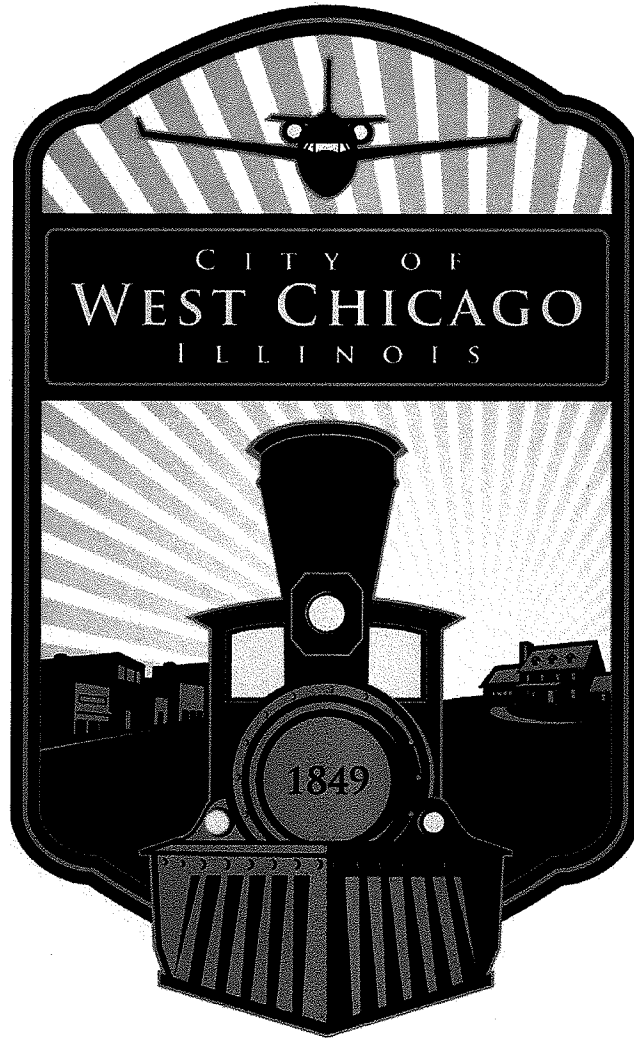


CITY OF WEST CHICAGO, ILLINOIS



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2009**

CITY OF WEST CHICAGO, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2009

Prepared by

Linda Martin
Director of Administrative Services

CITY OF WEST CHICAGO, ILLINOIS

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CITY OF WEST CHICAGO, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the City of West Chicago including: List of Principal Officials, Organizational Chart, Certificate of Achievement for Excellence in Financial Reporting and Letter of Transmittal from the Director of Administrative Services.

CITY OF WEST CHICAGO, ILLINOIS

List of Principal Officials

December 31, 2009

LEGISLATIVE

City Mayor: Michael B. Kwasman
City Clerk: Nancy M. Smith
City Treasurer: Donald F. Earley

ALDERMEN

James Beifuss

James Smith

John C. Smith, Jr.

Joseph Gianforte

Lori Chassee

H. Ronald Monroe

Nanette Connelly

Alan Murphy

Sandra Dimas

Ruben Pineda

Nicholas Dzierzanowski

Russell Radkiewicz

Matthew Fuesting

Rebecca Stout

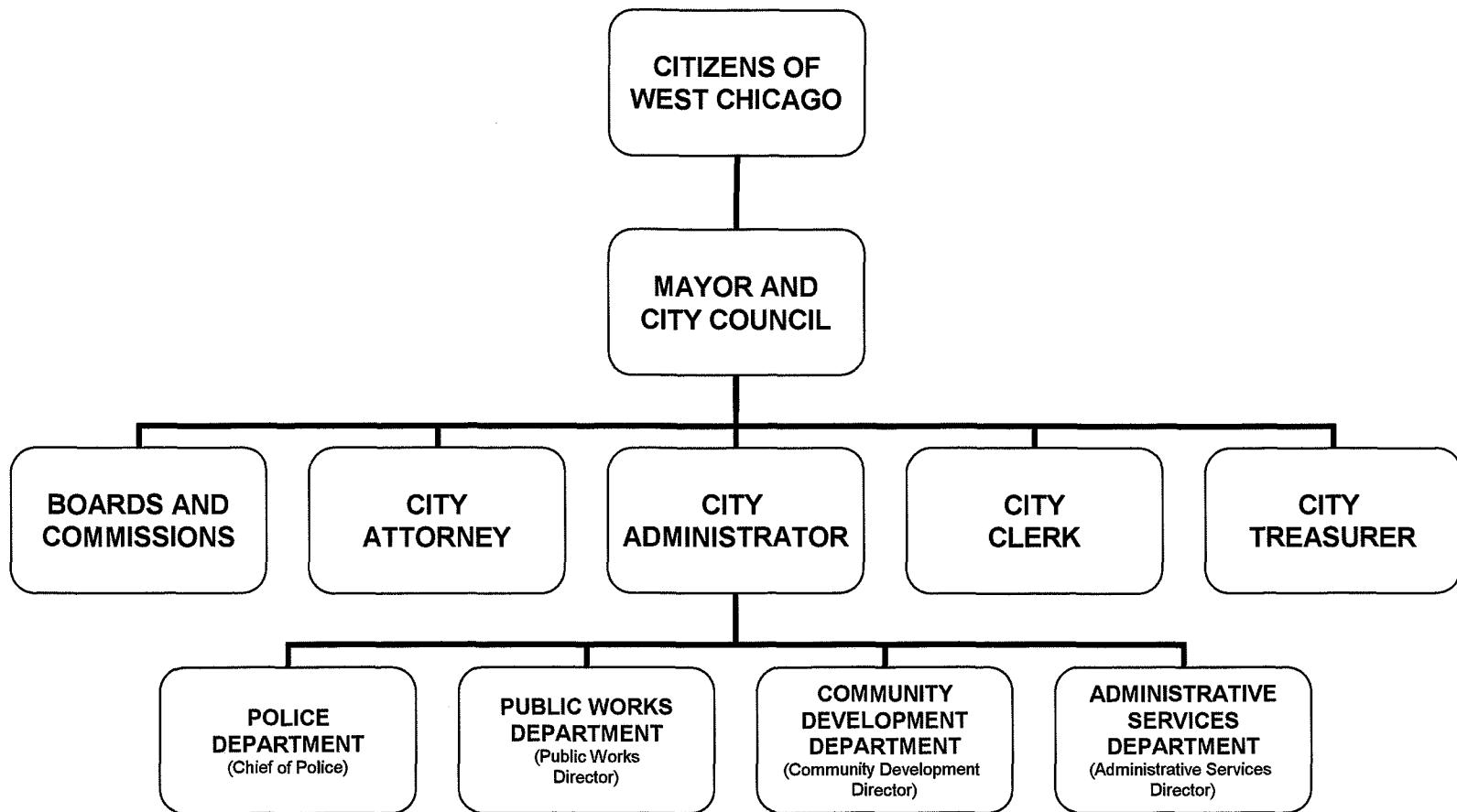
ADMINISTRATIVE

City Administrator: Michael L. Guttman

ADMINISTRATIVE SERVICES

Administrative Services Director: Linda M. Martin
Assistant Administrative Services Director: Nikki Giles

CITY OF WEST CHICAGO ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of West Chicago
Illinois

For its Comprehensive Annual
Financial Report
for the Eight Months Ended
December 31, 2008

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.



A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET

June 1, 2010

The Honorable Mayor Michael Kwasman
City Treasurer Donald F. Earley
Members of the West Chicago City Council
City Administrator Michael Guttman
Citizens of the City of West Chicago

The Comprehensive Annual Financial Report of the City of West Chicago (City) for the fiscal year ended December 31, 2009, is hereby submitted as mandated by local ordinances and state statutes. These ordinances and statutes require that the City issue a report on its financial position and activity following the end of a fiscal period, and that this report be audited by an independent accounting firm of certified public accountants.

Responsibility for both the accuracy of the data, and the completeness and reliability of the information presented in this report, including all disclosures, rests with management. The City is also responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure adequate accounting of data is compiled to allow for the preparation of the City of West Chicago's financial statements in accordance with generally accepted accounting principles (GAAP). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of the costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Lauterbach and 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 City of West Chicago for the fiscal period ended December 31, 2009, are free of material misstatement. The auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide an 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 should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY OF WEST CHICAGO

The City of West Chicago is a diverse, family-oriented community with a rich cultural mix and a proud heritage, located in northeastern Illinois, approximately 30 miles west of Chicago. West Chicago is the first Illinois community established by the railroads and continues to be a convenient transportation hub served by three major rail lines, Illinois' third-busiest airport and three State highways. The population has nearly tripled since the 1970s, with an official population of 26,841, based upon the results of a special census conducted in 2007. West Chicago became a home rule unit of government on March 3, 2004.

The equalized assessed valuation of the City reflects its strong economic condition. The City's assessed valuation has more than doubled since 1996, and one of the City's primary goals continues to be the active pursuit of commercial and industrial development that will aid in alleviating the tax burden on residents, while diversifying the long-term tax base.

The City operates under the Mayor-Council form of government. Policymaking and legislative authority are vested in the City Council, which is comprised of a Mayor and two aldermen from each of seven wards. The City Council is responsible for, among many responsibilities, passing ordinances, adopting an annual budget, appointing committees and hiring the City Administrator. The Council members are elected to four-year staggered terms with seven Council members being elected every two years. The Mayor is elected to a four-year term, as are the City Treasurer and the City Clerk. The City Administrator is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing all City staff except the Chief of Police.

The City provides a full range of services, including: police protection, the construction and maintenance of streets and other infrastructure, water and sewerage treatment, the distribution of potable water and the collection of sewerage, cultural events, as well as community and economic development.

The annual budget serves as the foundation for the City's financial planning and control. It further prioritizes our core services and administrative functions, and reflects the policy direction established by the City Council. All department directors of the City are required to submit their budget requests to the City Administrator, who then uses these requests as the starting point for developing a proposed budget. The City Administrator presents the proposed budget to the City Council, and budget workshops with the Finance Committee begin shortly thereafter. The City targets budget adoption at a Council meeting approximately one and one-half months prior to the beginning of the fiscal year. Once approved, the City Administrator is given the flexibility to transfer amounts between departments and line items within a fund, but City Council action is necessary to transfer money between funds. The following are some of the major components of the budget policy that the City Council has used as a continuing foundation for fiscal discipline:

- Revenues are conservatively projected using historical trends, reasonably expected changes in the coming year, and an analysis of anticipated economic conditions in the region, the state and the nation.

- Expenditures reflect realistic projections of anticipated expenses. Efforts are made to ensure that programs and services are realistically funded. Expenditures will be paid with current revenues.
- Fund balances/unrestricted net assets shall be at least 25% of revenues in the General, Water and Sewer Funds; over the next several years the City should strive to increase this amount to 35%.
- User fees, such as water and sewer charges, will be reviewed annually. This is done to ensure that fees cover costs, meet debt service requirements, and are affordable.

