous	150	150	56
	<u>169,860</u>	<u>159,860</u>	<u>159,760</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Swimming Pool			
Salaries - Administration	\$ 30,180	30,180	26,692
Salaries - Concessions	11,535	11,535	10,072
Salaries - Public Swim	109,665	116,665	117,905
Salaries - Swim Lessons	72,820	72,820	69,300
Employer Contribution - IMRF	3,025	3,025	2,568
Employer Contribution - FICA & Medicare	17,355	17,355	17,126
Supplies - Swim Lessons	2,000	2,000	1,466
Materials and Supplies	3,500	3,500	3,127
Supplies - Maintenance	550	550	40
Electricity	25,000	25,000	22,391
North Shore Gas	28,000	28,000	36,864
Maintenance - Building	3,500	3,500	10,718
Maintenance - Office Equipment	250	250	-
Maintenance - Pools	16,500	16,500	17,571
Intergovernmental Risk Management Agency	14,300	14,300	16,360
Office Supplies	300	300	311
Travel, Training, Subscriptions and Dues	900	900	488
Equipment Rental	400	400	490
Concession Expense	17,500	17,500	17,823
Special Events	2,500	2,500	1,799
Printing and Photocopying	900	900	681
Uniforms	7,000	7,000	5,716
Capital Outlay	4,800	4,800	-
Miscellaneous	2,690	2,690	2,345
	<u>375,170</u>	<u>382,170</u>	<u>381,853</u>
Total Parks and Recreation	<u>2,893,545</u>	<u>2,909,345</u>	<u>2,908,741</u>
Total Expenditures	<u>21,501,105</u>	<u>21,782,605</u>	<u>21,686,251</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Debt Service Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 216,650	216,650	225,311
Intergovernmental			
Sales Tax	805,505	805,505	807,004
Interest	19,000	19,000	6,507
Total Revenues	<u>1,041,155</u>	<u>1,041,155</u>	<u>1,038,822</u>
Expenditures			
Debt Service			
Principal Retirement	1,240,000	1,240,000	1,240,000
Interest	206,465	206,465	206,460
Fiscal Charges	4,200	4,200	4,200
Total Expenditures	<u>1,450,665</u>	<u>1,450,665</u>	<u>1,450,660</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(409,510)	(409,510)	(411,838)
Other Financing Sources			
Transfers In	<u>424,305</u>	<u>424,305</u>	<u>424,305</u>
Net Change in Fund Balance	<u>14,795</u>	<u>14,795</u>	12,467
Fund Balance - Beginning			<u>961,581</u>
Fund Balance - Ending			<u><u>974,048</u></u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Capital Improvement - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Licenses and Permits			
Parking Impact Fees	\$ -	-	255,000
Park Impact Fees	399,000	399,000	261,916
Tree Restoration	-	-	36,000
Vehicle Licenses	370,000	370,000	409,777
Intergovernmental			
Federal Reimbursement	126,000	126,000	115,293
Motor Fuel Tax Allotments	595,000	595,000	589,699
Charges for Services			
Telecommunication Revenue	258,000	258,000	267,222
Interest	21,000	21,000	61,144
Miscellaneous	60,200	60,200	142,784
Total Revenues	<u>1,829,200</u>	<u>1,829,200</u>	<u>2,138,835</u>
Expenditures			
Capital Outlay	<u>2,225,635</u>	<u>2,225,635</u>	<u>1,706,022</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	<u>(396,435)</u>	<u>(396,435)</u>	<u>432,813</u>
Other Financing Sources (Uses)			
Transfers In	55,000	55,000	55,000
Transfers Out	<u>(77,535)</u>	<u>(77,535)</u>	<u>(77,535)</u>
	<u>(22,535)</u>	<u>(22,535)</u>	<u>(22,535)</u>
Net Change in Fund Balance	<u>(418,970)</u>	<u>(418,970)</u>	410,278
Fund Balance - Beginning			<u>2,433,476</u>
Fund Balance - Ending			<u><u>2,843,754</u></u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Capital Improvement - Capital Projects Fund

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Capital Outlay			
Maintenance Streets and Alley	\$ 40,000	40,000	29,951
Asphalt Resurfacing	805,000	805,000	576,767
Village Hall	41,400	41,400	31,637
Civic Center	4,800	4,800	-
Fire Stations	46,785	46,785	39,896
Schertz Municipal Building	210,000	210,000	208,186
Park Improvement	321,850	321,850	198,075
Annual Road Improvement Program	180,000	180,000	138,320
Storm sewer Improvement	205,000	205,000	228,847
Streetlight Replacement	-	-	(2,202)
Engineering Fourth/Garfield	61,000	61,000	66,493
Lake Street Bridge Replacement	180,000	180,000	39,880
Sidewalks and Bike Paths	65,000	65,000	76,958
Entryway Signage	25,800	25,800	31,570
Peterson Road Corridor	15,000	15,000	4,849
Miscellaneous	24,000	24,000	36,795
Total Expenditures	2,225,635	2,225,635	1,706,022

VILLAGE OF LIBERTYVILLE, ILLINOIS

Tax Increment Financing Construction - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 2,020,000	2,020,000	2,024,300
Intergovernmental			
Sales Tax	-	-	5,415
Interest	130,000	130,000	223,097
Total Revenues	<u>2,150,000</u>	<u>2,150,000</u>	<u>2,252,812</u>
Expenditures			
Economic Development			
Maintenance Streetscape	44,400	44,400	42,149
Intergovernmental Risk Management Agency	59,830	59,830	59,437
Consulting Services	40,000	40,000	11,259
Storm Sewer Improvements	615,000	615,000	37,086
Landscape/Streetscape	45,000	45,000	52,075
Watermain Replacement	40,000	40,000	-
Parking Improvements	810,000	810,000	479,578
Sidewalk Replacement	5,000	5,000	4,447
Land Acquisition	-	-	3,514
Miscellaneous	4,500	4,500	6,313
Total Expenditures	<u>1,663,730</u>	<u>1,663,730</u>	<u>695,858</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	486,270	486,270	1,556,954
Other Financing (Uses)			
Transfers Out	<u>(218,765)</u>	<u>(218,765)</u>	<u>(218,765)</u>
Net Change in Fund Balance	<u>267,505</u>	<u>267,505</u>	1,338,189
Fund Balance - Beginning			<u>4,650,576</u>
Fund Balance - Ending			<u>5,988,765</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Commuter Parking - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Permit Fees	\$ 145,000	145,000	154,655
Daily Fees	174,500	174,500	181,435
Interest	20,000	20,000	27,093
Miscellaneous	-	-	8
Total Revenues	<u>339,500</u>	<u>339,500</u>	<u>363,191</u>
Expenditures			
General Government	<u>246,865</u>	<u>274,865</u>	<u>274,853</u>
Net Change in Fund Balance	<u>92,635</u>	<u>64,635</u>	<u>88,338</u>
Fund Balance - Beginning			<u>910,745</u>
Fund Balance - Ending			<u>999,083</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Commuter Parking - Special Revenue Fund

Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
General Government			
Salaries	\$ 55,825	55,825	57,027
Employer Contribution - IMRF	5,570	5,570	5,409
Employer Contribution - FICA & Medicare	4,260	4,260	4,161
Materials and Supplies	5,000	5,000	3,596
Electricity	7,000	7,000	6,759
Maintenance - Grounds	47,050	75,050	127,984
Insurance	15,910	15,910	16,271
Intergovernmental Risk Management Agency	13,300	13,300	13,210
Consulting	15,000	15,000	-
Rental of Land	10,450	10,450	10,650
Refunds	1,500	1,500	2,950
Capital Outlay	45,000	45,000	19,096
Milwaukee Station Improvements	15,000	15,000	146
Miscellaneous	6,000	6,000	7,594
Total Expenditures	246,865	274,865	274,853

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Sales	\$ 4,019,000	4,019,000	3,888,951
Sewer Service Charges	2,310,000	2,310,000	2,154,127
Damage to Village Property	1,000	1,000	(4,858)
Meters and Readouts	25,000	25,000	14,350
Miscellaneous	5,000	5,000	1,699
Total Operating Revenues	6,360,000	6,360,000	6,054,269
Operating Expenses			
Operations			
Water Operations	3,741,605	3,741,605	3,677,387
Sewer Operations	785,315	785,315	731,650
Wastewater Treatment Plant	1,184,354	1,184,354	1,258,659
Water and Sewer Capital Improvements	2,856,190	2,856,190	395,215
Depreciation and Amortization	-	-	1,069,984
Total Operating Expenses	8,567,464	8,567,464	7,132,895
Operating Income (Loss)	(2,207,464)	(2,207,464)	(1,078,626)
Nonoperating Revenues (Expenses)			
Interest Income	190,000	190,000	242,545
Connection Fees	135,000	135,000	207,459
Property Tax	26,780	26,780	24,637
Other Income	-	-	8,000
Interest and Fiscal Charges	(247,110)	(247,110)	(241,165)
Total Nonoperating Revenues (Expenses)	104,670	104,670	241,476
Income (Loss) Before Contributions and Transfers	(2,102,794)	(2,102,794)	(837,150)
Capital Contributions	-	-	829,396
Transfers Out	(103,000)	(103,000)	(103,005)
Change in Net Assets	(2,205,794)	(2,205,794)	(110,759)
Net Assets - Beginning			25,443,380
Net Assets - Ending			25,332,621

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operations			
Water Operations			
Salaries - Administrative	\$ 154,985	154,985	145,655
Salaries - Clerical	158,240	158,240	166,916
Salaries - Engineering	129,345	129,345	129,603
Salaries - Maintenance	369,685	369,685	372,244
Employer Contribution - IMRF	80,200	80,200	75,246
Employer Contribution - FICA & Medicare	60,550	60,550	57,687
Materials and Supplies	8,500	8,500	9,779
Electricity	32,000	32,000	48,905
North Shore Gas	7,500	7,500	7,448
Telephone	7,900	7,900	9,793
Maintenance - Building and Grounds	7,400	7,400	6,894
Maintenance - Motor Vehicles	27,600	27,600	27,600
Maintenance - Other Equipment	11,000	11,000	4,143
Maintenance - Water Lines	22,000	22,000	33,120
Insurance	64,540	64,540	67,022
Intergovernmental Risk Management Agency	31,515	31,515	29,322
Postage	11,500	11,500	9,569
Office Supplies	1,500	1,500	1,119
Travel, Training, Subscriptions and Dues	3,325	3,325	3,051
Technical Services	48,100	48,100	44,611
Meters - New Construction	32,000	32,000	39,148
Credit Card Fees	3,000	3,000	5,775
Uniforms	3,300	3,300	2,826
Bad Debt Expense	100	100	1,729
Technology Equipment and Replacement	35,000	35,000	35,000
Capital Outlay	32,150	32,150	31,715
Vehicle Replacement Fees	44,170	44,170	44,170
Purchase of Water - CLCJAWA	2,353,000	2,353,000	2,266,410
Miscellaneous	1,500	1,500	887
	<u>3,741,605</u>	<u>3,741,605</u>	<u>3,677,387</u>
Sewer Operations			
Salaries - Administrative	101,830	101,830	92,255
Salaries - Engineering	80,530	80,530	96,446
Salaries - Maintenance	258,950	258,950	221,456

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operations - Continued			
Sewer Operations - Continued			
Employer Contribution - IMRF	\$ 43,400	43,400	41,532
Employer Contribution - FICA & Medicare	33,600	33,600	32,546
Materials and Supplies	3,500	3,500	4,612
County Sewer Service	9,500	9,500	-
Telephone	-	-	940
Maintenance - Motor Equipment	29,315	29,315	29,315
Maintenance - Lift Stations	46,500	46,500	39,427
Maintenance - Sewer Lines	34,000	34,000	12,408
Insurance	36,940	36,940	38,052
Intergovernmental Risk Management Agency	31,250	31,250	29,058
Postage	6,500	6,500	7,900
Travel, Training, Subscriptions and Dues	300	300	232
Technical Services	8,200	8,200	3,936
Sick Leave Buy Back	-	-	20,689
Uniforms	1,250	1,250	1,205
Technology Equipment and Replacement	35,000	35,000	35,000
Capital Outlay	2,995	2,995	3,016
Vehicle Replacement Fees	21,255	21,255	21,255
Miscellaneous	500	500	370
	<u>785,315</u>	<u>785,315</u>	<u>731,650</u>
Wastewater Treatment Plant			
Salaries - Administrative	42,340	42,340	44,872
Salaries - Operators	336,330	336,330	356,315
Employer Contribution - IMRF	37,791	37,791	36,436
Employer Contribution - FICA & Medicare	29,208	29,208	28,015
Materials and Supplies	27,500	27,500	26,942
Chemicals	18,935	18,935	18,461
Electricity	264,600	264,600	279,444
North Shore Gas	42,000	42,000	55,913
Telephone	5,100	5,100	5,824
Maintenance - Building and Grounds	18,300	18,300	17,825
Maintenance - Motor Equipment	15,335	15,335	15,335
Maintenance - Other Equipment	50,750	50,750	48,411

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operations - Continued			
Wastewater Treatment Plant - Continued			
Sludge Removal	\$ 127,160	127,160	162,927
Insurance	64,540	64,540	64,845
Intergovernmental Risk Management Agency	31,515	31,515	31,822
Office Supplies	-	-	131
Travel, Training, Subscriptions and Dues	1,600	1,600	640
Technical Services	29,500	29,500	23,497
Uniforms	2,500	2,500	2,377
Technology Equipment and Replacement	20,000	20,000	20,000
Capital Outlay	7,500	7,500	6,831
Vehicle Replacement Fees	11,350	11,350	11,350
Miscellaneous	500	500	446
	<u>1,184,354</u>	<u>1,184,354</u>	<u>1,258,659</u>
Water and Sewer Capital Improvements			
Sanitary Sewer Improvements	380,000	380,000	-
WWTP Improvements	551,500	551,500	66,512
Butterfield Road Watermain Loop	430,000	430,000	48,977
Sanitary Sewer Repairs	92,500	92,500	69,048
Dawes Lift Station Generator	25,000	25,000	3,831
Water and Sewer River Crossing	1,125,000	1,125,000	61,603
Sanitary Sewer Sliplining	-	-	250
Replacement Meters	22,500	22,500	18,092
Hydrants, Valves, Miscellaneous	37,000	37,000	16,750
4th Ave Watermain	-	-	1,755
Water Storage Tank Rehabilitation	117,690	117,690	95,088
Miscellaneous	75,000	75,000	53,597
	<u>2,856,190</u>	<u>2,856,190</u>	<u>435,503</u>
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(40,288)
	<u>2,856,190</u>	<u>2,856,190</u>	<u>395,215</u>
Total Operations	<u><u>8,567,464</u></u>	<u><u>8,567,464</u></u>	<u><u>6,062,911</u></u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Capital Assets and Depreciation
Year Ended April 30, 2008**

	Capital Assets			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Land and Improvements	\$ 2,272,080	-	-	2,272,080
Buildings and Improvements	14,016,621	124,172	-	14,140,793
Machinery and Equipment	1,684,716	-	-	1,684,716
Waterworks System	13,648,356	586,168	-	14,234,524
Sewerage System	14,200,740	283,516	-	14,484,256
Total Capital Assets	45,822,513	993,856	-	46,816,369
	Accumulated Depreciation			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Buildings and Improvements	6,755,575	326,255	-	7,081,830
Machinery and Equipment	1,329,260	28,473	-	1,357,733
Waterworks System	6,147,479	348,536	-	6,496,015
Sewerage System	6,740,430	358,562	-	7,098,992
Total Accumulated Depreciation	20,972,744	1,061,826	-	22,034,570
Total Capital Assets (Net of Accumulated Depreciation)	24,849,769			24,781,799