MAJOR INITIATIVES

The City has been involved in a variety of projects throughout the year, which reflect its commitment to ensuring that its citizens are able to experience a high quality of life in an enviable environment. The most significant of these projects are outlined below:

- Finished the Hawthorne Lane Reconstruction Project, which is the most expensive road project in the City's history (approximately \$9.8 million).
- Entered into a Voluntary Mitigation Agreement with the Canadian National Railway which provided the City with over \$1.2 million toward various projects to enhance safety along the EJ&E Railway.
- Brought private development engineering review in-house, saving the customers money and reducing review time for permit turn-around.
- Since the privatization of the code enforcement function, the number of households caught with over-occupancy violations has tripled, and the City is getting compliance in this area.
- Studies were commissioned on where to site two elevated storage tanks and two new wells to serve the existing residential and businesses customers; first new well construction along Hawthorne Lane is nearly complete, and the City now acquiring land for the two elevated tower sites.
- Though we lost Crossroads Chevrolet/Buick (\$120,000 in sales tax per year), City was able to work diligently and quickly with Haggerty Ford to move its operation down the street and keep them in town.
- After years of anticipation, Metra completed the third commuter parking lot, adding 130 spaces to the existing 403.

FACTORS AFFECTING LOCAL FINANCIAL CONDITION

Local Economy

As West Chicago has persistently transitioned itself into a center for commerce and industry, the diversity in our retail and industrial base has helped to reduce dependency on outside revenues. The City continues to aggressively pursue economic development opportunities and partnerships

with commercial and corporate developers and business owners, while supporting existing relationships, despite the current state of the economy.

Long-term Financial Planning

The City performs an annual review of its strategy designed to address the structural and cyclical financial challenges that continue to face the City of West Chicago. This strategy includes five major components:

Reduction in Operating Expenditures – To address the structural problem of rising operating costs, the City annually undergoes a target budgeting process to manage the organization's expenditure and revenue patterns. Additionally, a comprehensive multi-phased review of both the budget and cost for services continued to determine alternative ways of providing existing services, with any cost savings that result from such adjustments being reallocated to other operational and maintenance needs.

Systematic Use of Fund Reserves – As part of its policy, the City met its reserve target for the fiscal period ending December 31, 2008. The City maintains operating reserves that may be utilized during economic downturns and other unexpected circumstances. The systematic use of reserves helps to smooth the City's expenditure patterns and minimize fluctuations in the level of services provided and maintained.

Identification and Implementation of New Revenues – The City annually assesses new sources of revenue to ensure the continued delivery of core services to our customers. New revenue sources that are adopted adhere to the City Council's direction that users should pay for certain services from which only they benefit and/or require.

Increased Economic Development Focus – The City's Economic Development Program is designed to increase and diversify the City's sales tax and real estate tax bases. By doing so, the City has become more self-sufficient, generating revenues from within the City and reducing dependency on outside revenue sources.

Maintain and Improve City Services – The City has a proud history of providing exceptional services. During the implementation of this strategy, it was imperative that the residents and businesses not experience a reduction in service levels unless absolutely necessary. With few exceptions, the City has been able to provide excellent service with fewer employees and leaner budgets.

In addition to this financial strategy, the City continues to have a five-year Capital Improvement Plan (CIP) and a budget process that projects future operating budgets. The CIP lends guidance and continuity in the planning and development of budgets, but more importantly, it identifies and prioritizes infrastructure maintenance and replacement needs, and plans for projects several years in advance. The Capital Projects Fund, Water Fund and Sewer Fund each have their respective five-year plans.

Financial Policies

In January 2009, the City assumed ownership of thirteen parcels that Tronox donated in lieu of making additional payments for using the Rare Earth Facility longer than for what the Phase II Agreement allowed. The City Council directed staff to market those properties for sale, depositing the proceeds into the Public Benefit Fund for future land purchases. The first donated parcel was sold by the City on September 21, 2009. The sale of two additional donated parcels to Habitat for Humanity also began in 2009, with a closing to occur in 2010.

On October 5, 2009, the City Council established the parameters by which the City would refund its 2002 General Obligation Alternate Revenue Source Bonds. The primary criterion for the refunding is that there would be at least an anticipated five percent present value savings. The City Council is seeking to stabilize the water rates by using the savings to offset the annual increases in the costs of doing business.

The City Council has consistently directed staff to involuntarily annex properties within the planning area of the City that are less than sixty acres in size and fully surrounded by the City, as these unincorporated homeowners and business owners use city infrastructure and services without paying for them. In the summer of 2009, staff began the process to force annex approximately 45 parcels. The incorporation of these parcels has and will result in additional property, utility, and other taxes to the City in future years.

The City Council continued its policy to assemble properties for sale within the Central Main Street area so that, once the residential new construction market improves, the City can partner with a developer for an appropriate mixed used development to serve its residents and attract customers from outside the community, which should result in increased sales, property and additional taxes in the future. In June 2009, the City purchased 441 Main Street, which resulted in it now owning all properties fronting Main Street between Center Street and City Hall.

AWARDS AND ACHIEVEMENTS

The Government Finance Officer's Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of West Chicago for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2009. This was the tenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. This report can be viewed on the City's website at www.westchicago.org. 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.

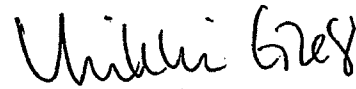
The preparation of this report was made possible by the dedicated service of the entire staff of the Administrative Services Department. Each member of the Department has our sincere appreciation for the contribution made in the preparation of this report.

In closing, we would like to acknowledge and thank the Mayor, City Council and City Treasurer for their leadership and support in planning and conducting the financial operations of the City in a progressive manner throughout the year, and for their support in maintaining high standards of professionalism in the management of the City's finances.

Respectfully submitted,



Linda M. Martin
Director of Administrative Services



Nikki T. Giles
Assistant Director of Administrative
Services

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 City's independent auditing firm.

INDEPENDENT AUDITORS' REPORT

June 16, 2010

The Honorable City Mayor
Members of the City Council
City of West Chicago, 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 for the City of West Chicago, Illinois as of and for the year ended December 31, 2009, which collectively comprise the City of West Chicago's basic financial statements as listed in the accompanying table of contents. These basic financial statements are the responsibility of the City of West Chicago, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

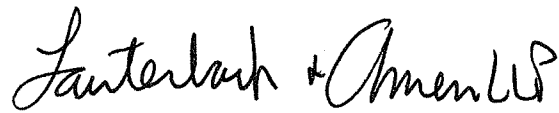
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes 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, the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of West Chicago, Illinois as of December 31, 2009, 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 statements and 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 City of West Chicago, 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.

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

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

Our discussion and analysis of the City of West Chicago's financial performance provides an overview of the City of West Chicago's financial activities for the fiscal year ended December 31, 2009. Please read it in conjunction with the transmittal letter, which begins on page iv and the City of West Chicago's financial statements, which begin on page 3.

FINANCIAL HIGHLIGHTS

- The City's net assets increased as a result of this year's operations. While net assets of business-type activities decreased by \$1,304,828, or approximately two and one-tenths percent, net assets of the governmental activities increased by \$3,455,116 or three and five-tenths percent.
- During the year, government-wide revenues before transfers for the primary government totaled \$34,934,109, while expenses totaled \$32,783,821, resulting in an increase to net assets of \$2,150,288.
- The City of West Chicago's net assets totaled \$162,286,014 at December 31, 2009, which includes \$114,891,674 invested in capital assets, net of related debt, \$4,313,318 subject to external restrictions, and \$43,081,022 unrestricted net assets that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a surplus this year of \$1,507,612, resulting in ending fund balance of \$13,555,905, an increase of approximately twelve and one-half percent.

USING THIS REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 3 - 6) provide information about the activities of the City of West Chicago as a whole and present a longer-term view of the City's finances. Fund financial statements begin on page 7. 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 City's operations in more detail than the government-wide statements by providing information about the City of West Chicago's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

USING THIS REPORT – Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City of West Chicago finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 3 - 6 of this report.

The Statement of Net Assets reports information on all of the City of West Chicago'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 City is improving or deteriorating. Consideration of other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, is needed to assess the overall health of the City of West Chicago.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal period. 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 City of West Chicago 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 City of West Chicago include general government, public safety and public works. The business-type activities of the City of West Chicago include waterworks, sewerage and commuter parking operations.

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 City of West Chicago, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

USING THIS REPORT – Continued

Fund Financial Statements – Continued

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 period. Such information may be useful in evaluating the City of West Chicago's near-term financing requirements.

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

The City of West Chicago maintains eight 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, Public Benefit Fund, TIF Special Tax Allocation #1 Fund, and Capital Improvement Fund, all of which are considered major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of West Chicago 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 7 - 12 of this report.

Proprietary Funds

The City of West Chicago maintains two proprietary fund types: 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 City of West Chicago utilizes enterprise funds to account for its water and sewer operations, water and sewer construction, water and sewer debt retirement, and commuter parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

USING THIS REPORT – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

The City of West Chicago uses internal service funds to account for its Management Information System (MIS) program. This service predominantly benefits governmental rather than business-type functions, and therefore, has been included within governmental activities 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 Funds, which are considered to be major funds of the City, and the Commuter Parking Fund, which is a non-major fund. Conversely, the internal service fund is presented in the proprietary fund financial statements in a single column. Individual fund data for the internal service fund is provided elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 13 - 18 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 City of West Chicago'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 19 - 20 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 21 - 55 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 City of West Chicago's Illinois Municipal Retirement Fund (I.M.R.F.), police pension, and other post-employment benefits obligations. Required supplementary information can be found on pages 56 - 64 of this report. The combining statements referred to earlier in connection with non-major governmental funds and internal service fund is presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 65 - 104 of this report.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

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 City of West Chicago, assets exceeded liabilities by \$162,286,014.

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and Other Assets	\$ 33,123,629	30,821,771	27,953,128	28,660,474	61,076,757	59,482,245
Capital Assets	79,852,408	78,479,060	60,876,553	62,898,788	140,728,961	141,377,848
Total Assets	112,976,037	109,300,831	88,829,681	91,559,262	201,805,718	200,860,093
Current Liabilities	7,366,735	7,353,460	4,854,110	4,859,979	12,220,845	12,213,439
Noncurrent Liabilities	3,630,315	3,523,500	23,668,544	25,087,428	27,298,859	28,610,928
Total Liabilities	10,997,050	10,876,960	28,522,654	29,947,407	39,519,704	40,824,367
Net Assets						
Invested in Capital Assets,						
Net of Related Debt	79,007,408	77,409,060	35,884,266	36,528,712	114,891,674	113,937,772
Restricted	479,320	1,264,241	3,833,998	3,806,146	4,313,318	5,070,387
Unrestricted (Deficit)	22,492,259	19,850,570	20,588,763	21,276,997	43,081,022	41,127,567
Total Net Assets	101,978,987	98,523,871	60,307,027	61,611,855	162,286,014	160,135,726

A large portion of the City's net assets, \$114,891,674 or approximately seventy and eight-tenths percent, reflects its investment in capital assets (i.e., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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, \$4,313,318, or two and seven-tenths percent, of the City of West Chicago's net assets represents resources that are subject to external restrictions on how they may be used. The remaining twenty-six and one-half percent, or \$43,081,022, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Changes in Net Assets					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues						
Charges for Services	\$ 4,830,014	3,231,988	10,238,178	7,406,434	15,068,192	10,638,422
Operating Grants/Contrib.	145,148	272,902	-	-	145,148	272,902
Capital Grants/Contrib.	714,671	536,437	-	-	714,671	536,437
General Revenues						
Property Taxes	4,479,930	4,451,083	15,161	15,025	4,495,091	4,466,108
Other Taxes	1,250,406	877,403	-	-	1,250,406	877,403
Sales and Use Taxes	3,549,910	3,607,854	948,148	-	4,498,058	3,607,854
Income Taxes	2,181,609	1,654,932	-	-	2,181,609	1,654,932
Replacement Taxes	159,185	117,888	-	-	159,185	117,888
Other	2,037,722	1,316,154	-	-	2,037,722	1,316,154
Interest Income	253,642	530,225	205,893	425,385	459,535	955,610
Miscellaneous	3,506,651	513,053	417,841	223,394	3,924,492	736,447
Total Revenues	23,108,888	17,109,919	11,825,221	8,070,238	34,934,109	25,180,157
Expenses						
General Government	9,423,220	4,845,172	-	-	9,423,220	4,845,172
Public Safety	8,759,315	5,881,641	-	-	8,759,315	5,881,641
Highway and Streets	1,486,314	2,499,094	-	-	1,486,314	2,499,094
Culture and Recreation	376,103	251,723	-	-	376,103	251,723
Interest on Long-Term Debt	95,920	87,034	-	-	95,920	87,034
Waterworks	-	-	6,147,347	4,409,193	6,147,347	4,409,193
Sewerage	-	-	5,959,791	4,102,048	5,959,791	4,102,048
Commuter Parking	-	-	535,811	119,829	535,811	119,829
Total Expenses	20,140,872	13,564,664	12,642,949	8,631,070	32,783,821	22,195,734
Change in Net Assets						
Before Transfers	2,968,016	3,545,255	(817,728)	(560,832)	2,150,288	2,984,423
Transfers	487,100	-	(487,100)	-	-	-
Change in Net Assets	3,455,116	3,545,255	(1,304,828)	(560,832)	2,150,288	2,984,423
Net Assets-Beginning	98,523,871	94,987,616	61,611,855	62,172,687	160,135,726	157,151,303
Net Assets-Ending	101,978,987	98,532,871	60,307,027	61,611,855	162,286,014	160,135,726

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net assets of the City of West Chicago's governmental activities increased over three and a half percent (\$101,978,987 at December 31, 2009, compared to \$98,523,871 at December 31, 2008). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints, totaled \$22,492,259 at December 31, 2009. Net assets increased due to assets, including cash and receivables for property taxes, increasing more than the increase to liabilities for unearned property taxes, compensated absences and the net pension obligation. Total governmental activities assets increased \$3,575,206 while liabilities increased \$120,090.

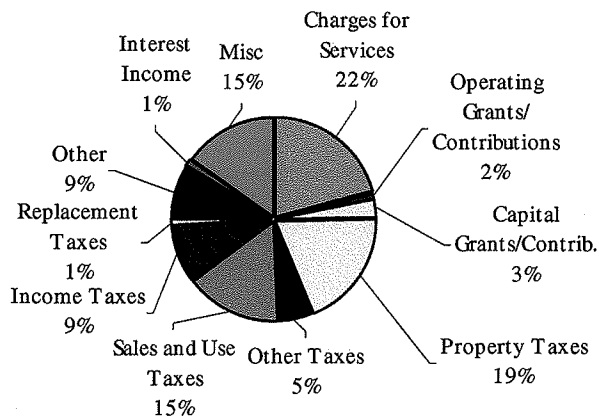
Net assets of business-type activities decreased slightly by two and one-tenth of a percent (\$60,307,027 at December 31, 2009 compared to \$61,611,855 at December 31, 2008). A deficit of \$4,104 in the Waterworks Fund was compounded by a deficit of \$890,191 in the Sewerage Fund and a drawdown of \$410,533 in the Commuter Parking Fund.

Governmental Activities

Revenues for governmental activities, including transfers, totaled \$23,595,988 while the cost of all governmental functions totaled \$20,140,872. This results in a surplus of \$3,455,116 at December 31, 2009. At December 31, 2008, revenues for governmental activities totaled \$17,109,919, while the cost of all governmental functions totaled \$13,564,664, which resulted in a surplus of \$3,545,255. Revenues for charges for services reflects the most significant change in revenues, increasing \$1,598,026 over the previous eight month fiscal period and \$1,199,746 from the previous twelve month fiscal period.

The following table graphically depicts the major revenue sources of the City of West Chicago. It depicts very clearly the reliance on property taxes, sales and use taxes, charges for services and other general revenues to fund governmental activities. It also clearly identifies the less significant percentage the City receives from replacement taxes.

Revenues by Source - Governmental Activities



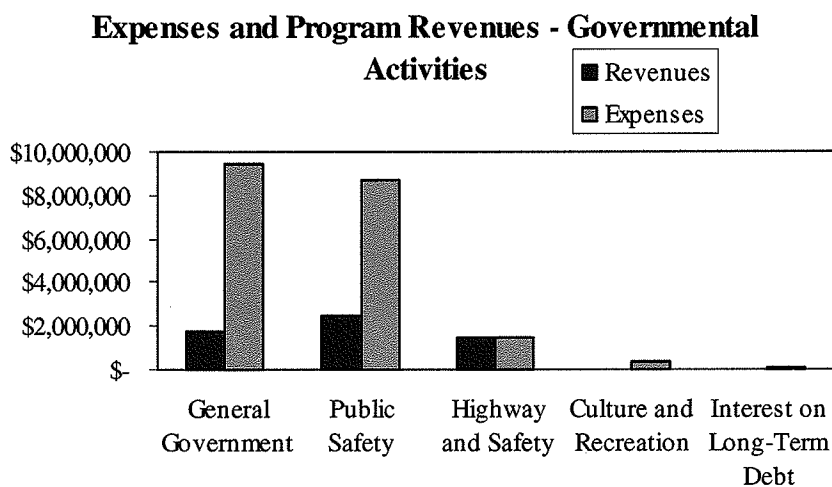
CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

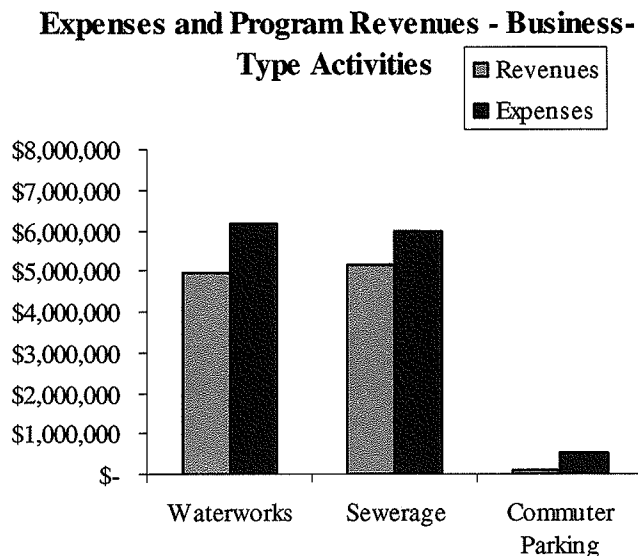
Governmental Activities – Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. These expenses and revenues do not include the major revenue sources, such as property taxes, sales and use taxes and income taxes, described earlier. The Statement of Activities on pages 5 - 6 further outlines those revenues and expenses considered program specific.



Business-Type Activities

Business-Type activities posted total revenues of \$11,825,221, while the cost of all business-type activities totaled \$12,642,949. This results in a deficit of \$1,304,828, due in part to two large maintenance projects within the Commuter Parking Fund. At December 31, 2009, revenues of \$11,825,221 were less than expenses of \$13,130,049, resulting in a deficit of \$1,304,828.



The above graph compares program revenues to expenses for business-type activities.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the City of West Chicago'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.

The City's governmental funds reported combined ending fund balances of \$25,891,072 for the year, which is an increase of \$2,184,349 from last year's total of \$23,706,723. Of the \$25,891,072 total, \$23,096,678, or approximately eighty-nine percent, of the fund balance constitutes unreserved fund balance.

The General Fund reported a positive change in fund balance for the fiscal year of \$1,507,612, an increase of twelve and one-half percent. This was due in part to fine revenue and miscellaneous revenue being higher than budgeted. Furthermore, expenditures for all functions in the General Fund were under budget. Budgeted expenditures totaled \$16,643,500 while actual expenditures totaled \$15,447,368. These variances are further outlined on the General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance.

The General Fund is the chief operating fund of the City. At December 31, 2009, unreserved fund balance in the General Fund was \$12,278,094, which represents approximately ninety and six-tenths percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance in the General Fund at December 31, 2009, represents approximately eighty-seven and eight-tenths percent of total General Fund expenditures. Unreserved fund balance in the General Fund for the prior eight month period ending December 31, 2009, fully covered total General Fund expenditures, although this is inflated considering that this represents only an eight month period.

The Public Benefit Fund is used to account for the accumulation of funds from Kerr McGee to fund the public portion of certain improvements. The Public Benefit Fund reported a deficit change in fund balance for the fiscal year of \$240,056, due to land acquisition expenditures and \$100,000 in budgeted transfers to the General Fund to cover continued oversight of the cleanup activities.

The TIF Special Tax Allocation #1 Fund reported a surplus of \$360,101 for the year, the majority of which resulted from actual revenues totaling \$804,439 and actual expenditures totaling \$444,338, which was \$465,762 less than expenditures budgeted.

The Capital Improvement Fund reported a surplus of \$1,859,259 for the year, which resulted from actual revenues totaling \$3,399,888 and actual expenditures totaling \$2,027,729, which was \$2,865,571 less than budgeted expenditures.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Proprietary Funds

The City of West Chicago's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City reports the Waterworks Fund and the Sewerage Funds as two major proprietary funds. The Waterworks Fund accounts for all of the operations of the municipal water plant and distribution system while the Sewerage Fund accounts for all of the operations of the municipal sewer plant and collection system. Water is sold to municipal customers at a rate of \$2.90 per one hundred cubic feet for water and a rate of \$4.20 per one hundred cubic feet for sewer. The variance between the cost of operations and the rates charged to customers is intended to finance the debt and infrastructure of the utility system, including labor costs, supplies, infrastructure maintenance and future infrastructure improvements. The Commuter Parking Fund is recorded as a nonmajor fund.