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Indoor Sports Center	\$ 2,383,000	2,383,000	2,502,240
Golf Learning Center	692,300	692,300	550,095
Family Entertainment Center	95,000	95,000	91,325
Miscellaneous	60,000	60,000	70,000
Total Operating Revenues	3,230,300	3,230,300	3,213,660
Operating Expenses			
Operations			
Indoor Sports Center	1,749,367	1,967,667	2,029,183
Golf Learning Center	433,410	397,410	397,226
Family Entertainment Center	46,685	95,365	94,431
Depreciation and Amortization	-	-	499,070
Total Operating Expenses	2,229,462	2,460,442	3,019,910
Operating Income	1,000,838	769,858	193,750
Nonoperating (Expenses)			
Interest and Fiscal Charges	(1,823,050)	(2,053,050)	(1,122,079)
Change in Net Assets	(822,212)	(1,283,192)	(928,329)
Net Assets - Beginning			(6,702,554)
Net Assets - Ending			(7,630,883)

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Operations			
Indoor Sports Center			
Salaries - Administrative	\$ 208,565	168,565	165,540
Salaries - Maintenance	129,955	120,955	123,339
Salaries - Fitness	253,455	234,455	234,117
Salaries - Conference/Front Desk/Parties	165,785	245,785	246,707
Salaries - Programs	90,000	82,000	81,742
Employer Contribution - IMRF	51,162	51,162	47,217
Employer Contribution - FICA & Medicare	65,760	65,760	63,539
Materials and Supplies	17,500	17,500	24,791
Contracted Services	123,800	114,800	113,943
Electricity	187,000	207,500	207,387
North Shore Gas	23,000	28,000	28,156
Telephone	4,800	4,800	4,946
Maintenance - Building	136,000	170,000	169,398
Maintenance - Independent Contractors	9,000	9,000	7,708
Maintenance - Grounds	8,725	33,725	33,634
Supplies Soccer	-	-	310
Corporate Contracted Services	50,000	122,000	121,489
Insurance	65,280	65,280	68,166
Intergovernmental Risk Management Agency	51,530	51,530	46,612
Office Supplies	3,000	3,000	1,636
Publicity	-	62,000	62,435
Materials and Supplies - Adult Athletic Programs	-	-	125
Travel, Training, Subscriptions and Dues	3,000	3,000	1,762
Materials and Supplies - Conference Rooms	3,000	3,000	2,757
Materials and Supplies - Fitness	14,830	9,830	8,670
Medical Supplies	-	-	1,567
Credit Card Bank Fee	25,100	25,100	41,021
Club Volleyball	-	10,300	10,326
Photoprocessing	6,120	6,120	4,299
Unemployment Benefits	-	-	(16)
Refunds	-	-	(313)
Climbing Wall/Front Desk	6,000	6,000	4,145
Fitness Equipment Lease	25,000	24,500	743
Cash Short/Over	-	-	992
Technology Equipment & Replacement	12,000	12,000	12,000

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operations - Continued			
Indoor Sports Center - Continued			
Capital Outlays	\$ 10,000	10,000	87,910
Miscellaneous	-	-	383
	<u>1,749,367</u>	<u>1,967,667</u>	<u>2,029,183</u>
 Golf Learning Center			
Salaries - Administrative	37,740	35,740	34,888
Salaries - Maintenance	89,455	83,455	84,491
Salaries - Pro Shop	60,000	55,000	54,727
Employer Contribution - IMRF	14,425	14,425	12,735
Employer Contribution - FICA & Medicare	14,310	14,310	13,335
Materials and Supplies	2,800	2,800	3,363
Electricity	17,500	13,500	12,865
North Shore Gas	8,000	8,000	12,720
Telephone	2,400	2,400	2,797
Maintenance - Building	2,500	2,500	1,322
Maintenance - Grounds	11,750	7,750	7,628
Maintenance - Motor Vehicle Fees	14,275	14,275	14,275
Maintenance - Other Equipment	3,500	3,500	5,527
Contractual - Golf Lessons	64,000	49,000	47,926
Insurance	13,330	13,330	13,052
Intergovernmental Risk Management Agency	19,940	19,940	19,811
Postage	-	-	(9)
Office Supplies	550	550	489
Travel, Training, Subscriptions and Dues	335	335	386
Materials and Supplies - Pro Shop	25,000	25,000	23,376
Pro Shop Merchandise	30,000	30,000	30,486
Photoprocessing	600	600	486
Uniforms	500	500	500
Miscellaneous	500	500	50
	<u>433,410</u>	<u>397,410</u>	<u>397,226</u>
 Family Entertainment Center			
Salaries - Maintenance	12,100	29,100	29,671
Salaries - Attendants	12,130	14,630	14,583

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operations - Continued			
Family Entertainment Center - Continued			
Employer Contribution - IMRF	\$ -	2,700	2,654
Employer Contribution - FICA & Medicare	1,855	3,305	3,258
Materials and Supplies	800	800	191
Electricity	6,000	6,000	4,362
North Shore Gas	215	215	2,033
Telephone	1,300	1,300	1,673
Maintenance - Building	450	450	150
Maintenance - Grounds	280	10,030	10,017
Intergovernmental Risk Management Agency	11,055	11,555	10,566
Travel, Training, Subscriptions and Dues	-	-	30
Materials and Supplies - Batting Cages	500	500	-
Photoprocessing	-	-	428
Capital Outlay	-	7,780	7,778
Miscellaneous	-	7,000	7,037
	<u>46,685</u>	<u>95,365</u>	<u>94,431</u>
 Total Operating Expenses	 <u>2,229,462</u>	 <u>2,460,442</u>	 <u>2,520,840</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Libertyville Sports Complex - Enterprise Fund

**Schedule of Capital Assets and Depreciation
Year Ended April 30, 2008**

	Capital Assets			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Land	\$ 4,771,168	-	-	4,771,168
Buildings and Improvements	17,447,100	-	-	17,447,100
Machinery and Equipment	448,436	-	-	448,436
Total Capital Assets	<u>22,666,704</u>	-	-	<u>22,666,704</u>

	Accumulated Depreciation			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Buildings and Improvements	1,514,746	432,785	-	1,947,531
Machinery and Equipment	156,953	44,844	-	201,797
Total Accumulated Depreciation	<u>1,671,699</u>	<u>477,629</u>	-	<u>2,149,328</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>20,995,005</u>			<u>20,517,376</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Combining Statement of Net Assets - Internal Service Funds
April 30, 2008**

	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 850,432	131,703	982,135
Receivables - Net of Allowances			
Accounts	1,547	65,386	66,933
Accrued Interest	12,445	-	12,445
Inventories	37,499	-	37,499
Prepays	12,009	-	12,009
Total Current Assets	913,932	197,089	1,111,021
Noncurrent Assets			
Capital Assets			
Machinery and Equipment	5,972,198	38,335	6,010,533
Accumulated Depreciation	(3,488,400)	(11,500)	(3,499,900)
Total Noncurrent Assets	2,483,798	26,835	2,510,633
Total Assets	3,397,730	223,924	3,621,654
LIABILITIES			
Current Liabilities			
Accounts Payable	34,648	8,193	42,841
Accrued Payroll	14,029	3,995	18,024
Unearned/Deferred Revenues	-	416,000	416,000
Compensated Absences Payable	3,750	8,476	12,226
Installment Contracts Payable	178,532	-	178,532
Total Current Liabilities	230,959	436,664	667,623
Noncurrent Liabilities			
Compensated Absences Payable	14,999	33,904	48,903
Installment Contracts Payable	113,143	-	113,143
Total Noncurrent Liabilities	128,142	33,904	162,046
Total Liabilities	359,101	470,568	829,669
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	2,192,123	26,835	2,218,958
Unrestricted	846,506	(273,479)	573,027
Total Net Assets	3,038,629	(246,644)	2,791,985

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Combining Statement of Revenues, Expenses, and Changes in Net Assets
Internal Service Funds
Year Ended April 30, 2008**

	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
Operating Revenues			
Interfund Services	\$ 1,456,275	369,889	1,826,164
Operating Expenses			
Operations	1,052,664	391,077	1,443,741
Depreciation	380,125	7,667	387,792
Total Operating Expenses	1,432,789	398,744	1,831,533
Operating Income (Loss)	23,486	(28,855)	(5,369)
Nonoperating Revenues (Expenses)			
Interest Income	27,572	602	28,174
Other Income	19,941	48,200	68,141
Interest and Fiscal Charges	(22,598)	-	(22,598)
	24,915	48,802	73,717
Change in Net Assets	48,401	19,947	68,348
Net Assets - Beginning	2,990,228	(266,591)	2,723,637
Net Assets - Ending	3,038,629	(246,644)	2,791,985

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Combining Statement of Cash Flows - Internal Service Funds
Year Ended April 30, 2008**

	Vehicle Maintenance and Replacement Service	Technology Equipment and Replacement Service	Total
Cash Flows from Operating Activities			
Receipts from Interfund Services	\$ 1,456,316	417,203	1,873,519
Payments to Employees	(292,104)	(117,160)	(409,264)
Payments to Suppliers	(761,346)	(266,276)	(1,027,622)
	<u>402,866</u>	<u>33,767</u>	<u>436,633</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(215,041)	-	(215,041)
Interest on Capital Debt	(22,598)	-	(22,598)
Principal on Capital Debt	(241,734)	-	(241,734)
	<u>(479,373)</u>	<u>-</u>	<u>(479,373)</u>
Cash Flows from Investing Activities			
Interest Received	27,572	602	28,174
	<u>(48,935)</u>	<u>34,369</u>	<u>(14,566)</u>
Net Change in Cash and Cash Equivalents			
Cash and Cash Equivalents - Beginning	899,367	97,334	996,701
Cash and Cash Equivalents - Ending	<u>850,432</u>	<u>131,703</u>	<u>982,135</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	23,486	(28,855)	(5,369)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation and Amortization Expense	380,125	7,667	387,792
Other Income	19,941	48,200	68,141
(Increase) Decrease in Current Assets	(19,900)	(886)	(20,786)
Increase (Decrease) in Current Liabilities	(786)	7,641	6,855
Net Cash Provided by Operating Activities	<u>402,866</u>	<u>33,767</u>	<u>436,633</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Vehicle Maintenance and Replacement Service - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Assets
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 1,374,705	1,374,705	1,456,275
Operating Expenses			
Operations	1,232,338	1,280,338	1,052,664
Depreciation	-	-	380,125
Total Operating Expenses	1,232,338	1,280,338	1,432,789
Operating Income	142,367	94,367	23,486
Nonoperating Revenues (Expenses)			
Interest Income	10,000	10,000	27,572
Other Income	5,000	5,000	19,941
Interest and Fiscal Charges	-	-	(22,598)
	15,000	15,000	24,915
Change in Net Assets	157,367	109,367	48,401
Net Assets - Beginning			2,990,228
Net Assets - Ending			3,038,629

VILLAGE OF LIBERTYVILLE, ILLINOIS

Vehicle Maintenance and Replacement Service - Internal Service Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operations			
Salaries - Administration	\$ 90,130	90,130	91,334
Salaries - Clerical	5,030	5,030	5,165
Salaries - Maintenance	199,145	199,145	195,605
Employer Contribution - IMRF	29,303	29,303	28,278
Employer Contribution - FICA & Medicare	22,415	22,415	21,166
Shop Supplies	5,500	5,500	4,238
Tools	3,500	3,500	2,746
Gasoline and Oil	235,920	270,920	270,681
Maintenance Shop Facilities	500	500	-
Vehicle Washing	3,000	3,000	3,574
Non-Stocked Vehicle Parts	74,000	74,000	87,582
Maintenance Other Equipment	4,000	4,000	7,608
Insurance	63,645	63,645	65,085
Intergovernmental Risk Management Agency	18,350	18,350	21,164
Travel, Training and Dues	750	750	812
Contractual Repair Services	15,000	15,000	24,005
Uniforms	1,500	1,500	1,402
License, Title and Inspection Fees	1,800	1,800	2,525
Transfer Vehicle Replacement	5,400	5,400	-
Vehicle Replacement Costs	409,100	409,100	368,083
Fire Contractual Repairs	29,600	29,600	38,651
Police Contractual Repairs	4,000	4,000	3,323
Accident Damage Expense	10,000	23,000	23,275
Capital Outlay	-	-	355
Miscellaneous	750	750	1,048
	<u>1,232,338</u>	<u>1,280,338</u>	<u>1,267,705</u>
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(215,041)
Total Operations	<u>1,232,338</u>	<u>1,280,338</u>	<u>1,052,664</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Vehicle Maintenance and Replacement Service - Internal Service Fund

Schedule of Capital Assets and Depreciation
Year Ended April 30, 2008

	Capital Assets			Balances Ending
	Beginning Balances	Additions	Retirements/ Transfers	
Machinery and Equipment	\$ 5,807,499	215,041	50,342	5,972,198
	Accumulated Depreciation			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	3,158,617	380,125	50,342	3,488,400
Total Capital Assets (Net of Accumulated Depreciation)	2,648,882			2,483,798

VILLAGE OF LIBERTYVILLE, ILLINOIS

Technology Equipment and Replacement Service - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Assets
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 360,000	360,000	369,889
Operating Expenses			
Operations	374,700	374,700	391,077
Depreciation	-	-	7,667
Total Operating Expenses	374,700	374,700	398,744
Operating Income (Loss)	(14,700)	(14,700)	(28,855)
Nonoperating Revenues			
Interest Income	500	500	602
Other Income	22,100	22,100	48,200
	22,600	22,600	48,802
Change in Net Assets	7,900	7,900	19,947
Net Assets - Beginning			(266,591)
Net Assets - Ending			(246,644)

VILLAGE OF LIBERTYVILLE, ILLINOIS

Technology Equipment Replacement - Internal Service Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended April 30, 2008**

	Budget		Actual
	Original	Final	
Operations			
Salaries Administration	\$ 90,130	90,130	117,160
Employer Contribution - IMRF	8,165	8,165	8,018
Employer Contribution - FICA & Medicare	6,780	6,780	6,462
Computer Supplies	12,000	12,000	15,015
Wireless Service	20,000	20,000	8,938
Motor Vehicles Maintenance	2,170	2,170	2,228
Hardware Maintenance	5,000	5,000	3,584
Internet Access	14,400	14,400	13,806
Insurance	100	100	45
Travel, Training, Subscriptions and Dues	4,500	4,500	5,018
Consulting Services	17,000	17,000	20,465
Software, Licensing and Updates	77,395	77,395	73,352
Web Page Services	20,000	20,000	20,407
Capital Outlay	96,060	96,060	95,675
Miscellaneous	1,000	1,000	904
Total Operations	<u>374,700</u>	<u>374,700</u>	<u>391,077</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Technology Equipment Replacement - Internal Service Fund

Schedule of Capital Assets and Depreciation

Year Ended April 30, 2008

	Capital Assets			Balances Ending
	Beginning Balances	Additions	Retirements/ Transfers	
Machinery and Equipment	\$ 38,335	-	-	38,335
	Accumulated Depreciation			
	Beginning Balances	Additions	Retirements/ Transfers	Balances Ending
Machinery and Equipment	3,833	7,667	-	11,500
Total Capital Assets (Net of Accumulated Depreciation)	34,502			26,835