Each year, the City of West Chicago projects the user rates charged to be sufficient that the funds operate at a breakeven level, including amortization of future capital costs. Periodically, there will be an annual surplus or decrease due to the timing of capital projects. The decrease in the Waterworks Fund during the fiscal year was \$4,104, while the previous fiscal year reported a deficit of \$533,688.

The Sewerage Fund experienced a decrease of \$890,191, while the previous fiscal year reported a decrease of \$6,728. The Commuter Parking Fund had a decrease for the fiscal year of \$410,533, compared to the decrease in the previous fiscal year of \$20,416. Total unrestricted net assets in the Proprietary Funds were \$43,081,022 at December 31, 2009.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City of West Chicago Council made three budget amendments to the General Fund during the fiscal year. Original budgeted revenues of \$15,588,500 were decreased \$350,000 to reflect the decline in sales and income tax revenue, which was offset in part by recognizing an increase in enforcement, rental income and engineering fees. General Fund actual revenues for the year totaled \$15,704,762 compared to budgeted revenues of \$15,238,500. As stated earlier, certain revenues, such as charges for services, were higher than budgeted.

Original budgeted expenditures of \$15,688,500 were increased \$955,000 for various IT projects, including a programmer, and additional litigation, condemnation and planning/engineering study expenses. The General Fund actual expenditures for the year were \$1,196,132 lower than budgeted (\$15,447,368 actual compared to \$16,643,500 budgeted). The general government, public safety, and culture and recreation functions' actual expenditures were lower than budgeted expenditures by \$954,583, \$164,731, and \$76,818, respectively.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Capital Assets

The City of West Chicago's investment in capital assets for its governmental and business type activities as of December 31, 2009 was \$140,661,812 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles and equipment, and parking lot equipment and improvements.

	Capital Assets - Net of Depreciation					
	Governmental		Business-type		Total	
	Activities		Activities			
	2009	2008	2009	2008	2009	2008
Land	\$ 39,455,876	37,557,322	3,989,900	3,989,900	43,445,776	41,547,222
Land Improvements	762,992	769,187	1,000,290	1,075,996	1,763,282	1,845,183
Buildings	1,736,543	1,800,292	18,169,072	18,646,872	19,905,615	20,447,164
Machinery and Equipment	1,168,372	558,664	5,990,778	7,329,060	7,159,150	7,887,724
Infrastructure	36,728,625	37,793,595	31,659,364	31,856,960	68,387,989	69,650,555
Total	79,852,408	78,479,060	60,809,404	62,898,788	140,661,812	141,377,848

This year's major additions included:

General Government Land	\$ 1,898,554
Vehicles	817,731
Machinery & Equipment	<u>298,566</u>
	<u>3,014,851</u>

For the year ending December 31, 2009, the capital budget includes \$4.9 million for capital projects, principally for various infrastructure improvements and the Hawthorne Lane reconstruction project.

Additional information on the City of West Chicago's capital assets can be found in note 3 on pages 36 - 37 of this report.

CITY OF WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis December 31, 2009

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At December 31, 2009, the City of West Chicago had total outstanding debt of \$25,837,286 as compared to \$27,440,076 at December 31, 2008, a decrease of five and eight-tenths percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental		Business-type		Total	
	Activities		Activities			
	Dec 31	Dec 31	Dec 31	Dec 31	Dec 31	Dec 31
	2009	2008	2009	2008	2009	2008
General Obligation Bonds	\$ 845,000	1,070,000	16,240,000	17,145,000	17,085,000	18,215,000
IEPA Revolving Loan	-	-	8,752,286	9,225,076	8,752,286	9,225,076
Total	845,000	1,070,000	24,992,286	26,370,076	25,837,286	27,440,076

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin. The City is a home rule municipality and to date, the Illinois General Assembly has set no limits for home rule municipalities. Additional information on the City of West Chicago long-term debt can be found in Note 3 on pages 39 - 43 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City of West Chicago's elected and appointed officials considered many factors when setting the fiscal year 2010 budget, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. Unemployment rates for December 31, 2009, for DuPage County was eight and six-tenths percent and the state and national unemployment rates were ten and eight-tenths and nine and seven-tenths percent, respectively.

Amounts available for appropriation in the General Fund budget are \$14.5 million, a decrease of four and six-tenths percent from the final 2009 budget of \$15.2 million. The City of West Chicago has budgeted modest increases in both building permit revenue and police contractual services of approximately five percent and five and one-half percent, respectively. The City of West Chicago's major initiatives in the 2010 budget include completion of Well #12, North Avenue water and sewer main relocation and a comprehensive water meter replacement program. The City of West Chicago maintains its strong commitment to fiscal accountability and pledges to continue to seek innovative strategies to maximize financial responsibility.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of West Chicago's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Director of Administrative Services, City of West Chicago, 475 Main Street, West Chicago, IL. 60185.

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.

CITY OF WEST CHICAGO, ILLINOIS

Statement of Net Assets December 31, 2009

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 24,585,580	\$ 24,286,477	\$ 48,872,057
Receivables - Net of Allowances	7,260,238	1,901,183	9,161,421
Prepaid Items/Inventories	1,277,811	528,538	1,806,349
Restricted Cash and Investments	-	1,236,930	1,236,930
Total Current Assets	33,123,629	27,953,128	61,076,757
Capital Assets			
Nondepreciable	39,455,876	4,284,131	43,740,007
Depreciable	77,616,591	84,524,418	162,141,009
Accumulated Depreciation	(37,220,059)	(27,931,996)	(65,152,055)
Total Capital Assets	79,852,408	60,876,553	140,728,961
Total Assets	112,976,037	88,829,681	201,805,718

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

	Governmental Activities	Business- Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 874,903	\$ 532,239	\$ 1,407,142
Accrued Payroll	361,571	112,400	473,971
Deposits Payable	697,768	700,889	1,398,657
Interest Payable	3,467	462,977	466,444
Unearned Revenues	4,976,451	1,589,017	6,565,468
Current Portion of Long-Term Debt	452,575	1,456,588	1,909,163
Total Current Liabilities	<u>7,366,735</u>	<u>4,854,110</u>	<u>12,220,845</u>
Noncurrent Liabilities			
Compensated Absences Payable	850,302	106,276	956,578
Net Pension Obligation	1,777,777	-	1,777,777
Net Other Post-Employment Benefit Obligation	397,236	-	397,236
IEPA Revolving Loan Payable	-	8,267,268	8,267,268
General Obligation Bonds Payable	605,000	15,295,000	15,900,000
Total Noncurrent Liabilities	<u>3,630,315</u>	<u>23,668,544</u>	<u>27,298,859</u>
Total Liabilities	<u>10,997,050</u>	<u>28,522,654</u>	<u>39,519,704</u>
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	79,007,408	35,884,266	114,891,674
Restricted - Debt Service	479,320	-	479,320
Restricted - Per Intergovernmental Agreement -			
Sewer Plant Expansion	-	534,900	534,900
Sewer Plant Replacement	-	3,299,098	3,299,098
Unrestricted	22,492,259	20,588,763	43,081,022
Total Net Assets	<u>\$ 101,978,987</u>	<u>\$ 60,307,027</u>	<u>\$ 162,286,014</u>

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

CITY OF WEST CHICAGO, ILLINOIS

Statement of Activities

Year Ended December 31, 2009

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
General Government	\$ 9,423,220	\$ 1,754,497	\$ -	\$ -
Public Safety	8,759,315	2,330,517	135,148	-
Highways and Streets	1,486,314	745,000	-	714,671
Culture and Recreation	376,103	-	10,000	-
Interest on Long-Term Debt	95,920	-	-	-
Total Governmental Activities	20,140,872	4,830,014	145,148	714,671
Business-Type Activities				
Waterworks	6,147,347	4,980,408	-	-
Sewerage	5,959,791	5,137,530	-	-
Commuter Parking	535,811	120,240	-	-
Total Business-Type Activities	12,642,949	10,238,178	-	-
	<u>\$ 32,783,821</u>	<u>\$ 15,068,192</u>	<u>\$ 145,148</u>	<u>\$ 714,671</u>

General Revenues

Taxes

Property Taxes

Telecommunications Taxes

Amusement Taxes

Intergovernmental - Unrestricted

Sales and Use Taxes

Income Taxes

Replacement Taxes

Utility Taxes

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
\$ (7,668,723)	\$ -	\$ (7,668,723)
(6,293,650)	-	(6,293,650)
(26,643)	-	(26,643)
(366,103)	-	(366,103)
(95,920)	-	(95,920)
(14,451,039)	-	(14,451,039)
-	(1,166,939)	(1,166,939)
-	(822,261)	(822,261)
-	(415,571)	(415,571)
-	(2,404,771)	(2,404,771)
(14,451,039)	(2,404,771)	(16,855,810)
4,479,930	15,161	4,495,091
1,230,212	-	1,230,212
20,194	-	20,194
3,549,910	948,148	4,498,058
2,181,609	-	2,181,609
159,185	-	159,185
2,037,722	-	2,037,722
253,642	205,893	459,535
3,506,651	417,841	3,924,492
487,100	(487,100)	-
17,906,155	1,099,943	19,006,098
3,455,116	(1,304,828)	2,150,288
98,523,871	61,611,855	160,135,726
\$ 101,978,987	\$ 60,307,027	\$ 162,286,014

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

CITY OF WEST CHICAGO, ILLINOIS**Balance Sheet - Governmental Funds
December 31, 2009**

	<u>General</u>	<u>Public Benefit</u>
ASSETS		
Cash and Investments	\$ 11,384,882	\$ 6,038,672
Receivables - Net of Allowances		
Property Taxes	3,415,070	-
Accrued Interest	11,278	27,676
Other	2,164,755	-
Due From Other Funds	420,108	90,000
Prepays/Inventories	1,277,811	-
Advances to Other Funds	-	1,033,796
Total Assets	<u>18,673,904</u>	<u>7,190,144</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	656,389	75,664
Accrued Payroll	348,772	-
Deposits Payable	697,768	-
Due to Other Funds	-	-
Advances from Other Funds	-	-
Unearned/Deferred Revenues	3,415,070	-
Total Liabilities	<u>5,117,999</u>	<u>75,664</u>
Fund Balances		
Reserved - Prepays/Inventories	1,277,811	-
Reserved - Advances	-	1,033,796
Reserved - Debt Service	-	-
Unreserved - General	12,278,094	-
Unreserved - Special Revenue	-	6,080,684
Unreserved - Capital Projects	-	-
Total Fund Balances	<u>13,555,905</u>	<u>7,114,480</u>
Total Liabilities and Fund Balances	<u>\$ 18,673,904</u>	<u>\$ 7,190,144</u>

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

TIF Special Tax Allocation #1	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,550,079	\$ 3,886,794	\$ 1,403,289	\$ 24,263,716
1,252,826	-	88,555	4,756,451
2,455	1,617	-	43,026
-	296,006	-	2,460,761
-	8,315	25,643	544,066
-	-	-	1,277,811
-	-	-	1,033,796
2,805,360	4,192,732	1,517,487	34,379,627
2,470	115,013	25,367	874,903
9,086	3,713	-	361,571
-	-	-	697,768
510,108	25,643	8,315	544,066
1,033,796	-	-	1,033,796
1,252,826	220,000	88,555	4,976,451
2,808,286	364,369	122,237	8,488,555
-	-	-	1,277,811
-	-	-	1,033,796
-	-	482,787	482,787
-	-	-	12,278,094
(2,926)	-	198,118	6,275,876
-	3,828,363	714,345	4,542,708
(2,926)	3,828,363	1,395,250	25,891,072
\$ 2,805,360	\$ 4,192,732	\$ 1,517,487	\$ 34,379,627

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

CITY OF WEST CHICAGO, ILLINOIS

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

December 31, 2009

Total Governmental Fund Balances	\$ 25,891,072
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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.	79,852,408
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Internal service funds are used by the City 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.	321,864
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,062,877)
Pension Obligation Payable	(1,777,777)
Net Other Post-Employment Benefit Obligation Payable	(397,236)
General Obligation Bonds Payable	(845,000)
Accrued Interest Payable	<u>(3,467)</u>

Net Assets of Governmental Activities	<u>\$ 101,978,987</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF WEST CHICAGO, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2009**

See Following Page

CITY OF WEST CHICAGO, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended December 31, 2009

	General	Public Benefit
Revenues		
Taxes	\$ 4,694,287	\$ -
Intergovernmental	6,117,344	-
Charges for Services	1,813,780	-
Licenses and Permits	489,110	-
Fines and Forfeitures	1,782,124	-
Interest Income	89,602	125,880
Miscellaneous	718,515	1,905,617
Total Revenues	15,704,762	2,031,497
Expenditures		
Current		
General Government	6,458,217	97,333
Public Safety	8,616,769	-
Culture and Recreation	372,382	-
Capital Outlay	-	2,074,220
Debt Service		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	15,447,368	2,171,553
Excess (Deficiency) of Revenues Over (Under) Expenditures	257,394	(140,056)
Other Financing Sources (Uses)		
Transfers In	1,250,218	-
Transfers Out	-	(100,000)
	1,250,218	(100,000)
Net Change in Fund Balances	1,507,612	(240,056)
Fund Balances - Beginning	12,048,293	7,354,536
Fund Balances - Ending	\$ 13,555,905	\$ 7,114,480

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

TIF Special Tax Allocation #1	Capital Improvement	Nonmajor Governmental Funds	Total
\$ 792,789	\$ 2,511,716	\$ 402,445	\$ 8,401,237
-	-	-	6,117,344
-	-	745,000	2,558,780
-	-	-	489,110
-	-	-	1,782,124
6,538	24,331	5,527	251,878
5,112	863,841	13,566	3,506,651
804,439	3,399,888	1,166,538	23,107,124
399,820	-	2,498	6,957,868
-	-	-	8,616,769
-	-	-	372,382
-	2,027,729	1,039,096	5,141,045
-	-	225,000	225,000
44,518	-	52,293	96,811
444,338	2,027,729	1,318,887	21,409,875
360,101	1,372,159	(152,349)	1,697,249
-	487,100	-	1,737,318
-	-	(1,150,218)	(1,250,218)
-	487,100	(1,150,218)	487,100
360,101	1,859,259	(1,302,567)	2,184,349
(363,027)	1,969,104	2,697,817	23,706,723
\$ (2,926)	\$ 3,828,363	\$ 1,395,250	\$ 25,891,072

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

CITY OF WEST CHICAGO, ILLINOIS

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

Year Ended December 31, 2009

Net Change in Fund Balances - Total Governmental Funds	\$ 2,184,349
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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	2,991,017
Depreciation Expense	(1,617,669)

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

Additions to Net Pension Obligation	(75,898)
Additions to Compensated Absences Payable	(84,738)
Additions to Net Other Post-Employment Benefit Obligation Payable	(203,126)
Retirement of General Obligation Bonds	225,000

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.

891

Internal service funds are used by the City 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.

35,290

Changes in Net Assets of Governmental Activities	<u>\$ 3,455,116</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF WEST CHICAGO, ILLINOIS

**Statement of Net Assets - Proprietary Funds
December 31, 2009**

See Following Page

CITY OF WEST CHICAGO, ILLINOIS

**Statement of Net Assets - Proprietary Funds
December 31, 2009**

	Business-Type Activities - Enterprise				Governmental
			Nonmajor		Activities
	Waterworks	Sewerage	Commuter Parking	Total	Internal Service
ASSETS					
Current Assets					
Cash and Investments	\$ 14,167,251	\$ 9,899,316	\$ 219,910	\$ 24,286,477	\$ 321,864
Receivables - Net of Allowances					
Property Taxes	-	15,547	-	15,547	-
Accounts	657,683	990,745	-	1,648,428	-
Other	225,740	-	-	225,740	-
Accrued Interest	3,448	6,445	1,575	11,468	-
Deferred Charges	325,288	-	-	325,288	-
Prepays	-	203,250	-	203,250	-
Restricted Investments	-	1,236,930	-	1,236,930	-
Total Current Assets	15,379,410	12,352,233	221,485	27,953,128	321,864
Noncurrent Assets					
Capital Assets					
Nondepreciable	4,276,931	7,200	-	4,284,131	-
Depreciable	46,881,479	36,952,097	690,842	84,524,418	34,572
Accumulated Depreciation	(9,605,948)	(18,016,164)	(309,884)	(27,931,996)	(34,572)
Total Noncurrent Assets	41,552,462	18,943,133	380,958	60,876,553	-
Total Assets	56,931,872	31,295,366	602,443	88,829,681	321,864

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

	Business-Type Activities - Enterprise				Governmental
			Nonmajor		Activities
	Waterworks	Sewerage	Commuter	Total	Internal
			Parking		Service
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 337,683	\$ 63,452	\$ 131,104	\$ 532,239	\$ -
Accrued Payroll	66,897	42,273	3,230	112,400	-
Interest Payable	462,977	-	-	462,977	-
Other Liabilities	51,389	649,500	-	700,889	-
Unearned/Deferred Revenues	1,556,295	15,547	17,175	1,589,017	-
Compensated Absences	23,916	2,653	-	26,569	-
IEPA Revolving Loan	485,019	-	-	485,019	-
General Obligation Bonds	945,000	-	-	945,000	-
Total Current Liabilities	3,929,176	773,425	151,509	4,854,110	-
Noncurrent Liabilities					
Compensated Absences	95,662	10,614	-	106,276	-
IEPA Revolving Loan	8,267,268	-	-	8,267,268	-
General Obligation Bonds	15,295,000	-	-	15,295,000	-
Total Noncurrent Liabilities	23,657,930	10,614	-	23,668,544	-
Total Liabilities	27,587,106	784,039	151,509	28,522,654	-
NET ASSETS					
Invested in Capital Assets - Net of Related Debt	16,560,175	18,943,133	380,958	35,884,266	-
Restricted - Per Intergovernmental Agreement -					
Sewer Plant Expansion	-	534,900	-	534,900	-
Sewer Plant Replacement	-	3,299,098	-	3,299,098	-
Unrestricted	12,784,591	7,734,196	69,976	20,588,763	321,864
Total Net Assets	\$ 29,344,766	\$ 30,511,327	\$ 450,934	\$ 60,307,027	\$ 321,864

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

CITY OF WEST CHICAGO, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds
Year Ended December 31, 2009

	<u>Waterworks</u>
Operating Revenues	
Charges for Services	\$ 4,980,408
Interfund Services	-
Licenses and Permits	-
Total Operating Revenues	<u>4,980,408</u>
Operating Expenses	
Operations	3,813,828
Depreciation and Amortization	<u>1,327,505</u>
Total Operating Expenses	<u>5,141,333</u>
Operating Income (Loss)	<u>(160,925)</u>
Nonoperating Revenues (Expenses)	
Water and Sewer Connection Fees	19,759
Property Taxes	-
Sales Taxes	948,148
Interest Income	102,955
Other Income	342,873
Interest Expense and Fiscal Charges	<u>(1,006,014)</u>
	<u>407,721</u>
Income (Loss) Before Transfers	246,796
Transfers Out	<u>(250,900)</u>
Change in Net Assets	(4,104)
Net Assets - Beginning	<u>29,348,870</u>
Net Assets - Ending	<u>\$ 29,344,766</u>

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

Business-Type Activities - Enterprise			Governmental
Sewerage	Nonmajor	Total	Activities
	Commuter Parking		Internal Service
\$ 5,137,530	\$ 53,887	\$ 10,171,825	\$ -
-	-	-	65,200
-	66,353	66,353	-
5,137,530	120,240	10,238,178	65,200
4,888,832	510,634	9,213,294	31,674
1,070,959	25,177	2,423,641	-
5,959,791	535,811	11,636,935	31,674
(822,261)	(415,571)	(1,398,757)	33,526
22,980	-	42,739	-
15,161	-	15,161	-
-	-	948,148	-
97,900	5,038	205,893	1,764
32,229	-	375,102	-
-	-	(1,006,014)	-
168,270	5,038	581,029	1,764
(653,991)	(410,533)	(817,728)	35,290
(236,200)	-	(487,100)	-
(890,191)	(410,533)	(1,304,828)	35,290
31,401,518	861,467	61,611,855	286,574
\$ 30,511,327	\$ 450,934	\$ 60,307,027	\$ 321,864

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

CITY OF WEST CHICAGO, ILLINOIS

Statement of Cash Flows - Proprietary Funds Year Ended December 31, 2009

	<u>Waterworks Fund</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 5,255,895
Receipts from Interfund Services	-
Payments to Employees	(1,444,133)
Payments to Suppliers	(2,451,081)
	<u>1,360,681</u>
Cash Flows from Noncapital Financing Activities	
Property Taxes	-
Sales Taxes	948,148
Transfers Out	(250,900)
	<u>697,248</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(358,406)
Interest on Capital Debt	(1,006,014)
Principal on Capital Debt	(1,377,790)
	<u>(2,742,210)</u>
Cash Flows from Investing Activities	
Interest Received	<u>102,955</u>
Net Change in Cash and Cash Equivalents	(581,326)
Cash and Cash Equivalents - Beginning	<u>14,748,577</u>
Cash and Cash Equivalents - Ending	<u>14,167,251</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	<u>(160,925)</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation and Amortization Expense	1,327,505
Other Income	362,632
(Increase) Decrease in Current Assets	(87,145)
Increase (Decrease) in Current Liabilities	(81,386)
Net Cash Provided by Operating Activities	<u>\$ 1,360,681</u>