VILLAGE OF LIBERTYVILLE, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Plan Assets
April 30, 2008**

	Police Pension	Firefighters' Pension	Totals
Assets			
Cash and Cash Equivalents	\$ 831,132	454,396	1,285,528
Investments			
State and Local Obligations	956,849	-	956,849
U.S. Government and Agency Obligations	8,297,735	8,569,578	16,867,313
Mutual Funds	8,534,237	6,976,893	15,511,130
Receivables - Accrued Interest	98,274	304,212	402,486
Total Assets	18,718,227	16,305,079	35,023,306
Liabilities			
Accounts Payable	88	15,369	15,457
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements)			
	18,718,139	16,289,710	35,007,849

VILLAGE OF LIBERTYVILLE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Net Plan Assets
Year Ended April 30, 2008**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 854,428	595,320	1,449,748
Contributions - Plan Members	314,923	223,709	538,632
Total Contributions	<u>1,169,351</u>	<u>819,029</u>	<u>1,988,380</u>
Investment Income			
Interest Earned	1,075,504	1,053,873	2,129,377
Net Change in Fair Value	<u>(569,105)</u>	<u>(434,365)</u>	<u>(1,003,470)</u>
	506,399	619,508	1,125,907
Less Investment Expenses	<u>(37,770)</u>	<u>(31,396)</u>	<u>(69,166)</u>
	468,629	588,112	1,056,741
Total Additions	<u>1,637,980</u>	<u>1,407,141</u>	<u>3,045,121</u>
Deductions			
Administration	59,197	7,512	66,709
Benefits	<u>1,179,822</u>	<u>759,870</u>	<u>1,939,692</u>
Total Deductions	<u>1,239,019</u>	<u>767,382</u>	<u>2,006,401</u>
Change in Net Assets	398,961	639,759	1,038,720
Net Plan Assets Held in Trust for Pension Benefits			
Beginning	<u>18,319,178</u>	<u>15,649,951</u>	<u>33,969,129</u>
Ending	<u>18,718,139</u>	<u>16,289,710</u>	<u>35,007,849</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 851,000	851,000	854,428
Contributions - Plan Members	331,000	331,000	314,923
Total Contributions	<u>1,182,000</u>	<u>1,182,000</u>	<u>1,169,351</u>
Investment Income			
Interest Earned	800,000	800,000	1,075,504
Net Change in Fair Value	-	-	(569,105)
	<u>800,000</u>	<u>800,000</u>	<u>506,399</u>
Less Investment Expenses	(37,000)	(37,700)	(37,770)
	<u>763,000</u>	<u>762,300</u>	<u>468,629</u>
Net Investment Income			
Total Additions	<u>1,945,000</u>	<u>1,944,300</u>	<u>1,637,980</u>
Deductions			
Administration	32,300	58,850	59,197
Benefits	1,047,700	1,180,300	1,179,822
Total Deductions	<u>1,080,000</u>	<u>1,239,150</u>	<u>1,239,019</u>
Change in Net Assets	<u>865,000</u>	<u>705,150</u>	398,961
Net Plan Assets Held in Trust for Pension Benefits			
Beginning			<u>18,319,178</u>
Ending			<u>18,718,139</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2008

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 585,000	585,000	595,320
Contributions - Plan Members	232,000	232,000	223,709
Total Contributions	<u>817,000</u>	<u>817,000</u>	<u>819,029</u>
Investment Income			
Interest Earned	800,000	800,000	1,053,873
Net Change in Fair Value	-	-	(434,365)
	<u>800,000</u>	<u>800,000</u>	<u>619,508</u>
Less Investment Expenses	(30,000)	(30,000)	(31,396)
Net Investment Income	<u>770,000</u>	<u>770,000</u>	<u>588,112</u>
Total Additions	<u>1,587,000</u>	<u>1,587,000</u>	<u>1,407,141</u>
Deductions			
Administration	11,450	11,450	7,512
Benefits	655,600	757,600	759,870
Total Deductions	<u>667,050</u>	<u>769,050</u>	<u>767,382</u>
Change in Net Assets	<u>919,950</u>	<u>817,950</u>	639,759
Net Plan Assets Held in Trust for Pension Benefits			
Beginning			<u>15,649,951</u>
Ending			<u>16,289,710</u>

SUPPLEMENTAL SECTION

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Sales Tax Alternative Revenue Bonds of 1997
April 30, 2008**

Date of Issue	December 15, 1997
Date of Maturity	December 15, 2017
Authorized Issue	\$1,000,000
Denomination of Bonds	\$5,000
Interest Rates	4.375% to 5.150%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2007	\$ 50,000	30,465	80,465	2008	15,233	2008	15,232
2008	50,000	28,115	78,115	2009	14,057	2009	14,058
2009	55,000	25,715	80,715	2010	12,858	2010	12,857
2010	55,000	23,047	78,047	2011	11,523	2011	11,524
2011	60,000	20,353	80,353	2012	10,177	2012	10,176
2012	60,000	17,352	77,352	2013	8,676	2013	8,676
2013	65,000	14,353	79,353	2014	7,177	2014	7,176
2014	70,000	11,037	81,037	2015	5,519	2015	5,518
2015	70,000	7,468	77,468	2016	3,734	2016	3,734
2016	75,000	3,862	78,862	2017	1,931	2017	1,931
	<u>610,000</u>	<u>181,767</u>	<u>791,767</u>		<u>90,885</u>		<u>90,882</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Sales Tax Alternative Revenue Bonds of 1998
April 30, 2007**

Date of Issue	November 15, 1998
Date of Maturity	December 15, 2008
Authorized Issue	\$3,695,000
Denomination of Bonds	\$5,000
Interest Rates	3.60% to 3.75%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2007	\$ 435,000	16,313	451,313	2008	<u>8,157</u>	2008	<u>8,156</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

General Obligation Limited Tax Bonds of 2000

April 30, 2008

Date of Issue	July 15, 2000
Date of Maturity	December 15, 2019
Authorized Issue	\$1,800,000
Denomination of Bonds	\$5,000
Interest Rates	5.20% to 5.70%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2007	\$ 20,000	91,920	111,920	2008	45,960	2008	45,960
2008	30,000	90,606	120,606	2009	45,303	2009	45,303
2009	35,000	89,032	124,032	2010	44,516	2010	44,516
2010	140,000	87,194	227,194	2011	43,597	2011	43,597
2011	150,000	79,844	229,844	2012	39,922	2012	39,922
2012	155,000	71,970	226,970	2013	35,985	2013	35,985
2013	165,000	63,754	228,754	2014	31,877	2014	31,877
2014	175,000	54,844	229,844	2015	27,422	2015	27,422
2015	185,000	45,308	230,308	2016	22,654	2016	22,654
2016	195,000	35,040	230,040	2017	17,520	2017	17,520
2017	210,000	24,122	234,122	2018	12,061	2018	12,061
2018	215,000	12,256	227,256	2019	6,128	2019	6,128
	<u>1,675,000</u>	<u>745,890</u>	<u>2,420,890</u>		<u>372,945</u>		<u>372,945</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2001
April 30, 2008**

Date of Issue	October 23, 2001
Date of Maturity	December 15, 2008
Authorized Issue	\$2,600,000
Denomination of Bonds	\$5,000
Interest Rates	3.25% to 3.75%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2007	\$ 405,000	15,188	420,188	2008	<u>7,594</u>	2008	<u>7,594</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2003A

April 30, 2008

Date of Issue	November 15, 2003
Date of Maturity	December 15, 2010
Authorized Issue	\$665,000
Denomination of Bonds	\$5,000
Interest Rates	1.50% to 2.90%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2007	\$ 115,000	7,206	122,206	2008	3,603	2008	3,603
2008	100,000	4,674	104,674	2009	2,337	2009	2,337
2009	75,000	2,174	77,174	2010	1,087	2010	1,087
	<u>290,000</u>	<u>14,054</u>	<u>304,054</u>		<u>7,027</u>		<u>7,027</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2003B

April 30, 2008

Date of Issue	November 15, 2003
Date of Maturity	December 15, 2008
Authorized Issue	\$1,360,000
Denomination of Bonds	\$5,000
Interest Rates	1.50% to 2.90%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2007	\$ 285,000	6,270	291,270	2008	3,135	2008	3,135

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Revenue Bonds of 2000
April 30, 2008**

Date of Issue	December 15, 2000
Date of Maturity	December 15, 2020
Authorized Issue	\$5,000,000
Denomination of Bonds	\$5,000
Interest Rates	5.125% to 5.150%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2007	\$ 225,000	206,062	431,062	2008	103,031	2008	103,031
2008	235,000	194,532	429,532	2009	97,266	2009	97,266
2009	250,000	182,488	432,488	2010	91,244	2010	91,244
2010	260,000	169,674	429,674	2011	84,837	2011	84,837
2011	275,000	156,350	431,350	2012	78,175	2012	78,175
2012	285,000	142,256	427,256	2013	71,128	2013	71,128
2013	300,000	127,650	427,650	2014	63,825	2014	63,825
2014	320,000	112,276	432,276	2015	56,138	2015	56,138
2015	335,000	95,876	430,876	2016	47,938	2016	47,938
2016	355,000	78,706	433,706	2017	39,353	2017	39,353
2017	370,000	60,512	430,512	2018	30,256	2018	30,256
2018	390,000	41,458	431,458	2019	20,729	2019	20,729
2019	415,000	21,370	436,370	2020	10,685	2020	10,685
	<u>4,015,000</u>	<u>1,589,210</u>	<u>5,604,210</u>		<u>794,605</u>		<u>794,605</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Waterworks and Sewerage Bonds of 2001A
April 30, 2008**

Date of Issue	October 23, 2001
Date of Maturity	May 1, 2013
Authorized Issue	\$5,290,000
Denomination of Bonds	\$5,000
Interest Rates	3.20% to 4.25%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2007	\$ 310,000	73,813	383,813	2008	39,774	2008	34,039
2008	305,000	62,283	367,283	2009	34,039	2009	28,244
2009	320,000	50,079	370,079	2010	28,235	2010	21,844
2010	335,000	36,988	371,988	2011	21,844	2011	15,144
2011	350,000	23,113	373,113	2012	15,144	2012	7,969
2012	375,000	7,969	382,969	2013	7,969	2013	-
	<u>1,995,000</u>	<u>254,245</u>	<u>2,249,245</u>		<u>147,005</u>		<u>107,240</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Sports Complex Bonds of 2001
April 30, 2008**

Date of Issue	May 15, 2001
Date of Maturity	December 15, 2020
Authorized Issue	\$17,800,000
Denomination of Bonds	\$5,000
Interest Rates	4.250% to 5.125%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	American National Bank and Trust Company Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2007	\$ 935,000	783,612	1,718,612	2008	391,806	2008	391,806
2008	970,000	742,706	1,712,706	2009	371,353	2009	371,353
2009	1,015,000	699,056	1,714,056	2010	349,528	2010	349,528
2010	1,050,000	653,382	1,703,382	2011	326,691	2011	326,691
2011	1,095,000	600,882	1,695,882	2012	300,441	2012	300,441
2012	1,145,000	546,132	1,691,132	2013	273,066	2013	273,066
2013	1,195,000	488,882	1,683,882	2014	244,441	2014	244,441
2014	1,255,000	429,132	1,684,132	2015	214,566	2015	214,566
2015	1,315,000	366,382	1,681,382	2016	183,191	2016	183,191
2016	1,380,000	300,632	1,680,632	2017	150,316	2017	150,316
2017	1,450,000	231,632	1,681,632	2018	115,816	2018	115,816
2018	1,515,000	159,132	1,674,132	2019	79,566	2019	79,566
2019	1,590,000	81,488	1,671,488	2020	40,744	2020	40,744
	<u>15,910,000</u>	<u>6,083,050</u>	<u>21,993,050</u>		<u>3,041,525</u>		<u>3,041,525</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2004
April 30, 2008**

Date of Issue	May 11, 2004
Date of Maturity	December 15, 2020
Authorized Issue	\$2,435,000
Denomination of Bonds	\$5,000
Interest Rates	4.10% to 4.45%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Wells Fargo Bank, NA Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2008	\$ 125,000	103,378	228,378	2008	51,689	2008	51,689
2009	140,000	98,252	238,252	2009	49,126	2009	49,126
2010	140,000	92,512	232,512	2010	46,256	2010	46,256
2011	155,000	86,772	241,772	2011	43,386	2011	43,386
2012	165,000	80,418	245,418	2012	40,209	2012	40,209
2013	180,000	73,652	253,652	2013	36,826	2013	36,826
2014	195,000	66,272	261,272	2014	33,136	2014	33,136
2015	195,000	58,278	253,278	2015	29,139	2015	29,139
2016	210,000	50,088	260,088	2016	25,044	2016	25,044
2017	215,000	41,058	256,058	2017	20,529	2017	20,529
2018	225,000	31,704	256,704	2018	15,852	2018	15,852
2019	240,000	21,806	261,806	2019	10,903	2019	10,903
2020	250,000	11,124	261,124	2020	5,562	2020	5,562
	<u>2,435,000</u>	<u>815,314</u>	<u>3,250,314</u>		<u>407,657</u>		<u>407,657</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Waterworks and Sewerage Alternate Revenue Source Bonds of 2006
April 30, 2008**

Date of Issue	July 26, 2006
Date of Maturity	May 1, 2022
Authorized Issue	\$3,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.900% to 4.200%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	J. P. Morgan Trust Company, National Association Chicago, Illinois

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2007	\$ 75,000	121,730	196,730	2008	61,596	2008	60,134
2008	80,000	118,708	198,708	2009	60,134	2009	58,574
2009	85,000	115,469	200,469	2010	58,574	2010	56,895
2010	85,000	112,111	197,111	2011	56,895	2011	55,216
2011	90,000	108,632	198,632	2012	55,216	2012	53,416
2012	95,000	104,932	199,932	2013	53,416	2013	51,516
2013	230,000	98,432	328,432	2014	51,516	2014	46,916
2014	240,000	88,972	328,972	2015	46,916	2015	42,056
2015	250,000	78,987	328,987	2016	42,056	2016	36,931
2016	260,000	68,500	328,500	2017	36,931	2017	31,569
2017	275,000	57,432	332,432	2018	31,569	2018	25,863
2018	290,000	45,708	335,708	2019	25,863	2019	19,845
2019	300,000	33,390	333,390	2020	19,845	2020	13,545
2020	315,000	20,475	335,475	2021	13,545	2021	6,930
2021	330,000	6,930	336,930	2022	6,930	2022	-
	<u>3,000,000</u>	<u>1,180,408</u>	<u>4,180,408</u>		<u>621,002</u>		<u>559,406</u>

VILLAGE OF LIBERTYVILLE, ILLINOIS

Long-Term Debt Requirements

IEPA Sewer Revenue Bonds of 1999

April 30, 2008

Date of Issue	March 1, 1995
Date of Maturity	September 1, 2014
Authorized Issue	\$2,854,333.36
Interest Rates	3.015%
Interest Dates	March 1 and September 1
Principal Maturity Date	March 1 and September 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2009	\$ 163,315	33,583	196,898
2010	168,276	28,622	196,898
2011	173,388	23,510	196,898
2012	178,654	18,243	196,897
2013	184,082	12,816	196,898
2014	189,673	7,224	196,897
2015	96,988	1,462	98,450
	<u>1,154,376</u>	<u>125,460</u>	<u>1,279,836</u>

STATISTICAL SECTION

(Unaudited)

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

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.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Park District's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

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.

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.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Net Assets by Component - Last Five Fiscal Years
April 30, 2008 (Unaudited)**

	2004	2005	2006	2007	2008
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$ 23,528,062	24,520,248	130,700,298	145,149,599	146,129,781
Restricted	1,201,639	1,725,315	1,206,999	1,298,287	1,338,773
Unrestricted	10,210,430	10,398,325	12,579,529	18,116,079	19,795,069
Total Governmental Activities Net Assets	34,940,131	36,643,888	144,486,826	164,563,965	167,263,623
Business-Type Activities					
Invested in Capital Assets, Net of Related Debt	18,271,947	18,071,513	18,046,127	16,156,592	16,895,822
Unrestricted	2,845,264	1,922,287	813,404	2,584,234	805,916
Total Business-Type Activities Net Assets	21,117,211	19,993,800	18,859,531	18,740,826	17,701,738
Primary Government					
Invested in Capital Assets, Net of Related Debt	41,800,009	42,591,761	148,746,425	161,306,191	163,025,603
Restricted	1,201,639	1,725,315	1,206,999	1,298,287	1,338,773
Unrestricted	13,055,694	12,320,612	13,392,933	20,700,313	20,600,985
Total Primary Government Net Assets	56,057,342	56,637,688	163,346,357	183,304,791	184,965,361

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2004.

VILLAGE OF LIBERTYVILLE, ILLINOIS

Changes in Net Assets - Last Five Fiscal Years
April 30, 2008 (Unaudited)

	2004	2005	2006	2007	2008
Expenses					
Governmental Activities					
General Government	\$ 2,684,660	2,767,055	2,594,575	2,468,057	2,815,826
Community Development	1,030,429	968,502	1,034,897	1,136,810	1,286,825
Public Safety	11,349,821	11,204,047	13,666,355	11,073,209	12,893,235
Public Works	2,275,270	2,011,215	3,225,742	3,730,768	3,848,776
Parks and Recreation	3,772,294	3,550,485	3,080,371	3,091,115	3,194,934
Economic Development	109,275	703,633	124,291	939,443	695,858
Interest on Long-Term Debt	409,403	305,035	269,242	234,969	193,187
Total Governmental Activities Expenses	21,631,152	21,509,972	23,995,473	22,674,371	24,928,641
Business-Type Activities					
Waterworks and Sewerage	6,734,485	6,507,588	7,303,198	7,047,807	7,374,060
Libertyville Sports Complex	5,178,720	4,553,222	3,987,449	3,834,185	4,141,989
Total Business-Type Activities Net Assets	11,913,205	11,060,810	11,290,647	10,881,992	11,516,049
Total Primary Government Expenses	33,544,357	32,570,782	35,286,120	33,556,363	36,444,690
Program Revenues					
Governmental Activities					
Charges for Services					
General Government	2,143,973	3,041,474	3,272,877	4,109,949	3,940,484
Community Development	138,654	196,770	330,339	423,194	299,923
Public Safety	2,688,795	2,473,544	2,656,464	2,773,671	3,092,050
Parks and Recreation	1,231,096	1,196,794	1,320,083	1,291,404	1,294,725
Capital Grants/Contributions	602,715	618,286	669,307	601,837	704,992
Total Governmental Activities Program Revenues	6,805,233	7,526,868	8,249,070	9,200,055	9,332,174
Business-Type Activities					
Charges for Services					
Waterworks and Sewerage	6,408,995	6,336,099	6,911,448	6,803,946	6,261,728
Libertyville Sports Complex	3,696,439	3,613,227	3,223,825	3,075,067	3,213,660
Capital Grants/Contributions	-	-	-	695,648	829,396
Total Business-Type Activities Program Revenues	10,105,434	9,949,326	10,135,273	10,574,661	10,304,784
Total Primary Government Program Revenues	16,910,667	17,476,194	18,384,343	19,774,716	19,636,958

	2004	2005	2006	2007	2007
Net (Expense) Revenue					
Governmental Activities	\$ (14,825,919)	(13,983,104)	(15,746,403)	(13,474,316)	(15,596,467)
Business-Type Activities	(1,807,771)	(1,111,484)	(1,155,374)	(307,331)	(1,211,265)
Total Primary Government Net Revenue (Expense)	<u>(16,633,690)</u>	<u>(15,094,588)</u>	<u>(16,901,777)</u>	<u>(13,781,647)</u>	<u>(16,807,732)</u>
General Revenues and Other Changes in Net Assets					
Governmental Activities					
Taxes					
Property Taxes	5,523,186	5,938,095	6,405,525	6,868,027	7,199,409
Other Taxes	372,206	362,902	429,598	431,258	447,149
Intergovernmental					
Sales and Use Taxes	7,840,044	7,420,912	7,735,611	7,569,381	7,304,853
Income Taxes	1,253,563	1,404,226	1,584,940	1,748,207	1,909,785
Other	105,305	87,424	74,214	476,047	85,138
Interest Income	278,943	184,131	431,533	837,852	885,382
Miscellaneous	396,933	386,081	387,140	2,288,709	361,404
Transfers - Internal Activity	104,980	103,090	103,690	102,975	103,005
Total Governmental Activities	<u>15,875,160</u>	<u>15,886,861</u>	<u>17,152,251</u>	<u>20,322,456</u>	<u>18,296,125</u>
Business-Type Activities					
Taxes					
Property Taxes	26,784	26,784	26,784	31,542	24,637
Interest Income	120,813	56,379	90,327	252,059	242,545
Miscellaneous	8,000	8,000	8,000	8,000	8,000
Transfers - Internal Activity	(104,980)	(103,090)	(103,690)	(102,975)	(103,005)
Total Business-Type Activities	<u>50,617</u>	<u>(11,927)</u>	<u>21,421</u>	<u>188,626</u>	<u>172,177</u>
Total Primary Government	<u>15,925,777</u>	<u>15,874,934</u>	<u>17,173,672</u>	<u>20,511,082</u>	<u>18,468,302</u>
Changes in Net Assets					
Governmental Activities	1,049,241	1,903,757	1,405,848	6,848,140	2,699,658
Business-Type Activities	(1,757,154)	(1,123,411)	(1,133,953)	(118,705)	(1,039,088)
Total Primary Government	<u>(707,913)</u>	<u>780,346</u>	<u>271,895</u>	<u>6,729,435</u>	<u>1,660,570</u>

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2004.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

	1999	2000	2001	2002
General Fund				
Reserved	\$ 582,820	557,096	653,212	228,459
Unreserved	8,670,642	8,911,332	9,111,821	9,798,777
Total General Fund	9,253,462	9,468,428	9,765,033	10,027,236
All Other Governmental Funds				
Reserved	3,521,775	1,521,010	3,372,098	2,227,315
Unreserved, Reported in:				
Special Revenues Funds	896,804	917,888	1,259,988	1,833,148
Debt Service Funds	-	-	-	-
Capital Improvement Funds	4,029,393	4,749,333	2,938,758	1,919,439
TIF Construction Funds	2,418,147	2,262,650	1,569,717	(75,155)
Total All Other Governmental Funds	10,866,119	9,450,881	9,140,561	5,904,747

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2004.

2003	2004	2005	2006	2007	2008
135,163	916,115	774,395	838,445	969,572	1,117,762
9,314,620	9,528,874	9,567,686	9,706,124	10,658,159	10,447,178
9,449,783	10,444,989	10,342,081	10,544,569	11,627,731	11,564,940
916,915	926,948	923,409	945,150	1,909,238	2,018,181
1,402,840	429,909	552,921	726,535	-	-
90,342	-	-	-	-	-
239,165	553,721	1,292,885	985,563	2,433,476	2,843,754
(745,247)	(72,073)	380,723	1,898,884	4,613,664	5,943,715
1,904,015	1,838,505	3,149,938	4,556,132	8,956,378	10,805,650

VILLAGE OF LIBERTYVILLE, ILLINOIS

**General Governmental Revenues By Source - Last Ten Fiscal Years
(In Thousands)
April 30, 2008 (Unaudited)**

<u>Fiscal Year</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Taxes	\$ 4,523	4,663	4,890	5,284
Licenses and Permits	1,314	1,299	935	1,390
Intergovernmental	9,762	9,947	10,171	10,474
Charges for Services	3,653	3,425	3,530	3,858
Fines and Forfeits	188	188	169	183
Interest	914	1,076	1,313	814
Grants	23	425	220	296
Miscellaneous	988	1,018	1,203	1,010
Total	<u>21,365</u>	<u>22,041</u>	<u>22,431</u>	<u>23,309</u>

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2003	2004	2005	2006	2007	2008
5,750	5,895	6,301	6,835	7,300	7,647
1,168	1,324	1,888	1,863	2,468	2,184
10,049	9,802	9,531	10,065	10,395	10,005
3,881	4,679	4,795	5,475	5,943	6,210
199	200	226	241	187	233
447	252	171	422	816	857
236	-	-	-	-	-
998	397	386	387	2,289	361
22,728	22,549	23,298	25,288	29,398	27,497

VILLAGE OF LIBERTYVILLE, ILLINOIS

**General Governmental Expenditures By Function - Last Ten Fiscal Years
(In Thousands)
April 30, 2008 (Unaudited)**

Function	1999	2000	2001	2002
General Government	\$ 1,773	2,123	2,373	2,766
Community Development	715	725	823	868
Public Safety	6,912	7,793	8,258	9,554
Public Works	2,072	2,541	2,280	2,306
Parks and Recreation	2,256	2,502	2,765	3,262
Economic Development	-	-	-	-
Capital Outlay	3,080	3,794	4,934	6,724
Debt Service				
Principal	795	1,060	1,110	140
Interest and Fiscal Charges	423	534	521	522
Total	18,026	21,072	23,064	26,142

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source: Village Records

2003	2004	2005	2006	2007	2008
3,117	2,369	2,454	2,465	2,443	2,683
860	1,004	945	1,035	1,137	1,287
10,358	10,730	10,740	11,944	12,393	12,737
2,948	2,618	2,052	2,084	2,075	2,345
2,796	2,855	2,659	2,792	2,803	2,909
-	604	704	124	939	696
5,483	439	978	1,866	765	1,706
1,125	1,170	1,140	1,190	1,215	1,240
468	444	320	283	246	211
27,155	22,233	21,992	23,783	24,016	25,814

VILLAGE OF LIBERTYVILLE, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years

(In Thousands)

April 30, 2008 (Unaudited)

	1999	2000	2001	2002
Revenues				
Taxes	\$ 4,523	4,663	4,890	5,284
Licenses and Permits	1,314	1,299	935	1,390
Intergovernmental	9,762	9,947	10,171	10,474
Charges for Services	3,653	3,425	3,530	3,858
Fines and Forfeits	188	188	169	183
Investment Income	914	1,076	1,313	814
Grants	23	425	220	296
Miscellaneous	988	1,018	1,203	1,010
Total Revenues	21,365	22,041	22,431	23,309
Expenditures				
General Government	1,773	2,123	2,373	2,766
Community Development	715	725	823	868
Public Safety	6,912	7,793	8,258	9,554
Public Works	2,072	2,541	2,280	2,306
Parks and Recreation	2,256	2,502	2,765	3,262
Economic Development	-	-	-	-
Capital Outlay	3,080	3,794	4,934	6,724
Debt Service				
Principal	795	1,060	1,110	140
Interest and Fiscal Charges	423	534	521	522
Total Expenditures	18,026	21,072	23,064	26,142
Excess of Revenues Over (Under) Expenditures	3,339	969	(633)	(2,833)
Other Financing Sources (Uses)				
Proceeds from Bonds	3,658	-	1,786	2,607
Payments to Escrow Agent	-	-	93	(3,480)
Transfers In	2,292	1,678	927	1,349
Transfers Out	(2,187)	(1,546)	(796)	(1,217)
	3,763	132	2,010	(741)
Net Change in Fund Balances	7,102	1,101	1,377	(3,574)
Debt Service as a Percentage of Noncapital Expenditures	8.15%	9.23%	9.00%	3.41%

Data Source: Village Records

2003	2004	2005	2006	2007	2008
5,750	5,895	6,301	6,835	7,300	7,647
1,168	1,324	1,888	1,863	2,468	2,184
10,049	9,802	9,531	10,065	10,395	10,005
3,881	4,679	4,795	5,475	5,943	6,210
199	200	226	241	187	233
447	252	171	422	816	857
236	-	-	-	-	-
998	397	386	387	2,289	361
22,728	22,549	23,298	25,288	29,398	27,497
3,117	2,369	2,454	2,465	2,443	2,683
860	1,004	945	1,035	1,137	1,287
10,358	10,730	10,740	11,944	12,393	12,737
2,948	2,618	2,052	2,084	2,075	2,345
2,796	2,855	2,659	2,792	2,803	2,909
-	604	704	124	939	696
5,483	439	978	1,866	765	1,706
1,125	1,170	1,140	1,190	1,215	1,240
468	444	320	283	246	211
27,155	22,233	21,992	23,783	24,016	25,814
(4,427)	316	1,306	1,505	5,382	1,683
-	2,025	-	-	-	-
-	(1,986)	-	-	-	-
664	1,676	461	488	956	479
(533)	(1,571)	(358)	(384)	(853)	(376)
131	144	103	104	103	103
(4,296)	460	1,409	-	5,485	1,786
7.35%	7.41%	6.95%	6.72%	6.28%	6.07%

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

Tax Levy Year	Residential Property	Farm	Commercial Property
1998	\$ 471,383,194	\$ 139,023	\$ 91,347,032
1999	493,981,211	155,918	100,544,189
2000	521,713,110	149,689	103,737,015
2001	559,479,791	142,233	119,663,578
2002	599,026,637	141,432	125,418,130
2003	681,583,331	105,212	137,350,112
2004	736,057,028	118,812	133,554,438
2005	814,448,568	111,334	140,312,336
2006	885,318,045	109,640	156,042,710
2007	944,580,239	115,236	165,025,208

Data Source: Lake County Tax Extension Division

Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 58,229,922	\$ 621,099,171	\$ 55,370	\$ 621,154,541	0.567
64,709,731	659,391,049	68,128	659,459,177	0.552
74,076,873	699,676,687	74,572	699,751,259	0.549
79,279,950	758,565,552	87,166	758,652,718	0.530
77,128,250	801,714,449	101,917	801,816,366	0.515
80,107,173	899,145,828	108,939	899,254,767	0.479
84,806,924	954,537,202	121,038	954,658,240	0.474
84,670,218	1,039,542,456	124,585	1,039,667,041	0.451
86,201,916	1,127,672,311	140,056	1,127,812,367	0.435
93,665,242	1,203,385,925	158,762	1,203,544,687	0.429

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Direct and Overlapping Property Tax Rates* - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

	1998	1999	2000	2001
Tax Rates*				
Village	0.567	0.552	0.549	0.530
Grade School District #70	3.034	2.965	2.932	2.870
High School District #128	1.929	1.886	2.203	2.344
Lake County	0.531	0.521	0.521	0.516
Libertyville Township	0.297	0.288	0.272	0.256
Library	0.260	0.257	0.256	0.254
Other	0.460	0.477	0.538	0.498
	<u>7.078</u>	<u>6.946</u>	<u>7.271</u>	<u>7.268</u>
Village's Share of Total Tax Rate	<u>8.01%</u>	<u>7.95%</u>	<u>7.55%</u>	<u>7.29%</u>

* Property tax rates are per \$100 of assessed valuation and represent a typical household within the Village.