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

Business-Type Activities - Enterprise Funds			
Sewerage Fund	Nonmajor Enterprise Commuter Parking	Total	Governmental Activities Internal Service
\$ 5,266,216	\$ 121,350	\$ 10,643,461	\$ -
-	-	-	65,200
(827,207)	(61,178)	(2,332,518)	-
(4,154,615)	(322,044)	(6,927,740)	(31,674)
284,394	(261,872)	1,383,203	33,526
15,161	-	15,161	-
-	-	948,148	-
(236,200)	-	(487,100)	-
(221,039)	-	476,209	-
(15,890)	-	(374,296)	-
-	-	(1,006,014)	-
-	-	(1,377,790)	-
(15,890)	-	(2,758,100)	-
97,900	5,038	205,893	1,764
145,365	(256,834)	(692,795)	35,290
10,990,881	476,744	26,216,202	286,574
11,136,246	219,910	25,523,407	321,864
(822,261)	(415,571)	(1,398,757)	33,526
1,070,959	25,177	2,423,641	-
55,209	-	417,841	-
73,477	1,110	(12,558)	-
(92,990)	127,412	(46,964)	-
\$ 284,394	\$ (261,872)	\$ 1,383,203	\$ 33,526

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

CITY OF WEST CHICAGO, ILLINOIS

Statement of Net Assets - Fiduciary Funds

December 31, 2009

	<u>Pension Trust</u>	
	<u>Police Pension</u>	<u>Agency</u>
ASSETS		
Cash and Cash Equivalents	\$ 168	\$ 113,015
Investments		
Money Market Mutual Funds	775,204	-
Certificates of Deposit	837,000	-
U.S. Government and Agency Obligations	2,310,313	-
Equity Mutual Funds	5,183,838	-
IMET	326,668	-
Insurance Contracts	6,495,607	-
Receivables - Net of Allowances		
Accrued Interest	4,063	
Prepays	<u>750</u>	<u>-</u>
Total Assets	<u>15,933,611</u>	<u>113,015</u>
LIABILITIES		
Accounts Payable	6,075	-
Due to Bondholders	<u>-</u>	<u>113,015</u>
Total Liabilities	<u>6,075</u>	<u>113,015</u>
NET ASSETS		
Net Plan Assets Held in Trust for Pension Benefits	<u>\$ 15,927,536</u>	<u>\$ -</u>

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

CITY OF WEST CHICAGO, ILLINOIS

**Statement of Changes in Net Assets - Fiduciary Funds
Year Ended December 31, 2009**

	<u>Pension Trust Police Pension</u>
Additions	
Contributions - Employer	\$ 1,007,957
Contributions - Plan Members	<u>375,585</u>
Total Contributions	<u>1,383,542</u>
Investment Income	
Interest Earned	457,318
Net Change in Fair Value	<u>529,092</u>
	986,410
Less Investment Expenses	<u>(32,082)</u>
	<u>954,328</u>
Total Additions	<u>2,337,870</u>
Deductions	
Administration	42,441
Benefits and Refunds	
Benefits	934,938
Refunds	<u>45,328</u>
Total Deductions	<u>1,022,707</u>
Change in Net Assets	1,315,163
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>14,612,373</u>
Ending	<u>\$ 15,927,536</u>

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

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of West Chicago, Illinois, incorporated in 1849, is a municipal corporation governed by an elected Mayor and City Council. The City's major operations include public safety, highway and street maintenance and reconstruction, forestry, building, code enforcement, public improvements, economic development, planning and zoning, water, sanitation and commuter parking 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 City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the City has chosen not to do so. The more significant of the City's accounting policies established in GAAP and used by the City are described below.

REPORTING ENTITY

The City's financial reporting entity comprises the following:

Primary Government:	City of West Chicago
Blended Component Unit:	Police Pension Employees Retirement System

In determining the financial reporting entity, the City 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 City.

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 City Council or the Component unit provides services entirely to the City. The component unit fund is blended into those of the City's by appropriate activity type to compose the primary government presentation.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Blended Component Unit

Police Pension Employees Retirement System

The City'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 City's Mayor, 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 City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a pension trust fund.

BASIS OF PRESENTATION

Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's police, highway and street maintenance and reconstruction, forestry, building, code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The City's water, sewer and parking services 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 City's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, water, sanitation, 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, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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 City allocates indirect costs paid from the General Fund to other funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations.

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

Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City 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 City 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

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

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 City:

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 City:

General fund is the general operating fund of the City. 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 City maintains two major and four nonmajor special revenue funds. The Public Benefit Fund, one major fund, accounts for the accumulation of funds from Kerr McGee to fund projects that meet the criteria detailed in the City code and the TIF Special Tax Allocation #1 Fund, the other major fund, accounts for the accumulation of funds from incremental revenue generated within the TIF #1 area.

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 City maintains one nonmajor debt service fund, the Tax Increment Alternate Revenue Bonds Series 1998 Fund.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The City maintains one major and one nonmajor capital projects fund. The Capital Improvement Fund, the major fund, accounts for utility taxes and a one-quarter percent home rule sales tax that are set aside for funding major capital improvements throughout the City.

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 City:

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

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 City maintains two major and one nonmajor enterprise funds; the major funds are the Waterworks and the Sewerage Fund. The Waterworks Fund is used to account for the provision of potable water services to the residents of the City. 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. The Sewerage Fund is used to account for the provision of wastewater treatment and collection services to the residents of the City. 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.

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 City on a cost-reimbursement basis. The MIS Replacement Fund accounts for the City's IT operations, the costs of which are allocated out to the user funds/departments.

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 City programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan.

Agency funds are used to account for assets held by the City in a purely custodial capacity. The Special Service Area Funds are used to account for the collection of property taxes within special service areas and payments of related special service area debt. The City is not obligated in any manner for the bonds, but rather is acting in an agent capacity.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

The City'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 City, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

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.

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.

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

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

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

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 City 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 fees, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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

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 City’s enterprise funds, are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap on 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.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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, and 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.

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 fees, and grants. Business-type activities report utility charges as their major receivables.

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/Prepays

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 - \$30,000 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 City as a whole. Infrastructure such as streets and traffic signals 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 Years
Buildings	50 Years
Machinery and Equipment	5 – 15 Years
Vehicles	8 Years
Infrastructure	65 Years

Compensated Absences

The City 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.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Long-Term Obligations

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

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

Unearned/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.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriations are adopted for the general, special revenue, debt service, capital projects, enterprise funds and internal service funds. All annual appropriations lapse at fiscal year end.

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

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

The Budget Officer is authorized to transfer budgeted amounts between departments and line items within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, several supplementary appropriations were approved.

DEFICIT FUND EQUITY

At December 31, 2009, the TIF Special Tax Allocation #1 Fund has deficit fund equity of \$2,926.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds except the pension trust fund. 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 City's funds. The deposits and investments of the pension trust fund are held separately from those of other funds.

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

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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

The Illinois Metropolitan Investment Fund (IMET) is 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.

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

Deposits and Investments. At year-end, the carrying amount of the City's deposits for governmental, business-type and agency activities totaled \$27,238,011 and the bank balances totaled \$27,407,494. Additionally, at year-end the City has \$9,358,404 invested in the Illinois Funds and \$13,625,587 invested in the Illinois Metropolitan Investment Fund.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy states that the investment portfolio shall remain sufficiently liquid to enable the City to meet all operating requirements which may be reasonably anticipated in any City Fund. The average maturity for the Illinois Funds and the Illinois Metropolitan Investment Fund is less than one year.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, the City's investment policy does not further limit investment choices. The City limits its exposure to credit risk by primarily investing in Illinois Funds and IMET which were both 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 City's deposits may not be returned to it. To limit its exposure, the City's investment policy states funds on deposit in excess of FDIC or Federal Savings and Loan Insurance Corporation limits must be secured by collateral. Acceptable collateral shall consist of any of the following: U.S. Government Securities, obligations of Federal Agencies, obligations of the State of Illinois, general obligations of Municipal Bonds rated "A" or better, and any other collateral identified by the Illinois State Statutes as acceptable for use by the Treasurer of the State of Illinois. At year-end, \$1,435,193 of the bank balance of deposits was not covered by federal depository or equivalent insurance. In the case of investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral. The City's investment policy does not specifically address custodial credit risk for investments. At year-end, the City's investment in the Illinois Funds and the Illinois Metropolitan Investment Trust are noncategorizable.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states that the investment portfolio of the City shall not exceed the following limits:

- No financial institution shall hold more than 40% of the portfolio. This shall not include United States of America Securities held in safekeeping
- The Illinois Investment Pool shall not exceed 80% of the portfolio

At year-end, the City's investment in the Illinois Funds and the Illinois Metropolitan Investment Fund is over 5 percent of the total cash and investment portfolio.

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

Deposits. At year-end, the carrying amount of the Police Pension Fund's deposits totaled \$1,612,372 and the bank balances totaled \$1,614,696.

Investments. The fair value and maturities of the Fund's investments at year-end are as follows:

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	Greater Than 10
U.S. Treasury Strips	\$ 1,315,238	\$ -	\$ 116,532	\$ 622,953	\$ 575,753
Federal National Mortgage Assoc.	209,197	-	-	209,197	-
Federal Home Loan Mortgage Corp.	167,558	-	-	167,558	-
Zero Coupon Strips	500,900	-	-	500,900	-
Tennessee Valley	117,420	-	-	-	117,420
IMET	326,668	326,668	-	-	-
	<u>\$ 2,636,981</u>	<u>\$ 326,668</u>	<u>\$ 116,532</u>	<u>\$ 1,500,608</u>	<u>\$ 693,173</u>

Interest Rate Risk. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investments with anticipated cash flow requirements.

Credit Risk. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of the U.S. Government agencies were all rated triple A by Standard & Poor's and Moody's Investor Services.