2002	2003	2004	2005	2006	2007
0.515	0.479	0.474	0.451	0.435	0.429
2.792	2.581	2.499	2.378	2.297	2.247
2.391	2.359	2.291	2.225	2.179	2.136
0.502	0.490	0.465	0.454	0.450	0.444
0.232	0.060	0.058	0.057	0.057	0.057
0.247	0.236	0.231	0.225	0.222	0.219
0.514	0.526	0.516	0.498	0.487	0.478
7.193	6.731	6.534	6.288	6.127	6.010
7.16%	7.12%	7.25%	7.17%	7.10%	7.14%

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Principal Property Tax Payers - Current Year and Nine Years Ago
April 30, 2008 (Unaudited)**

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Motorola	\$ 17,213,453	1	1.43%	\$ 20,149,260	1	3.20%
Hollister Incorporated	10,274,594	2	0.85%			
Abbott Laboratories	9,797,999	3	0.81%			
Manufacturers Life Ins. Co.	7,302,001	4	0.61%	3,680,968	4	0.60%
Capmark Finance Inc.	6,626,442	5	0.55%			
Bradley Operating Ltd	4,519,167	6	0.38%			
Brea Property Management	4,008,989	7	0.33%			
Medical Center Properties Inc.	3,782,404	8	0.31%	8,140,268	2	1.30%
Calsters	3,353,739	9	0.28%			
USG Corporation	3,328,540	10	0.27%			
Lincoln Atrium Management				4,214,509	3	0.70%
Libertyville Joint Venture				3,382,661	5	0.50%
Richard J. Brown Realty				2,982,645	6	0.50%
Temperature Equipment Corp.				2,756,586	7	0.40%
Libertyville Tech Way, LLC				2,643,374	8	0.40%
Cornerstone				2,480,735	9	0.40%
Individual				2,342,409	10	0.40%
	<u>70,207,328</u>		<u>5.82%</u>	<u>52,773,415</u>		<u>8.40%</u>

Data Source: Office of the Lake County Clerk's

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years (In Thousands)
April 30, 2008 (Unaudited)**

Fiscal Year Ended April 30	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1999	1998	\$ 3,550	\$ 3,515	99.01%	N/A	\$ 3,515	99.01%
2000	1999	3,667	3,650	99.54%	N/A	3,650	99.54%
2001	2000	3,894	3,864	99.23%	N/A	3,864	99.23%
2002	2001	4,075	4,072	99.93%	N/A	4,072	99.93%
2003	2002	4,184	4,146	99.09%	N/A	4,146	99.09%
2004	2003	4,365	4,279	98.03%	N/A	4,279	98.03%
2005	2004	4,589	4,520	98.50%	N/A	4,520	98.50%
2006	2005	4,766	4,756	99.79%	N/A	4,756	99.79%
2007	2006	4,981	4,904	98.45%	N/A	4,904	98.45%
2008	2007	5,238	N/A	N/A	N/A	N/A	N/A

N/A - Currently Not Available

Data Source: Village Records

VILLAGE OF LIBERTYVILLE, ILLINOIS

Ratios of Outstanding Debt By Type - Last Ten Fiscal Years (In Thousands)
April 30, 2008 (Unaudited)

Fiscal Year Ended April 30	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Installment Contracts	General Obligation Bonds	IEPA Loans	Installment Contracts				
1999	\$ 12,130	\$ 111,480	\$ 9,099	\$ 2,424	\$ 14,751	\$ 132,709	N/A	\$ 6,921.30	
2000	11,070	780	6,215	2,299	-	18,065	2.33%	942.16	
2001	11,760	684	10,730	2,170	-	23,174	2.76%	1,117.25	
2002	10,740	250	30,290	2,038	-	41,280	4.92%	1,990.16	
2003	9,615	353	29,745	1,902	159	39,713	4.74%	1,914.62	
2004	8,485	434	28,225	1,761	108	37,144	4.43%	1,790.76	
2005	7,345	361	27,875	1,616	108	35,581	4.24%	1,715.41	
2006	6,155	626	26,735	1,467	40	33,516	4.00%	1,615.85	
2007	4,940	533	28,560	1,313	27	34,033	4.06%	1,640.78	
2008	3,700	292	27,280	1,154	76	31,272	3.73%	1,507.67	

Data Source: Village's Records

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Ratios of General Bonded Debt Outstanding to Equalized Assessed Value
and Net General Obligation Bonded Debt per Capita - Last Ten Fiscal Years (In Thousands)
April 30, 2008 (Unaudited)**

Fiscal Year Ended April 30	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
1999	\$ 12,130	\$ 842	\$ 11,288	1.82%	\$ 588.71
2000	11,070	860	10,210	1.55%	532.49
2001	11,760	844	10,916	1.56%	526.28
2002	10,740	925	9,815	1.29%	473.19
2003	9,615	1,007	8,608	1.07%	415.00
2004	8,485	927	7,558	0.84%	364.62
2005	7,345	923	6,422	0.67%	309.61
2006	6,155	946	5,209	0.50%	251.13
2007	4,940	962	3,978	0.35%	191.78
2008	3,700	974	2,726	0.23%	131.42

Data Source: U.S. Census Bureau, Lake County Tax Extension Division, Village Records

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

(1) See the Ratios of Outstanding Debt by Type Schedule for Equalized Assessed Value data (Actual Taxable Value of Property).

(2) See the Demographic and Economic Statistics Schedule for the Per Capita Income data.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
April 30, 2008 (Unaudited)**

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Libertyville	\$ 30,980,000	100.00%	\$ 30,980,000
Overlapping Debt:			
Libertyville School District #70	14,004,172	91.08%	12,755,000
Hawthorn School District #73	36,821,473	13.88%	5,110,820
Fremont Center School District #79	30,030,000	4.26%	1,279,278
Community High School District #128	38,985,000	36.84%	14,362,074
Mundelein High School District #120	9,524,889	5.27%	501,962
Grayslake High School District #127	60,919,516	0.03%	18,276
Lake County Community College #532	99,772,475	4.31%	421,194
Lake County	3,585,000	4.10%	146,985
Lake County Forest Preserve District	206,524,438	4.10%	8,467,502
Central Lake County JAWA	26,060,000	16.91%	4,406,746
Fremont Public Library District	7,630,000	2.89%	220,507
Subtotal	533,856,963		47,690,344
Total	564,836,963		78,670,344

Data Source: Lake County Clerk's Office, Illinois Tax Extension Division.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Legal Debt Margin - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

See Following Page

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Legal Debt Margin - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

	1999	2000	2001	2002
Assessed Valuation	\$ 621,154,541	673,049,403	714,465,440	774,907,276
Bonded Debt Limit - 8.625% of Assessed Value	53,574,579	58,050,511	61,622,644	66,835,753
Amount of Debt Applicable to Limit	1,590,000	1,355,000	2,910,000	7,970,000
Legal Debt Margin	51,984,579	56,695,511	58,712,644	58,865,753
Percentage of Legal Debt Margin to Bonded Debt Limit	97.03%	97.67%	95.28%	88.08%

Data Source: Village Records

2003	2004	2005	2006	2007	2008
818,341,666	920,904,542	980,297,159	1,039,667,041	1,127,812,367	1,203,544,687
70,581,969	79,428,017	84,550,630	89,671,282	97,273,817	103,805,729
4,855,001	5,680,000	4,955,000	2,200,000	2,080,000	1,965,000
65,726,968	73,748,017	79,595,630	87,471,282	95,193,817	101,840,729
93.12%	92.85%	94.14%	97.55%	97.86%	98.11%

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

Fiscal Year Ended April 30	(1) Population	(1) Personal Income (in Thousands)	(2) Per Capita Personal Income	(1) Median Age	(3) School Enrollment	(1) Unemployment Rate
1999	19,174	\$ N/A	\$ N/A	N/A	2,536	N/A
2000	19,174	775,128	40,426	39.2	2,647	238
2001	20,742	838,516	40,426	39.2	2,671	295
2002	20,742	838,516	40,426	39.2	2,649	368
2003	20,742	838,516	40,426	39.2	2,665	391
2004	20,742	838,516	40,426	39.2	2,714	364
2005	20,742	838,516	40,426	39.2	2,656	322
2006	20,742	838,516	40,426	39.2	2,650	N/A
2007	20,742	838,516	40,426	39.2	2,637	N/A
2008	20,742	838,516	40,426	39.2	2,576	N/A

Data Sources

- (1) U.S. Bureau of the Census
- (2) Local Chamber of Commerce
- (3) School District Administrative Offices - District 70
- (4) IL Dept of Employment Security

N/A - Currently Not Available

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2008 (Unaudited)**

Employer	2008			1999		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Motorola	5,032	1	N/A	4,000	1	N/A
Condell Medical Center	2,150	2	N/A	1,570	2	N/A
Lake County	518	3	N/A	516	4	N/A
Aldridge Electric, Inc.	500	4	N/A			
Hollister, Inc.	450	5	N/A	350	6	N/A
Tempel Steel Co., Libertyville Division	425	6	N/A	500	5	N/A
Libertyville School District No. 70	319	7	N/A	299	8	N/A
Libertyville Comm. High School No. 128	252	8	N/A	296	9	N/A
Village of Libertyville	233	9	N/A	167	10	N/A
Snap-On Credit, LLC	230	10	N/A			
Solar Corporation				700	3	N/A
Commonwealth Edison				325	7	N/A
	<u>10,109</u>		<u>0.00%</u>	<u>8,723</u>		<u>0.00%</u>

Data Sources: Village Community Development Department Records and U.S. Census Bureau.

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

Function	1999	2000	2001	2002
General Government				
Administration	3	3	3	3
Finance	9	10	10	10
Public Works	32	33	33	33
Police	53	57	56.5	56.5
Fire	38	38	39.5	39.5
Community Development	12	12	12	12
Water and Sewer	4	4	4	4
Parks and Recreation	16	16	16	25
Total	167	173	174	183

Data Source: Village Records

2003	2004	2005	2006	2007	2008
3	3	3	3	3	3
10	10	9	9	9	9
33	33	33	33	33	33
56.5	56.5	56.5	54.5	58.0	59.0
39.5	39.5	39.5	38.5	33.0	34.0
12	12	12	12	13	13
4	4	4	4	4	4
29	29	26	26	24	24
187	187	183	180	177	179

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

Function/Program	1999	2000	2001
Public Works			
Forestry			
Number of Parkway Trees Planted	123	106	84
Number of Parkway Trees Trimmed	1494	1067	1200
Fleet Services			
Number of Vehicles Maintained	102	104	108
Number of Equipment Maintained	39	39	39
Preventative Maintenance Services	1022	1014	1111
Public Safety			
Fire (1)			
Number of Fire Calls	1,273	1,188	1,174
Number of EMS Calls	1,705	1,838	1,737
Number of Training Hours	8,110	8,140	9,700
ISO Rating	2	2	2
Police			
Part I Crime	445	518	452
Part II Crime	N/A	N/A	N/A
Calls for Service	15,200	13,680	13,178
State Tickets Issued	2,176	2,475	3,138
Parking Tickets Issued	6,450	5,856	4,601
Community Development			
Number of Building Permits Issued	1,384	1,238	1,290
Number of Building Inspections	N/A	N/A	N/A
Number of Food Service Inspections	N/A	N/A	N/A
Highways and Streets			
Sidewalk Replaced (sq. ft.)	1,160	14,640	23,580
Annual Resurfacing Program (\$)	\$1,575,000	\$850,000	\$1,256,000
Crack Sealing (lbs. installed)	-	12,680	26,490
Water and Sewer			
Water Main Breaks	24	30	37
Hydrants Flushed	1,285	1,037	1,024
Water Meters Read	6,336	6,660	7,032
Water Meter Service Requests	1,978	4,433	4,898
Water Meters Replaced	502	142	103
Total Distribution Pumpage (1,000 gallons)	1,007,651	1,065,321	1,047,325
Average Daily Pumpage (1,000 gallons)	2,591	2,879	2,939
Sanitary Sewer Televising (feet)	160,359	112,333	15,305
Sanitary Sewer Repairs	1	1	2

N/A: Currently Not Available

Data Source: Village Records

2002	2003	2004	2005	2006	2007	2008
124	90	48	44	49	-	49
1435	1300	1047	1412	551	836	537
108	111	111	111	111	109	109
39	51	51	51	51	51	51
1118	1150	1296	1083	1207	1077	1,207
1,005	1,251	1,282	1,220	N/A	1,171	N/A
1,950	1,960	1,874	2,014	N/A	2,243	N/A
10,139	7,072	4,782	5,128	5,193	6,084	N/A
2	2	2	2	2	2	2
383	395	363	401	368	395	165 (est.)
N/A	N/A	N/A	N/A	N/A	N/A	N/A
13,669	25,244	26,820	20,402	20,491	21,695	10,536
2,819	2,350	2,779	2,378	2,591	2,740	2,168
4,746	4,907	3,786	5,139	4,226	4,315	1,983
1,450	1,350	1,582	1,284	1,406	1,366	2,418
4,681	6,363	7,371	7,058	7,103	6,741	7,130
N/A	N/A	N/A	N/A	N/A	N/A	N/A
20,802	13,436	12,663	10,115	12,637	8,562	8,742
\$1,100,000	\$955,000	\$655,000	\$870,000	\$880,000	\$985,000	\$0
49,740	48,120	10,166	21,360	29,950	-	30,845
16	14	26	32	28	16	22
589	801	361	857	1,184	335	995
7,094	7,332	4,200	7,550	7,331	7,393	7,434
4,597	4,954	4,550	2,927	2,517	435	2,485
100	123	104	128	117	70	87
1,038,773	1,044,398	1,043,247	1,140,013	1,026,566	99,732	1,088,301
2,945	2,870	2,866	3,121	2,737	3,217	2,957
17,319	20,647	16,177	28,323	1,140	12,094	17,594
2	-	2	1	1	-	3

VILLAGE OF LIBERTYVILLE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

Function/Program	1999	2000	2001	2002
Police				
Stations	1	1	1	1
Patrol Units (1)	12	12	12	12
Patrol Officers	32	32	33	33
Fire Stations	3	3	3	3
Public Works				
Streets (Miles)	87	87	72	72
Sidewalks (Miles)	123.05	124.52	125.85	125.90
Streetlights	1,741	1,650	1,650	1,650
Water and Sewer				
Water Mains (Miles)	105	108	108	108
Fire Hydrants	1,215	1,252	1,270	1,270
Sanitary Sewers (Miles)	76	77	77	77
Manholes	2,130	2,130	2,195	2,212
Storm Sewer (Miles)	80	80	81	81

(1) Marked Police Vehicles

Data Source: Village Records

2003	2004	2005	2006	2007	2008
1	1	1	1	1	1
12	12	12	12	12	25
33	31.5	31.5	31.5	32.5	32.5
3	3	3	3	3	-
80	80	80	80	80	81
127.23	128.11	129.63	130.35	130.67	131.67
1,700	1,700	2,171	2,171	2,171	2,314
111	111	114	126	126	127
1,300	1,300	1,300	1,300	1,300	1,310
94	94	94	94	94	95
2,231	2,261	2,276	2,297	2,297	2,324
93	93	93	93	93	94

2008 DISCLOSURE

for

VILLAGE OF LIBERTYVILLE

Lake County, Illinois

CUSIP NUMBER: 531575

Relating to the following Bond Issues:

\$1,000,000 General Obligation Bonds, Series 1997
\$3,695,000 General Obligation Bonds, Series 1998
\$1,800,000 General Obligation Limited Tax Bonds, Series 2000
\$5,000,000 General Obligation Bonds, Series 2000
\$17,800,000 General Obligation Bonds, Series 2001
\$5,290,000 General Obligation Refunding Bonds, Series 2001A
\$2,600,000 General Obligation Refunding Bonds, Series 2001B
\$665,000 General Obligation Limited Tax Refunding Bonds, Series 2003A
\$1,360,000 General Obligation Refunding Bonds, Series 2003B
\$2,435,000 General Obligation Refunding Bonds, Series 2004

and

\$3,000,000 General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 2006

For further information please contact:

Patricia A. Wesolowski
Director of Finance
Village of Libertyville
118 West Cook Street
Libertyville, Illinois 60048

Telephone Number: (847) 918-2102
Fax Number: (847) 362-9453

DEBT INFORMATION

Statement of Bonded Indebtedness(1) (As of June 3, 2008)

	Amount Applicable	Ratio To		Per Capita (2000 Census 20,742)
		Equalized Assessed	Estimated Actual	
Village EAV of Taxable Property, 2007.....	\$1,203,544,687	100.00%	33.33%	\$ 58,024.52
Estimated Actual Value, 2007.....	3,610,634,061	300.00%	100.00%	174,073.57
Direct Bonded Debt(1).....	\$ 30,980,000	2.57%	0.86%	\$ 1,493.59
Less: Self Supporting.....	(29,015,000)	(2.41%)	(0.80%)	(1,398.85)
Net Direct Bonded Debt.....	\$ 1,965,000	0.16%	0.05%	\$ 94.74
Overlapping Bonded Debt				
Schools.....	\$ 34,448,603	2.86%	0.95%	\$ 1,660.81
All Others.....	13,241,740	1.10%	0.37%	638.40
Total Overlapping Bonded Debt.....	\$ 47,690,343	3.96%	1.32%	\$ 2,299.22
Total Net Direct & Overlapping Debt.....	\$ 49,655,343	4.13%	1.38%	\$ 2,393.95

Note: (1) Source: The Village. Excludes installment contracts.