Custodial Credit Risk. At December 31, 2009, all of the Pension Fund's deposits were covered by federal depository or equivalent insurance. The Pension Fund's investment policy states that funds on deposit in excess of FDIC limits must be secured by collateral. The Pension Fund will accept any of the following assets as collateral: government securities, obligations of Federal Agencies, obligations of Federal Instrumentalities, and obligations of the State of Illinois. The amount of collateral provided will not be less than 110% of the fair market value of the net amount of public funds secured. Pledged collateral will be held in safekeeping, by an independent third party depository, or the Federal Reserve Bank of Chicago, designated by the Fund and evidenced by a safekeeping agreement. At December 31, 2009, the U.S. Government Securities are categorized as insured or registered with the Fund or its agent in the Fund's name. Illinois Metropolitan Investment Funds, money market mutual funds, equity mutual funds, and insurance contracts are not subject to custodial credit risk disclosures. The Pension Fund's investment policy requires that securities be held by a third party custodian designated by the Fund and evidenced by safekeeping receipts.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

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

Concentration Credit Risk. At December 31, 2009, the Pension Fund has over 5% of net plan assets invested in various agency securities as indicated in the table above. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the “full faith and credit” backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. In order to reduce the risk of default, the investment portfolio of the Pension Fund shall not exceed the following diversification limits unless specifically authorized by the Board of Trustees:

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

Additionally at year-end, the Pension Fund has \$6,495,607 invested in insurance contracts and has diversified its equity mutual fund holdings as follows:

American High Income Trust Class A	\$ 1,241,335
Bond Fund of America Class A	1,175,769
Columbia Acorn Fund A	128,076
Hartford Capital Appreciation Fund Class A	108,705
Hartford Strategic Income Fund	1,600,811
Lord Abbett Bond Debenture Class A	80,629
Lord Abbett Stock Appreciation Fund Class A	122,090
Lord Abbett Value Opportunities Fund Class A	125,000
Oppenheimer Developing Markets Fund Class A	125,605
Oppenheimer Equity Income Fund Class A	239,394
Oppenheimer International Fund Class A	120,008
TA Index Growth Opportunity Class C	116,416
	<u>5,183,838</u>

PROPERTY TAXES

Property taxes for 2009 attach as an enforceable lien on January 1, 2009, 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 DuPage County and are payable in two installments, on or about June 1, 2010, and September 1, 2010. The County collects such taxes and remits them periodically.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

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	\$ 13,962,086	\$ 1,898,554	\$ -	\$ 15,860,640
Land Right of Way	23,595,236	-	-	23,595,236
	<u>37,557,322</u>	<u>1,898,554</u>	<u>-</u>	<u>39,455,876</u>
Other Capital Assets				
Land Improvements	1,192,282	56,231	-	1,248,513
Buildings and Improvements	3,187,449	-	-	3,187,449
Machinery and Equipment	950,153	218,501	-	1,168,654
Vehicles	1,971,180	817,731	-	2,788,911
Infrastructure	69,223,064	-	-	69,223,064
	<u>76,524,128</u>	<u>1,092,463</u>	<u>-</u>	<u>77,616,591</u>
Less Accumulated Depreciation				
Land Improvements	423,095	62,426	-	485,521
Buildings and Improvements	1,387,157	63,749	-	1,450,906
Machinery and Equipment	615,048	77,910	-	692,958
Vehicles	1,747,621	348,614	-	2,096,235
Infrastructure	31,429,469	1,064,970	-	32,494,439
	<u>35,602,390</u>	<u>1,617,669</u>	<u>-</u>	<u>37,220,059</u>
Total Other Capital Assets	<u>40,921,738</u>	<u>(525,206)</u>	<u>-</u>	<u>40,396,532</u>
Total Capital Assets	<u>\$ 78,479,060</u>	<u>\$ 1,373,348</u>	<u>\$ -</u>	<u>\$ 79,852,408</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 60,986
Public Safety	66,648
Highways and Streets	1,486,314
Culture and Recreation	<u>3,721</u>
	<u>\$ 1,617,669</u>

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

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	\$ 3,989,900	\$ -	\$ -	\$ 3,989,900
Construction in Progress	-	294,231	-	294,231
	<u>3,989,900</u>	<u>294,231</u>	<u>-</u>	<u>4,284,131</u>
Other Capital Assets				
Land Improvements	1,514,118	-	-	1,514,118
Buildings	23,890,002	-	-	23,890,002
Infrastructure	41,264,407	-	-	41,264,407
Machinery and Equipment	17,624,869	80,065	71,942	17,632,992
Vehicles	222,899	-	-	222,899
	<u>84,516,295</u>	<u>80,065</u>	<u>71,942</u>	<u>84,524,418</u>
Less Accumulated Depreciation				
Land Improvements	438,122	75,706	-	513,828
Buildings	5,243,130	477,800	-	5,720,930
Infrastructure	9,264,437	634,837	-	9,899,274
Machinery and Equipment	10,440,038	1,180,325	71,942	11,548,421
Vehicles	221,680	27,863	-	249,543
	<u>25,607,407</u>	<u>2,396,531</u>	<u>71,942</u>	<u>27,931,996</u>
Total Other Capital Assets	<u>58,908,888</u>	<u>(2,316,466)</u>	<u>-</u>	<u>56,592,422</u>
Total Capital Assets	<u>\$ 62,898,788</u>	<u>\$ (2,022,235)</u>	<u>\$ -</u>	<u>\$ 60,876,553</u>

Depreciation expense was charged to business-type as follows:

Waterworks	\$ 1,300,395
Sewerage	1,070,959
Commuter Parking	<u>25,177</u>
	<u>\$ 2,396,531</u>

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

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	TIF Special Tax Allocation #1	\$ 420,108
Public Benefit	TIF Special Tax Allocation #1	90,000
Nonmajor Governmental	Capital Improvements	25,643
Capital Improvements	Nonmajor Governmental	8,315
		<u>\$ 544,066</u>

Interfund balances are advances in anticipation of receipts.

Interfund Advances

Interfund advances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
Public Benefit	TIF Special Tax Allocation #1	<u>\$ 1,033,796</u>

The interfund advance from the Public Benefit Fund is for the purchase of properties within the TIF District as part of future land improvement programs. A total of up to \$1.5 million dollars was approved by the City Council for lending to the TIF District for this purpose in lieu of selling additional bonds at a higher interest rate. The amounts will be repaid with interest as part of the agreement over the remaining years of the TIF District.

Interfund Transfers

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.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued

Interfund Transfers – Continued

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Public Benefit	\$ 100,000
General	Nonmajor Governmental	1,150,218
Capital Improvement	Waterworks	250,900
Capital Improvement	Sewerage	236,200
		<u>\$ 1,737,318</u>

LONG-TERM DEBT

General Obligation Alternate Revenue Bonds

The City has issued general obligation alternate revenue bonds where the City has pledged incremental property taxes, utility taxes and waterworks revenues for the payment of bond principal and interest. General Obligation Alternate revenue bonds are direct obligations and pledge the full faith and credit of the City. General Obligation Alternate revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Alternate Revenue Refunding Bonds of 1998B (\$2,725,000), due in annual installments of \$60,000 to \$320,000, plus interest at 3.95% to 5.00% through December 1, 2012.	Debt Service	\$ 1,070,000	\$ -	\$ 225,000	\$ 845,000
Waterworks General Obligation Alternate Revenue Source Bonds of 2002 (\$21,220,000), due in annual installments of \$765,000 to \$1,635,000, plus interest at 2.80% to 5.10% through January 1, 2022.	Waterworks	17,145,000	-	905,000	16,240,000
		<u>\$ 18,215,000</u>	<u>\$ -</u>	<u>\$ 1,130,000</u>	<u>\$ 17,085,000</u>

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Revolving Loan

The City has entered into an agreement with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA revolving loan currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Waterworks Revolving Loan (\$11,000,000), due in semi- annual installments of \$353,428, including interest at 2.57% through September 9, 2024.	Waterworks	\$ 9,225,076	\$ -	\$ 472,790	\$ 8,752,286

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	\$ 1,701,879	\$ 1,083,855	\$ 1,007,957	\$ 1,777,777	\$ -
Compensated Absences	978,139	169,476	84,738	1,062,877	212,575
General Obligation Bonds	1,070,000	-	225,000	845,000	240,000
Net Other Post-Employment Benefit Obligation	194,110	343,992	140,866	397,236	-
	<u>3,944,128</u>	<u>1,597,323</u>	<u>1,458,561</u>	<u>4,082,890</u>	<u>452,575</u>
Business-type Activities					
Compensated Absences	118,927	27,838	13,920	132,845	26,569
IEPA Revolving Loan	9,225,076	-	472,790	8,752,286	485,019
General Obligation Bonds	17,145,000	-	905,000	16,240,000	945,000
	<u>\$ 26,489,003</u>	<u>\$ 27,838</u>	<u>\$ 1,391,710</u>	<u>\$ 25,125,131</u>	<u>\$ 1,456,588</u>

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

For governmental activities the General Fund makes payments on the net pension obligation, net other post-employment benefit obligation and compensated absences. The Debt Service Fund makes payments on the general obligation bonds. For business-type activities, the Waterworks Fund makes payments on the IEPA revolving loan and general obligation bonds. Compensated absences are liquidated from the Waterworks and Sewerage Funds.

Noncommitment Debt

Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$589,800. These bonds are not an obligation of the government and are secured by the levy of annual tax on the real property within the special service area. The government is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

Industrial Development Revenue Bonds

The City has issued Industrial Development Revenue Bonds (IDRB) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial facilities deemed to be in the public interest and to provide financing for low interest mortgages to qualified applicants. The bonds are secured solely by the property or mortgages financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not recorded as a liability in these financial statements. As of December 31, 2009, there were two IDRBs outstanding. The aggregate principal amount payable for the bond series could not be determined; however, the original issue of the bonds totaled \$2,200,000 and \$7,800,000.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

Fiscal Year Ending December 31	Business-Type Activities					
	General Obligation			IEPA Revolving		
	Alternate Revenue Bonds			Loan		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 945,000	\$ 368,154	\$ 1,313,154	\$ 485,019	\$ 221,838	\$ 706,857
2011	985,000	715,130	1,700,130	497,564	209,292	706,856
2012	1,025,000	671,659	1,696,659	510,433	196,423	706,856
2013	1,070,000	625,558	1,695,558	523,635	183,221	706,856
2014	1,115,000	576,384	1,691,384	537,179	169,677	706,856
2015	1,170,000	523,523	1,693,523	551,074	155,782	706,856
2016	1,225,000	466,628	1,691,628	565,327	141,529	706,856
2017	1,280,000	405,868	1,685,868	579,950	126,906	706,856
2018	1,345,000	341,219	1,686,219	594,950	111,906	706,856
2019	1,410,000	272,680	1,682,680	610,339	96,518	706,857
2020	1,480,000	200,060	1,680,060	626,125	80,731	706,856
2021	1,555,000	123,037	1,678,037	642,320	64,536	706,856
2022	1,635,000	41,692	1,676,692	658,933	47,923	706,856
2023	-	-	-	675,977	30,879	706,856
2024	-	-	-	693,461	13,393	706,854
Total	\$ 16,240,000	\$ 5,331,592	\$ 21,571,592	\$ 8,752,286	\$ 1,850,554	\$ 10,602,840

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Governmental Activities				
Fiscal Year Ending December 31	General Obligation			
	Alternate Revenue Bonds			
	Principal	Interest	Total	
2011	\$ 240,000	\$ 41,604	\$	281,604
2012	285,000	29,966		314,966
2013	320,000	16,000		336,000
Total	\$ 845,000	\$ 87,570	\$	932,570

Legal Debt Margin

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

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

To date the Illinois General Assembly has set no limits for home rule municipalities. The City is a home rule municipality.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The City 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 City's employees. These risks are provided for through participation in the Intergovernmental Risk Management Agency (IRMA) and private insurance coverage. The City has purchased insurance from private insurance companies, covered risks included medical, dental, life, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverage from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

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

The City's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The City does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors. Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

POST-EMPLOYMENT BENEFITS

The City offers a retiree health insurance program to all employees hired prior to May 1, 2007 and who have both a vested pension and a rating of “75”, which is a combination of age and years of consecutive employment with the City. The City pays ninety percent (90%) of the then applicable cost of the total premium for single health insurance under the plan with the lowest total premium; the employee is responsible for paying the remaining ten percent (10%) of the then applicable cost of the total premium, payable monthly in advance. City-paid retiree health insurance coverage under this plan terminates when the employee reaches age 70. The City 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

Litigation

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

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 City expects such amounts, if any, to be immaterial.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The City contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; and the Police Pension Plan that is a single-employer pension plan. Separate, audited GAAP-basis financial statements for the Police Pension Plan can be obtained from the Treasurer of the Police Pension Plan at 475 Main Street, West Chicago, IL 60185. 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 benefit, 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 plan) 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 City is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2008 was 10.09 percent.