Legal Debt Margin(1) (As of June 3, 2008)

	8.625% of EAV
2007 Equalized Assessed Valuation.....	\$1,203,544,687
Statutory Debt Limitation (8.625% of EAV).....	103,805,729

General Obligation Bonded Debt:

Series 1997(2).....	\$ 610,000
Series 1998(2).....	435,000
Series 2000.....	1,675,000
Series 2000(2).....	4,015,000
Series 2001(2).....	15,910,000
Series 2001A(2).....	1,995,000
Series 2001B(2).....	405,000
Series 2003A.....	290,000
Series 2003B(2).....	285,000
Series 2004(2).....	2,435,000
Series 2006(2).....	2,925,000
Total General Obligation Bonded Debt.....	\$ 30,980,000

Less: Alternate Revenue Source Bonds:

Series 1997(2).....	\$ (610,000)
Series 1998(2).....	(435,000)
Series 2000(2).....	(4,015,000)
Series 2001(2).....	(15,910,000)
Series 2001A(2).....	(1,995,000)
Series 2001B(2).....	(405,000)
Series 2003B(2).....	(285,000)
Series 2004(2).....	(2,435,000)
Series 2006(2).....	(2,925,000)
Total Alternate Bonds(2).....	\$(29,015,000)

Net Applicable General Obligation Bonds..... \$ 1,965,000

Other Debt

Installment Contracts (As of May 1, 2008)..... \$ 368,039

Total Other Debt.....	368,039
Total Applicable Debt.....	\$ 2,333,039
Legal Debt Margin.....	\$ 101,472,690

Notes: (1) Source: The Village.
 (2) General obligation alternate revenue source bonds under Illinois Statutes, do not count against the overall 8.625% of EAV debt limit for general obligation bonded debt so long as the debt service levy for such bonds is abated annually and not extended.

General Obligation Bonded Debt(1) (Principal Only)

Year	Series										Total Outstanding	Cumulative Retirement		Debt Service Tax Levies	
	1997(3) (12-15)	1998(3) (12-15)	2000(2) (12-15)	2000(3) (12-15)	2001(3) (12-15)	Series 2001A(3) (5-1)	Series 2001B(3) (12-15)	Series 2003A(2) (12-15)	Series 2003B(3) (12-15)	Series 2004(3) (12-15)		Series 2005(3) (5-1)	Amount	Percent	Year
2008	\$ 50,000	\$ 435,000	\$ 20,000	\$ 225,000	\$ 935,000	\$ 310,000	\$ 405,000	\$ 115,000	\$ 285,000	\$ 125,000	\$ 0	\$ 2,905,000	9.33%	2007	\$233,863
2009	50,000	0	30,000	235,000	970,000	305,000	0	100,000	0	140,000	80,000	4,815,000	15.54%	2008	225,283
2010	55,000	0	35,000	250,000	1,015,000	320,000	0	75,000	0	140,000	85,000	6,790,000	21.92%	2009	201,208
2011	55,000	0	140,000	260,000	1,050,000	335,000	0	0	0	155,000	85,000	8,870,000	28.63%	2010	227,195
2012	60,000	0	150,000	275,000	1,095,000	350,000	0	0	0	165,000	90,000	11,055,000	35.68%	2011	229,845
2013	60,000	0	155,000	285,000	1,145,000	375,000	0	0	0	180,000	95,000	13,350,000	43.09%	2012	226,970
2014	65,000	0	165,000	300,000	1,195,000	0	0	0	0	195,000	240,000	15,500,000	50.03%	2013	228,755
2015	70,000	0	175,000	320,000	1,255,000	0	0	0	0	195,000	240,000	17,755,000	57.31%	2014	229,845
2016	70,000	0	185,000	335,000	1,315,000	0	0	0	0	210,000	250,000	20,120,000	64.95%	2015	230,308
2017	75,000	0	195,000	355,000	1,380,000	0	0	0	0	215,000	260,000	22,600,000	72.95%	2016	230,040
2018	0	0	210,000	370,000	1,450,000	0	0	0	0	225,000	270,000	25,130,000	81.12%	2017	234,120
2019	0	0	215,000	390,000	1,515,000	0	0	0	0	240,000	290,000	27,780,000	89.67%	2018	227,255
2020	0	0	0	415,000	1,590,000	0	0	0	0	250,000	300,000	30,335,000	97.92%		
2021	0	0	0	0	0	0	0	0	0	0	0	315,000	98.93%		
2022	0	0	0	0	0	0	0	0	0	0	0	315,000	100.00%		
Total	\$610,000	\$435,000	\$1,675,000	\$4,915,000	\$15,910,000	\$1,995,000	\$405,000	\$290,000	\$285,000	\$2,435,000	\$2,925,000	\$30,980,000			

Notes: (1) Source: The Village. Excludes \$368,039 of installment contracts as of May 1, 2008 and \$1,154,375 of an Illinois EPA Loan payable from the Waterworks and Sewerage Fund.
(2) Limited Tax Bonds.
(3) Alternate Revenue Source Bonds. Sources of revenues are sales taxes, recreational facility and waterworks and sewerage fund revenues.

Debt Ratios and Per Capita Debt - Last Ten Sales(1)

Sale Date	Village Issue		Ratio to Estimated Actual Value		Per Capita(2)	
	Amount	Amount	Including Self-Supporting	Excluding Self-Supporting	Including Self-Supporting	Excluding Self-Supporting
January 9, 1996	\$ 2,960,000	\$ 2,960,000	0.77%	0.10%	\$2,003.86	\$1,459.11
December 9, 1997	1,000,000	1,000,000	0.67%	0.08%	2,206.95	1,669.50
October 27, 1998	3,650,000	3,650,000	0.81%	0.08%	3,355.41	2,651.85
June 27, 2000	1,800,000	1,800,000	0.72%	0.14%	3,254.81	2,646.44
November 28, 2000	5,000,000	5,000,000	0.92%	0.14%	3,407.31	2,583.28
May 8, 2001	20,000,000	20,000,000	1.78%	0.12%	4,217.66	2,506.16
October 23, 2001	7,895,000(3)	7,895,000(3)	1.95%	0.12%	4,302.05	2,413.85
October 28, 2003	2,025,000(3)	2,025,000(3)	1.57%	0.10%	4,074.38	2,328.89
May 11, 2004	2,435,000	2,435,000	1.53%	0.10%	3,949.22	2,260.38
July 25, 2006	3,000,000	3,000,000	1.13%	0.07%	3,229.61	2,257.59

Notes: (1) Source: Village's 2007 Comprehensive Annual Financial Report. Information derived from prior Official Statements.
(2) Based on Census available at the time of issuance. 1990 Census - 19.174; 2000 - Census 20.742.
(3) Final issue amounts were adjusted.

Statement of Overlapping Debt(1)
(As of June 3, 2008)

	Percent of Village's 2007 Real Property In Taxing Body	Bonds Outstanding	Applicable to District	
			Percent(2)	Amount
Schools:				
School District No. 70	81.09%	\$ 14,004,172	91.08%	\$12,755,000
School District No. 73	15.90%	36,821,473	13.88%	5,110,820
School District No. 79	3.01%	30,030,000	4.26%	1,279,278
High School District No. 120	6.37%	9,524,889	5.27%	501,962
High School District No. 127	0.03%	60,919,516	0.03%	18,276
High School District No. 128	93.60%	38,985,000	36.84%	14,362,074
Community College District No. 532	100.00%	9,772,475	4.31%	421,194
Total Schools				\$34,448,603
Others:				
Lake County	100.00%	\$ 3,585,000	4.10%	\$ 146,985
Lake County Forest Preserve District	100.00%	206,524,438	4.10%	8,467,502
Central Lake County Joint Action Water Agency	100.00%	26,060,000	16.91%	4,406,746
Fremont Public Library	3.00%	7,630,000	2.89%	220,507
Total Others				\$13,241,740
Total Overlapping Debt				\$47,690,343

Notes: (1) Source: Lake County.
(2) Based on 2007 Equalized Assessed Valuations, the most recent available.

PROPERTY ASSESSMENT AND TAX INFORMATION
Village Equalized Assessed Valuations(1)

By Property Class	Levy Years				Percent 2003 to 2007	Of Total 2003 2007
	2003	2004	2005	2006		
Residential	\$681,583,331	\$736,057,028	\$ 814,448,568	\$ 885,318,045	38.59%	\$ 944,580,239
Farm	105,212	118,812	111,334	109,640	9.53%	115,236
Commercial	137,350,112	133,554,438	140,312,336	156,042,710	20.15%	165,025,208
Industrial	80,107,173	84,806,924	84,670,218	86,201,916	16.92%	93,665,242
Railroad	108,939	121,038	124,585	140,056	45.73%	158,762
Total	\$899,254,767	\$954,658,240	\$1,039,667,041	\$1,127,812,367		\$1,203,544,687
Percent change +(-)	12.15%(2)	6.16%	8.90%	8.48%		6.71%
Gross Value	\$930,894,674	\$998,473,867	\$1,087,718,163	\$1,176,721,156		\$1,252,896,805
Less: Exemptions	31,639,907	43,815,627	48,051,122	48,908,789		49,352,118
Net EAV	\$899,254,767	\$954,658,240	\$1,039,667,041	\$1,127,812,367		\$1,203,544,687
TIF Value	21,649,775	25,638,919	30,796,731	33,098,411		34,457,112
Total for All Taxing Purposes	\$920,904,542	\$980,297,159	\$1,070,463,772	\$1,160,910,778		\$1,238,001,799

Notes: (1) Source: Lake County Clerk.
(2) Percentage based on 2002 EAV of \$801,816,366.

Representative Tax Rates
Per \$100 of Equalized Assessed Valuation(1)

	Levy Years					Maximum Allowable	Unused Margin
	2003	2004	2005	2006	2007		
Corporate	\$0.0870	\$0.0840	\$0.0790	\$0.0740	\$0.0730	\$0.2500	70.80%
Street and Bridge.....	0.0570	0.0530	0.0480	0.0450	0.0440	0.1000	56.00%
Fire Protection.....	0.0780	0.0750	0.0700	0.0670	0.0660	0.1500	56.00%
Playgrounds and Recreation.....	0.0310	0.0300	0.0290	0.0290	0.0300	0.0900	66.67%
Parks	0.0310	0.0300	0.0290	0.0290	0.0300	0.0750	60.00%
IMRF	0.0380	0.0370	0.0350	0.0330	0.0320	No Limit	
Police Pension	0.0740	0.0750	0.0760	0.0750	0.0720	No Limit	
Firefighters Pension.....	0.0570	0.0550	0.0520	0.0520	0.0510	No Limit	
Recreation for the Handicapped.....	0.0000	0.0110	0.0110	0.0110	0.0110	0.0400	72.50%
Limited Bonds	0.0260	0.0000	0.0000	0.0000	0.0000	No Limit	
Bonds	0.0000	0.0240	0.0220	0.0200	0.0200	No Limit	
Total Village Rate.....	\$0.4790	\$0.4740	\$0.4510	\$0.4350	\$0.4290		
Lake County	0.4900	0.4650	0.4540	0.4500	0.4440		
Lake County Forest Preserve District.....	0.2250	0.2190	0.2100	0.2040	0.2010		
Libertyville Township - Road and Bridge.....	0.0420	0.0430	0.0420	0.0420	0.0430		
Libertyville Township.....	0.0600	0.0580	0.0570	0.0570	0.0570		
Cook Memorial Library District.....	0.2360	0.2310	0.2250	0.2220	0.2190		
Central Lake County Joint Action Water Agency.....	0.0580	0.0540	0.0490	0.0460	0.0420		
School District Number 70.....	2.5810	2.4990	2.3780	2.2970	2.2470		
High School District Number 128.....	2.3590	2.2910	2.2250	2.1790	2.1360		
Community College District Number 532.....	0.2010	0.2000	0.1970	0.1950	0.1920		
Total(3)	\$6.7310	\$6.5340	\$6.2880	\$6.1270	\$6.0100		
Village as a percent of Total.....	7.1%	7.3%	7.2%	7.1%	7.1%		

Notes: (1) Source: Lake County Clerk.
(2) Representative tax rates for Libertyville Township Tax Code Number 38 which represents 73.60% of the Village's 2007 Equalized Assessed Valuation.

Village Tax Extensions and Collections(1)

Levy Year	Coll. Year	Taxes Extended	Taxes Collected	
			Amount	Percent
2002.....	2003.....	\$4,128,313	\$4,090,037	99.07%
2003.....	2004.....	4,306,327	4,278,214	99.35%
2004.....	2005.....	4,526,009	4,516,208	99.78%
2005.....	2006.....	4,689,805	4,679,872	99.79%
2006.....	2007.....	4,907,276	4,898,073	99.81%
2007.....	2008(2).....	5,166,109	2,604,187	50.41%

Notes: (1) Source: Lake County Treasurer.
(2) In collection as of June 30, 2008.

Principal Village Taxpayers(1)

Taxpayer Name	Business/Service	2007 EAV(2)	Percent of Village
Motorola Inc.....	Portable and Cellular Mobile Telephones	\$17,213,453	1.43%
Hollister Incorporated.....	Corporate HQ and Health Care Products	10,274,594	0.85%
Abbott Laboratories.....	Pharmaceuticals - Hospital Supplies	9,797,999	0.81%
Manufacturers Life Insurance Company.....	Insurance Company	7,302,001	0.61%
Capmark Finance Inc.(3).....	Financial Services	6,626,442	0.55%
Bradley Operating Ltd.....	Real Property	4,519,167	0.38%
Brea Property Management.....	Real Property	4,008,989	0.33%
Medical Center Properties, Inc.....	Real Property	3,782,404	0.31%
Calsters.....	Real Property	3,353,739	0.28%
USG Corporation (4).....	Construction Material Manufacturing	3,328,540	0.27%
Total.....		\$70,207,328	
Ten largest as a percent of the Village's 2007 EAV (\$1,203,544,687).....			5.83%

Notes: (1) Source: Lake County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2007 EAV is the most current available.
(3) Previously Guaranty Bank.
(4) Previously Libertyville Joint Venture.

FINANCIAL INFORMATION

Statement of Activities Governmental Activities

Audited Year Ended April 30

	2004	2005	2006(2)	2007	2008
Governmental Activities(1):					
General Government.....	\$ (540,687)	\$ 274,419	\$ 678,302	\$ 1,259,593	\$ 1,124,658
Community Development.....	(891,775)	(771,732)	(704,558)	(713,616)	(986,902)
Public Safety.....	(8,661,026)	(8,730,503)	(11,009,891)	(7,917,239)	(9,801,185)
Public Works.....	(1,672,555)	(1,392,929)	(2,556,435)	(3,128,931)	(3,143,784)
Parks and Recreation.....	(2,541,198)	(2,353,691)	(1,760,288)	(1,799,711)	(1,900,209)
Economic Development.....	(109,275)	(703,633)	(124,291)	(939,443)	(695,858)
Interest of Long-Term Debt.....	(409,403)	(305,035)	(269,242)	(234,969)	(193,187)
Total Governmental Activities.....	<u>\$ (14,825,919)</u>	<u>\$ (13,983,104)</u>	<u>\$ (15,746,403)</u>	<u>\$ (13,474,316)</u>	<u>\$ (15,596,467)</u>
General Revenues:					
Taxes:					
Property Taxes.....	\$ 5,523,186	\$ 5,938,095	\$ 6,405,525	\$ 6,868,027	\$ 7,199,409
Other Taxes.....	372,206	362,902	429,598	431,258	447,149
Intergovernmental					
Sales and Use Taxes.....	7,840,044	7,420,912	7,735,611	7,569,381	7,304,853
Income Taxes.....	1,253,563	1,404,226	1,584,940	1,748,207	1,909,785
Other.....	105,305	87,424	74,214	476,047	85,138
Interest Income.....	278,943	184,131	431,533	837,852	885,382
Miscellaneous.....	396,933	386,081	387,140	2,288,709	361,404
Transfers - Internal Activity.....	104,980	103,090	103,690	102,975	103,005
Total General Revenue.....	<u>\$ 15,875,160</u>	<u>\$ 15,886,861</u>	<u>\$ 17,152,251</u>	<u>\$ 20,322,456</u>	<u>\$ 18,296,125</u>
Change in Net Assets.....	\$ 1,049,241	\$ 1,903,757	\$ 1,405,848	\$ 6,848,140	\$ 2,699,658
Net Assets Beginning.....	<u>33,890,890</u>	<u>34,740,131</u>	<u>143,080,978</u>	<u>157,715,825</u>	<u>164,563,965</u>
Net Assets Ending.....	<u>\$ 34,940,131</u>	<u>\$ 36,643,888</u>	<u>\$ 144,486,826</u>	<u>\$ 164,563,965</u>	<u>\$ 167,263,623</u>

- Notes: (1) Expenses less Program Revenues for Charges for Services and Capital Grants/Contributions.
 (2) Net assets were restated due to addition of infrastructure assets.

**Statement of Revenues and Expenditures
General Fund**

Audited Year Ended April 30

	2004	2005	2006	2007	2008
REVENUES:					
Taxes.....	\$ 4,151,564	\$ 4,616,631	\$ 4,937,965	\$ 5,138,723	\$ 5,396,947
Licenses and Permits.....	1,023,211	931,936	1,051,786	1,615,635	1,221,835
Intergovernmental.....	8,119,505	8,006,837	8,428,129	8,834,956	8,487,357
Charges for Services.....	4,168,839	4,517,958	5,106,072	5,366,573	5,606,483
Fines and Forfeits.....	199,761	226,257	241,105	186,834	232,859
Interest.....	197,251	143,328	325,224	571,467	539,367
Grants.....	0	0	0	0	0
Miscellaneous.....	355,456	207,427	366,049	610,412	218,612
Total Revenues.....	<u>\$18,215,587</u>	<u>\$18,650,374</u>	<u>\$20,456,330</u>	<u>\$22,324,600</u>	<u>\$21,703,460</u>
EXPENDITURES:					
Current:					
General Government.....	\$ 1,989,388	\$ 2,296,028	\$ 2,318,431	\$ 2,277,783	\$ 2,408,271
Community Development.....	1,003,924	945,485	1,034,897	1,136,810	1,286,825
Public Safety.....	10,249,498	10,740,333	11,944,339	12,393,135	12,737,445
Public Works.....	1,942,383	2,052,131	2,083,919	2,075,338	2,344,969
Parks and Recreation.....	2,855,035	2,659,305	2,792,256	2,803,372	2,908,741
Total Expenditures.....	<u>\$18,040,228</u>	<u>\$18,693,282</u>	<u>\$20,173,842</u>	<u>\$20,686,438</u>	<u>\$21,686,251</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures.....	\$ 175,359	\$ (42,908)	\$ 282,488	\$ 1,638,162	\$ 17,209
Other Financing Sources (Uses)					
Transfers In.....	\$ 394,517	\$ 0	\$ 0	\$ 0	\$ 0
Transfers Out.....	(45,000)	(60,000)	(80,000)	(555,000)	(80,000)
Total Other Financing Sources (Uses).....	<u>\$ 349,517</u>	<u>\$ (60,000)</u>	<u>\$ (80,000)</u>	<u>\$ (555,000)</u>	<u>\$ (80,000)</u>
Net Change in Fund Balances.....	\$ 524,876	\$ (102,908)	\$ 202,488	\$ 1,083,162	\$ (62,791)
Fund Balances - Beginning	<u>9,920,113(1)</u>	<u>10,444,989</u>	<u>10,342,081</u>	<u>10,544,569</u>	<u>11,627,731</u>
Fund Balances - Ending.....	<u>\$10,444,989</u>	<u>\$10,342,081</u>	<u>\$10,544,569</u>	<u>\$11,627,731</u>	<u>\$11,564,940</u>

Note: (1) As restated.

**Budget and Unaudited
General Fund**

	Budget 2008	Actual Fiscal Year 2008
REVENUES:		
Property Taxes	\$ 4,931,430	\$ 4,949,798
Other Taxes	447,000	447,149
Sales Taxes	6,727,700	6,211,210
Income Tax	1,804,000	1,909,785
Other Intergovernmental Revenue	352,500	366,362
Building Permits	987,650	1,221,835
Fines and Penalties	251,000	232,859
Libertyville Fire Protection District	2,168,000	2,178,824
Recreation Fees	1,309,500	1,267,092
Parking Fees	5,000	6,162
Interest Income	454,050	539,367
Transfers In	0	0
Other Revenues	<u>2,074,885</u>	<u>2,373,017</u>
Total General Fund Revenues	\$21,512,715	\$21,703,460
EXPENDITURES:		
Administration	\$ 1,121,225	\$ 1,120,725
Engineering	382,635	383,251
Highways & Bridges	1,503,935	1,503,826
Snow Removal and Ice Control	427,670	427,234
Planning	425,550	424,574
Building	705,775	702,631
Police	6,749,740	6,743,122
Fire	5,704,420	5,695,459
Parks	1,451,750	1,451,680
Recreation	915,565	915,448
Swimming Pool Operations	382,170	381,853
Riverside Park Golf Course	159,860	159,760
Senior Programs	68,855	68,833
Emergency Management Agency	5,350	3,791
Legislative Boards and Committees	142,205	141,354
Legal	415,000	414,927
Central Business District	23,000	22,945
Community Organizations/Activities	183,700	180,435
Public Buildings	200,090	199,735
Emergency Telephone System	324,105	295,073
Hotel/Motel Tax	288,060	259,317
Other Expenditures	<u>201,945</u>	<u>190,278</u>
Total Expenditures	\$21,782,605	\$21,686,251
Transfers Out	<u>0</u>	<u>0</u>
Excess of Income over Expenses	\$ (269,890)	\$ 17,209

**Statement of Net Assets
Governmental Activities**

Audited as of April 30

	2004	2005	2006	2007	2008
ASSETS:					
Current Assets					
Cash and Investments.....	\$ 10,595,023	\$ 12,035,784	\$ 12,560,004	\$ 17,217,070	\$ 17,714,305
Receivables - Net.....	8,397,644	8,377,916	9,229,461	9,549,286	9,866,989
Internal Balances.....	1,079,633	1,036,604	2,219,484	3,097,125	4,400,729
Prepaid Items/Inventory.....	532,172	436,430	513,982	631,487	794,849
Total Current Assets.....	\$ 20,604,472	\$ 21,886,734	\$ 24,522,931	\$ 30,494,968	\$ 32,776,872
Capital Assets					
Land.....	\$ 2,976,162	\$ 2,976,162	\$ 97,812,093	\$ 98,301,694	\$ 98,301,694
Infrastructure.....	20,153,258	21,473,659	47,036,993	73,087,614	74,799,074
Buildings and Improvements.....	15,922,818	15,922,818	16,628,146	16,810,256	16,989,687
Machinery and Equipment.....	12,393,416	12,714,958	6,221,208	6,459,741	6,624,440
Total Capital Assets.....	\$ 51,445,654	\$ 53,087,597	\$167,698,440	\$194,659,305	\$196,714,895
Less: Accumulated Depreciation.....	(18,864,001)	(20,861,374)	(30,217,070)	(44,036,297)	(46,593,439)
Total Capital Assets.....	\$ 32,581,653	\$ 32,226,223	\$137,481,370	\$150,623,008	\$150,121,456
Total Assets.....	\$ 53,186,125	\$ 54,112,957	\$162,004,301	\$181,117,976	\$182,898,328
LIABILITIES:					
Current Liabilities					
Accounts Payable.....	\$ 577,390	\$ 333,744	\$ 526,223	\$ 375,049	\$ 726,611
Accrued Payroll.....	517,148	593,963	645,064	535,971	534,305
Deposits Payable.....	400,795	529,191	684,571	969,637	812,227
Interest Payable.....	120,151	104,826	91,196	80,233	62,760
Unearned Revenues.....	6,315,927	6,731,032	7,143,835	7,426,758	7,698,984
Current Portion of Long Term Debt.....	1,603,961	1,558,814	1,683,526	1,793,711	1,826,933
Total Current Liabilities.....	\$ 9,535,372	\$ 9,851,570	\$ 10,774,415	\$ 11,181,359	\$ 11,661,820
Noncurrent Liabilities:					
Net Pension Obligation.....	\$ 134,471	\$ 142,944	\$ 140,472	\$ 133,074	\$ 116,141
Compensated Absences Payable.....	1,008,794	1,061,915	1,204,034	1,247,904	1,353,602
Installment Contract Payable.....	222,357	257,640	458,554	291,674	113,142
IEPA Loans Payable.....	0	0	0	0	0
General Obligation Bonds Payable.....	7,345,000	6,155,000	4,940,000	3,700,000	2,390,000
Total Noncurrent Liabilities.....	\$ 8,710,622	\$ 7,617,499	\$ 6,743,060	\$ 5,372,652	\$ 3,972,885
Total Liabilities.....	\$ 18,245,994	\$ 17,469,069	\$ 17,517,475	\$ 16,554,011	\$ 15,634,705
NET ASSETS:					
Invested in Capital Assets - Net of Related Debt.....	\$ 23,528,062	\$ 24,520,248	\$130,700,298	\$145,149,599	\$146,045,939
Restricted - Special Revenues.....	394,517	906,732	353,140	416,939	427,485
Restricted - Debt Service.....	807,122	818,583	853,859	881,348	911,288
Unrestricted.....	10,210,430	10,398,325	12,579,529	18,116,079	19,878,911
Total Net Assets.....	\$ 34,940,131	\$ 36,643,888	\$144,486,826	\$164,563,965	\$167,263,623

Note: (1) Governmental Infrastructure Assets added in FY 2006 and other assets restated due to appraisal.

**Balance Sheet
General Fund**

Audited as of April 30

	2004	2005	2006	2007	2008
ASSETS:					
Cash and Investments.....	\$ 7,814,409	\$ 8,087,728	\$ 7,399,270	\$ 7,619,478	\$ 6,031,808
Receivables - Net of Allowances:					
Property Taxes.....	4,104,689	4,332,667	4,510,610	4,729,050	4,971,403
Other Taxes.....	1,751,960	1,514,950	1,608,462	1,795,554	1,582,618
Accounts.....	273,615	305,592	461,085	312,827	528,017
Accrued Interest.....	30,458	29,571	51,018	38,285	52,269
Due From Other Governments.....	0	0	0	0	0
Due From Other Funds.....	1,409,761	1,366,732	2,219,484	3,097,125	4,400,729
Prepaid Items.....	521,598	420,584	485,305	552,633	690,277
Total Assets.....	<u>\$15,906,490</u>	<u>\$16,057,824</u>	<u>\$16,735,234</u>	<u>\$18,144,952</u>	<u>\$18,257,121</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable.....	\$ 444,320	\$ 264,770	\$ 368,787	\$ 304,987	\$ 394,973
Accrued Liabilities.....	0	0	0	0	0
Accrued Payroll.....	499,773	576,342	626,697	515,749	513,578
Deposits Payable.....	400,795	529,191	684,571	967,435	812,227
Accrued Interest Payable.....	0	0	0	0	0
Due to Other Funds.....	11,738	12,773	0	0	0
Deferred Revenues.....	4,104,875	4,332,667	4,510,610	4,729,050	4,971,403
Total Liabilities.....	<u>\$ 5,461,501</u>	<u>\$ 5,715,743</u>	<u>\$ 6,190,665</u>	<u>\$ 6,517,221</u>	<u>\$ 6,692,181</u>
Fund Balances:					
Reserved - Prepaid Items.....	\$ 521,598	\$ 420,584	\$ 485,305	\$ 552,633	\$ 690,277
Reserved - Special Revenues.....	394,517	353,811	353,140	416,939	427,485
Unreserved.....	9,528,874	9,567,686	9,706,124	10,658,159	10,447,178
Total Fund Balances.....	<u>\$10,444,989</u>	<u>\$10,342,081</u>	<u>\$10,544,569</u>	<u>\$11,627,731</u>	<u>\$11,564,940</u>
Total Liabilities and Fund Balances.....	<u>\$15,906,490</u>	<u>\$16,057,824</u>	<u>\$16,735,234</u>	<u>\$18,144,952</u>	<u>\$18,257,121</u>

Fund Balances and Summary of Revenues, Excess Revenues and Fund Balances Fiscal Years Ended April 30

	Actual			Preliminary Fiscal Year Ended April 30, 2008	
	2005	2006	2007	2008	2008
Government Fund Types					
General Fund.....	\$ 10,342,081	\$ 10,544,569	\$ 11,627,731	\$ 11,564,940	\$ 11,564,940
Special Revenue Funds					
Foreign Fire Ins. Tax.....	0	0	0	0	0
Motor Fuel Tax.....	0	0	0	0	0
Commuter Parking.....	552,921	726,630	910,745	999,083	999,083
911 Emergency Telephone.....	0	0	0	0	0
Timber Creek SSA.....	0	0	0	0	0
Hotel/Motel Tax.....	0	0	0	0	0
Lucerne At Interlaken SSA.....	0	0	0	0	0
Total Special Revenue Funds.....	\$ 552,921	\$ 726,630	\$ 910,745	\$ 999,083	\$ 999,083
Debt Service Funds.....	\$ 923,409	\$ 945,055	\$ 961,581	\$ 974,048	\$ 974,048
Capital Projects Funds					
(Total Including TIF).....	1,573,608	2,884,447	7,084,052	8,832,519	8,832,519
Total Governmental Funds.....	\$ 13,492,019	\$ 15,100,701	\$ 20,584,109	\$ 22,370,590	\$ 22,370,590
Proprietary and Fiduciary Fund Types					
Enterprise Funds					
Waterworks and Sewerage.....	\$ 24,627,500	\$ 24,802,967	\$ 25,443,380	\$ 25,332,621	\$ 25,332,621
Sports Complex.....	(4,633,700)	(5,943,436)	(6,702,554)	(7,630,883)	(7,630,883)
Internal Service Funds					
Vehicle Maintenance and Repair.....	2,525,237	2,979,551	2,990,228	3,038,629	3,038,629
Technology Equipment and Replacement.....	(522,946)	(411,133)	(266,591)	(246,644)	(246,644)
Wireless Equipment and Replacement.....	0	0	0	0	0
Pension Fund Trusts					
Police Pension.....	15,268,089	16,685,424	18,319,178	18,718,139	18,718,139
Firefighter's Pension.....	12,448,443	14,146,603	15,649,951	16,289,710	16,289,710
Total Proprietary and Fiduciary.....	\$ 49,712,623	\$ 52,259,976	\$ 55,433,592	\$ 55,501,572	\$ 55,501,572
Total All Funds (Memo Only).....	\$ 63,204,642	\$ 67,360,677	\$ 76,017,701	\$ 77,872,162	\$ 77,872,162
Cash and Investments at April 30:					
General Fund.....	\$ 7,814,409	\$ 8,087,728	\$ 7,619,478	\$ 6,031,808	\$ 6,031,808
Special Revenue Funds.....	207,572	546,496	902,240	991,108	991,108
Debt Service Funds.....	704,717	715,871	760,206	771,173	771,173
Capital Project Funds.....	788,144	1,963,508	6,938,445	8,938,081	8,938,081
Subtotal (Governmental).....	\$ 9,514,842	\$ 11,313,603	\$ 16,220,369	\$ 16,732,170	\$ 16,732,170
Enterprise Funds.....	4,598,421	3,372,195	5,831,552	5,713,503	5,713,503
Internal Service Funds.....	1,080,181	772,181	996,701	982,135	982,135
Pension Funds.....	\$ 25,925,281	\$ 27,484,785	\$ 33,814,870	\$ 34,620,820	\$ 34,620,820
Total All Funds.....	\$ 41,118,725	\$ 42,942,764	\$ 56,863,492	\$ 58,048,628	\$ 58,048,628

	Revenues Including Transfers		Revenues Over (Under) Expenditures		Fund Balance
	Property Taxes	Total	\$	\$	
General Fund.....	\$ 4,949,798	\$ 21,703,460	\$ 17,209	\$ 17,209	\$ 11,564,940
Special Revenue Funds	0	0	0	0	0
Debt Service Funds	225,311	\$ 1,463,127	\$ (411,838)	\$ (411,838)	\$ 974,048
Capital Projects Funds	2,024,300	4,446,647	1,989,767	1,989,767	8,832,519
Total Governmental Funds.....	\$ 7,199,409	\$ 27,976,425	\$ 1,683,476	\$ 1,683,476	\$ 22,370,590
Proprietary and Fiduciary Funds	\$ 0	\$ 6,054,269	\$ (1,070,468)	\$ (1,070,468)	\$ 25,332,621
Enterprise Funds	0	3,213,660	215,191	215,191	(7,630,883)
Internal Service Funds	0	1,456,275	23,486	23,486	3,038,629
Pension Fund Trusts	0	369,889	(28,855)	(28,855)	(246,644)
Total Proprietary and Fiduciary.....	0	5,039,623	186,862	186,862	25,332,621
Total All Funds.....	\$ 7,199,409	\$ 42,115,639	\$ 1,861,550	\$ 1,861,550	\$ 77,872,162

THE WATERWORKS AND SEWERAGE SYSTEM

Rates and Charges

Rates Per 1,000 Gallons

	<u>Effective</u>	
	<u>July 1, 2003</u>	<u>June 1, 2006</u>
Minimum - First 4,000 Gallons:		
Water	\$21.32	\$22.20
Sewer	14.40	14.80
Over 4,000 Gallons:		
Water	\$ 4.18	\$ 4.40
Sewer	2.50	2.60

**Major System Users
(As of April 30, 2008)**

<u>Name</u>	<u>Dollars Billed</u>	<u>Gallons Used (1,000 Gallons)</u>
Motorola	\$140,267	23,500
Winchester House	114,756	16,386
Condell	110,304	15,750
Condell	93,224	13,310
Temperature Equipment	65,245	9,313
Spring Meadows	53,256	7,599
Zeller Plastik	48,613	6,937
Libertyville High School	45,624	6,510
American Health Care	39,632	5,654
Center Club/Condell	32,961	4,161
Total	<u>\$743,882</u>	<u>109,120</u>

Waterworks and Sewerage Fund
Statement of Net Assets

	Audited as of April 30				
	2004	2005	2006	2007	2008
ASSETS:					
Cash and Investments.....	\$ 4,598,421	\$ 3,372,195	\$ 3,341,194	\$ 5,831,552	\$ 5,713,503
Receivables - Net of Allowances					
Property Taxes.....	26,784	26,784	26,784	26,784	25,479
Accounts.....	1,121,483	1,015,635	1,246,871	1,166,541	979,478
Accrued Interest.....	32,380	8,775	12,738	12,107	27,734
Due From Other Funds.....	1,281,401	1,281,401	951,273	951,273	951,273
Prepaid Expenses.....	52,000	52,000	68,519	54,466	66,470
Total.....	<u>\$ 7,112,469</u>	<u>\$ 5,756,790</u>	<u>\$ 5,647,379</u>	<u>\$ 8,042,723</u>	<u>\$ 7,763,937</u>
Capital Assets:					
Land.....	\$ 68,920	\$ 68,920	\$ 2,272,080	\$ 2,272,080	\$ 2,272,080
Buildings and Improvements.....	8,068,322	8,290,450	14,016,621	14,016,621	14,140,793
Machinery and Equipment.....	3,224,782	3,224,782	1,684,716	1,684,716	1,684,716
Waterworks System.....	17,268,716	18,367,884	12,930,848	13,648,356	14,234,524
Sewerage System.....	19,220,180	19,409,971	13,631,993	14,200,740	14,484,256
Total.....	<u>\$ 47,850,920</u>	<u>\$ 49,362,007</u>	<u>\$ 44,536,258</u>	<u>\$ 45,822,513</u>	<u>\$ 46,816,369</u>
Accumulated Depreciation.....	<u>(23,033,424)</u>	<u>(24,468,507)</u>	<u>(19,965,004)</u>	<u>(20,972,743)</u>	<u>(22,034,570)</u>
Net Capital Assets.....	<u>\$ 24,817,496</u>	<u>\$ 24,893,500</u>	<u>\$ 24,571,254</u>	<u>\$ 24,849,770</u>	<u>\$ 24,781,799</u>
Total Assets.....	<u>\$ 31,929,965</u>	<u>\$ 30,650,290</u>	<u>\$ 30,218,633</u>	<u>\$ 32,892,493</u>	<u>\$ 32,545,736</u>
LIABILITIES:					
Current Liabilities					
Accounts Payable.....	\$ 669,645	\$ 338,749	\$ 465,817	\$ 262,808	\$ 391,766
Retainage Payable.....	0	0	0	0	0
Accrued Payroll.....	63,537	60,005	66,751	67,854	76,275
Deposits Payable.....	20,522	20,682	17,305	34,065	41,035
Accrued Interest Payable.....	83,537	73,336	62,059	113,041	107,170
Unearned Revenues.....	152,000	144,000	136,000	128,000	152,981
Compensated Absences Payable.....	56,279	57,763	68,659	55,628	63,805
Interest Payable - Bonds.....	0	0	0	0	0
Interest Payable - IEPA Loan.....	0	0	0	0	0
IEPA Loans Payable.....	144,891	149,292	153,827	158,500	163,315
General Obligation Bonds Payable.....	615,000	635,000	615,000	365,000	385,000
Total Current Liabilities.....	<u>\$ 1,805,411</u>	<u>\$ 1,478,827</u>	<u>\$ 1,585,418</u>	<u>\$ 1,184,896</u>	<u>\$ 1,381,347</u>
Noncurrent Liabilities					
Compensated Absences Payable.....	\$ 225,117	\$ 231,052	\$ 274,637	\$ 222,511	\$ 255,219
IEPA Loans Payable.....	1,615,995	1,466,703	1,312,876	1,154,375	991,060
General Obligation Bonds Payable.....	3,535,000	2,900,000	2,285,000	4,920,000	4,610,000
Unamortized Bond Discount.....	(67,244)	(53,792)	(42,265)	(32,669)	(24,511)
Total Noncurrent Liabilities.....	<u>\$ 5,308,868</u>	<u>\$ 4,543,963</u>	<u>\$ 3,830,248</u>	<u>\$ 6,264,217</u>	<u>\$ 5,831,768</u>
Total Liabilities.....	<u>\$ 7,114,279</u>	<u>\$ 6,022,790</u>	<u>\$ 5,415,666</u>	<u>\$ 7,449,113</u>	<u>\$ 7,213,115</u>
NET ASSETS:					
Invested in Capital Assets					
- Net of Available Debt.....	\$ 18,973,854	\$ 19,796,297	\$ 20,246,816	\$ 18,284,563	\$ 18,656,935
Unrestricted.....	5,841,832	4,831,203	4,556,151	7,158,817	6,675,686
Total Net Assets.....	<u>\$ 24,815,686</u>	<u>\$ 24,627,500</u>	<u>\$ 24,802,967</u>	<u>\$ 25,443,380</u>	<u>\$ 25,332,621</u>

**Waterworks and Sewerage Fund
Revenues and Expenditures**

Audited Year Ended April 30:

	2004	2005	2006	2007	2008
OPERATING REVENUES:					
Charges for Services:					
Water Sales.....	\$ 3,705,574	\$ 3,637,883	\$ 4,281,269	\$ 3,935,662	\$ 3,888,951
Sewer Service Charges.....	2,179,293	2,142,981	2,290,799	2,221,981	2,154,127
Sewer Process Fees.....	0	0	0	0	0
Damage to Village Property.....	130	3,829	3,065	5	(4,858)
Meters and Readouts.....	24,929	32,156	25,755	28,935	14,350
Miscellaneous.....	10,699	14,425	6,904	6,078	1,699
Total Charges for Service.....	<u>\$ 5,920,625</u>	<u>\$ 5,831,274</u>	<u>\$ 6,607,792</u>	<u>\$ 6,192,661</u>	<u>\$ 6,054,269</u>
OPERATING EXPENSES:					
Water Operations.....	\$ 3,201,567	\$ 3,219,716	\$ 3,608,871	\$ 3,404,182	\$ 3,677,387
Sewer Operations.....	538,106	667,936	741,258	720,074	731,650
Wastewater Treatment Plant.....	952,777	907,712	1,006,125	985,041	1,258,659
Water and Sewer Capital Improvements.....	391,467	81,745	719,233	576,775	395,215
Depreciation and Amortization.....	<u>1,440,259</u>	<u>1,448,536</u>	<u>1,071,545</u>	<u>1,054,302</u>	<u>1,061,826</u>
Total Operating Expenses.....	<u>\$ 6,524,176</u>	<u>\$ 6,325,645</u>	<u>\$ 7,147,032</u>	<u>\$ 6,740,374</u>	<u>\$ 7,124,737</u>
Operating Income (Loss).....	\$ (603,551)	\$ (494,371)	\$ (539,240)	\$ (547,713)	\$ 1,070,468)
Nonoperating Revenues (Expenses):					
Interest Income.....	\$ 118,190	\$ 51,609	\$ 89,180	\$ 252,059	\$ 242,545
Connection Fees.....	488,370	504,825	303,656	611,285	207,459
Property Tax.....	26,784	26,784	26,784	31,542	24,637
Other Income.....	8,000	8,000	8,000	8,000	8,000
Interest and Fiscal Charges.....	(210,309)	(181,943)	(156,166)	(272,282)	(249,323)
Loss on Disposal of Fixed Assets.....	0	0	0	(35,151)	0
Total Non Operating Revenues (Expenses)...	<u>\$ 431,035</u>	<u>\$ 409,275</u>	<u>\$ 271,454</u>	<u>\$ 595,453</u>	<u>\$ 233,318</u>
Income (Loss) Before Contributions and Transfers.....	\$ (172,516)	\$ (85,096)	\$ (267,786)	\$ 47,740	\$ (837,150)
Transfers Out, net.....	(104,980)	(103,090)	(103,690)	(102,975)	(103,005)
Capital Contributions.....	0	0	0	695,648	829,396
Change in Net Assets.....	\$ (277,496)	\$ (188,186)	\$ (371,476)(1)	\$ 640,413	\$ (110,759)
Net Assets - Beginning.....	<u>25,093,182</u>	<u>24,815,686</u>	<u>25,174,443</u>	<u>24,802,967</u>	<u>25,443,380</u>
Net Assets - Ending.....	<u>\$24,815,686</u>	<u>\$24,627,500</u>	<u>\$24,802,967</u>	<u>\$25,443,380</u>	<u>\$25,332,621</u>

Note: (1) Net assets beginning were restated due to change in fixed assets.

**Coverage
Waterworks and Sewerage Fund**

Fiscal Year	Net Available For Debt Service(2)	Debt Service(1)			Coverage	Available for Subordinate Obligation	Subordinate Obligation	
		Series 2001A	Series 2006	Total			EPA Loan	Coverage
2009	\$836,577	\$ 373,078	\$ 200,268	\$ 573,345	1.46X	\$263,232	\$ 196,898	1.34X
2010	836,577	376,488	202,148	578,635	1.45X	257,942	196,898	1.31X
2011	836,577	378,688	198,790	577,478	1.45X	259,100	196,898	1.32X
2012	836,577	380,288	200,433	580,720	1.44X	255,857	196,897	1.30X
2013	836,577	390,938	201,833	592,770	1.41X	243,807	196,898	1.24X
2014	836,577	0	333,033	333,033	2.51X	503,545	196,898	2.56X
2015	836,577	0	333,833	333,833	2.51X	502,745	98,450	5.11X
2016	836,577	0	334,113	334,113	2.50X	502,465	0	
2017	836,577	0	333,863	333,863	2.51X	502,715	0	
2018	836,577	0	338,138	338,138	2.47X	498,440	0	
2019	836,577	0	341,725	341,725	2.45X	494,852	0	
2020	836,577	0	339,690	339,690	2.46X	496,887	0	
2021	836,577	0	342,090	342,090	2.45X	494,487	0	
2022	836,577	0	343,860	343,860	2.43X	492,717	0	
Total		\$2,289,025	\$4,242,005	\$6,531,030			\$1,476,734	

- Notes: (1) For debt service including the May 1 principal and interest due.
(2) Source: The Village's 2008 Comprehensive Annual Financial Report. This amount includes \$6,054,269 total charges for service less \$5,667,696 total operating expenses not including \$395,215 of capital improvements and \$1,061,826 of depreciation and amortization, plus \$242,545 of interest income and \$207,459 of connection fees.