Police Pension Plan

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

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

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan – Continued

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 City 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 City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

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	21
Current Employees	
Vested	29
Nonvested	<u>19</u>
	<u><u>69</u></u>

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues 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.

Significant Investments

There are no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in the police pension fund that represent 5 percent or more of net assets available for benefits for the Police Pension Fund.

Related Party Transactions

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

Annual Pension Cost and Net Pension Obligation

The annual pension cost for the current year and related plan information is as follows:

	<u>Police Pension</u>
Annual Required Contribution	\$ 1,108,550
Interest on Net Pension Obligation	116,257
Adjustment to Annual Required Contribution	<u>(140,952)</u>
Annual Pension Cost	1,083,855
Actual Contribution	<u>1,007,957</u>
Increase to the NPO	75,898
NPO - Beginning of Year	<u>1,701,879</u>
NPO - End of Year	<u><u>1,777,777</u></u>

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

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

	Illinois Municipal Retirement	Police Pension
Contribution Rates		
Employer	10.09%	23.30%
Employee	4.50%	9.91%
Annual Required Contribution	\$530,641	\$1,108,550
Contributions Made	\$530,641	\$1,007,957
Actuarial Valuation Date	12/31/2006	12/31/2009
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	24 Years	29 Years
Asset Valuation Method	5-Year Smoothed Market	3-Year Smoothed Market
Actuarial Assumptions		
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 11.6%	1.12% to 4.86%
Inflation Rate Included	4.00%	2.50%
Cost-of-Living Adjustments	3.00%	3.00%

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

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
Annual Pension	2007	\$ 622,788	\$ 901,950
Cost (APC)	2008	728,116	625,609
	2009	530,641	1,083,855
Actual Contributions	2007	\$ 622,788	\$ 803,772
	2008	728,116	666,667
	2009	530,641	1,007,957
Percentage of APC	2007	100.00%	89.11%
Contributed	2008	100.00%	106.56%
	2009	100.00%	93.00%
Net Pension Obligation	2007	\$ -	\$ 1,701,879
	2008	-	1,660,821
	2009	-	1,777,777

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The City's funded status for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial Valuation Date	12/31/08	12/31/09
Percent Funded	66.76%	59.80%
Actuarial Accrued Liability for Benefits	\$12,585,769	\$26,877,186
Actuarial Value of Assets	\$8,402,455	\$16,073,611
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$4,183,314)	(\$10,803,575)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$5,259,079	\$3,638,672
Ratio of UAAL to Covered Payroll	79.54%	296.91%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

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

The City provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

All health care benefits are provided through the City's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medial services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

All retirees contribute 10% of the actuarially determined premium to the plan up until age 70. For the fiscal year ending December 31, 2009, retirees contributed \$140,866. Active employees do not contribute to the plan until retirement. Effective, May 1, 2007, new non-police employees are not eligible to participate in this program.

At December 31, 2009, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	21
Active Employees	<u>79</u>
Total	<u>100</u>
Participating Employers	1

The City does not currently have a funding policy.

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of December 31, 2009, was calculated as follows:

	<u>NOPEBO</u>
Annual Required Contribution	\$ 334,286
Interest on the NOPEBO	9,706
Adjustment to the ARC	<u>-</u>
Annual OPEB Cost	343,992
Actual Contribution	<u>140,866</u>
Increase in the NPO	203,126
NOPEBO - Beginning of Year	<u>194,110</u>
NOPEBO - End of Year	<u><u>397,236</u></u>

Trend Information

The District's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2007	\$ N/A	\$ N/A	N/A	\$ N/A
2008	334,976	140,866	42.05%	194,110
2009	343,992	140,866	40.95%	397,236

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation – Continued

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2008, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 4,759,755
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	4,759,755
Funded Ration (actuarial value of plan assets/AAL)	-
Covered Payroll (active plan members)	6,472,339
UAAL as a percentage of covered payroll	73.54%

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

Actuarial Methods and Assumptions

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

CITY OF WEST CHICAGO, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Actuarial Methods and Assumptions – Continued

In the December 31, 2008 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses and including a 3.0% inflation assumption) and an annual healthcare cost trend rate of 8.0%, with an ultimate rate of 6%. Both The actuarial value of assets was not determined as the City has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2009, was 29 years.

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
 - Other Post-Employment Benefit Plan
- **Employer Contributions**
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Other Post-Employment Benefit Plan
- **Budgetary Comparison Schedules**
 - General Fund
 - Public Benefit – Special Revenue Fund
 - TIF Special Tax Allocation #1 – Special Revenue Fund

Notes to the Required Supplementary Information

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

CITY OF WEST CHICAGO, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date Dec. 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)
2003	\$ 7,660,581	\$ 9,680,808	79.13%	\$ 2,020,227	\$ 4,408,525	45.83%
2004	8,292,066	10,875,219	76.25%	2,583,153	4,632,790	55.76%
2005	9,430,953	11,771,270	80.12%	2,340,317	4,979,611	47.00%
2006	9,008,286	11,200,406	80.43%	2,192,120	4,923,224	44.53%
2007	9,763,633	12,415,658	78.64%	2,652,025	6,008,273	44.14%
2008	8,402,455	12,585,769	66.76%	4,183,314	5,259,079	79.54%

CITY OF WEST CHICAGO, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Funding Progress
December 31, 2009**

Actuarial Valuation Date	(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)
4/30/05	\$ 11,731,428	\$ 19,230,205	61.01%	\$ 7,498,777	\$ 2,817,875	266.11%
4/30/06	13,533,809	21,161,075	63.96%	7,627,266	2,881,161	264.73%
4/30/07	15,208,228	22,281,378	68.26%	7,073,150	2,985,785	236.89%
4/30/08	14,901,493	22,087,974	67.46%	7,186,481	3,449,980	208.31%
12/31/08*	16,406,961	25,328,066	64.78%	8,921,105	3,443,969	259.04%
12/31/09	16,073,611	26,877,186	59.80%	10,803,575	3,638,672	296.91%

* Eight months ended December 31, 2008

CITY OF WEST CHICAGO, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date Dec. 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)
2004	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	-	4,759,755	-	4,759,755	6,472,339	73.54%
2009	N/A	N/A	N/A	N/A	N/A	N/A

The City Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available. The City is required to have the actuarial valuation performed triennially.

CITY OF WEST CHICAGO, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
December 31, 2009**

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2003	\$ 316,532	\$ 316,532	100.00%
2004	413,708	413,708	100.00%
2005	626,933	626,933	100.00%
2006	622,788	622,788	100.00%
2007	728,116	728,116	100.00%
2008	530,641	530,641	100.00%

CITY OF WEST CHICAGO, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
December 31, 2009**

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
4/30/05	\$ 669,274	\$ 647,017	103.44%
4/30/06	715,550	685,350	104.41%
4/30/07	845,944	791,712	106.85%
4/30/08	803,772	883,855	90.94%
12/31/08*	666,802	647,551	102.97%
12/31/09	1,007,957	1,108,550	90.93%

* Eight months ended December 31, 2008

CITY OF WEST CHICAGO, ILLINOIS

Other Post-Employment Benefit Plan

**Required Supplementary Information
Employer Contributions
December 31, 2009**

Fiscal Year Ended	Employer Contributions	Annual Required Contributions	Percent Contributed
4/30/05	\$ N/A	\$ N/A	N/A
4/30/06	N/A	N/A	N/A
4/30/07	N/A	N/A	N/A
4/30/08	N/A	N/A	N/A
12/31/08*	140,866	334,976	42.05%
12/31/09	140,866	334,286	42.14%

* Eight months ended December 31, 2008

The City Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008.
Information for other years is not available.

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 4,790,000	\$ 4,790,000	\$ 4,694,287
Intergovernmental	7,091,000	6,071,000	6,117,344
Charges for Services	1,695,500	1,645,500	1,813,780
Licenses and Permits	396,000	396,000	489,110
Fines and Forfeitures	1,000,000	1,470,000	1,782,124
Interest Income	375,000	375,000	89,602
Miscellaneous	241,000	491,000	718,515
Total Revenues	<u>15,588,500</u>	<u>15,238,500</u>	<u>15,704,762</u>
Expenditures			
General Government	6,561,800	7,412,800	6,458,217
Public Safety	8,691,500	8,781,500	8,616,769
Culture and Recreation	435,200	449,200	372,382
Total Expenditures	<u>15,688,500</u>	<u>16,643,500</u>	<u>15,447,368</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100,000)	(1,405,000)	257,394
Other Financing Sources			
Transfers In	<u>100,000</u>	<u>100,000</u>	<u>1,250,218</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (1,305,000)</u>	1,507,612
Fund Balance - Beginning			<u>12,048,293</u>
Fund Balance - Ending			<u>\$ 13,555,905</u>

CITY OF WEST CHICAGO, ILLINOIS**Public Benefit - Special Revenue Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest Income	\$ 300,000	\$ 300,000	\$ 125,880
Miscellaneous	-	-	1,905,617
Total Revenues	300,000	300,000	2,031,497
Expenditures			
General Government			
Contractual Services	40,000	145,000	97,333
Capital Outlay			
Building and Grounds Improvement	300,000	300,000	172,727
Other Capital Outlay	120,000	120,000	-
Land	-	2,730,000	1,901,493
Total Expenditures	460,000	3,295,000	2,171,553
Excess (Deficiency) of Revenues Over (Under) Expenditures	(160,000)	(2,995,000)	(140,056)
Other Financing (Uses)			
Transfers Out	(100,000)	(100,000)	(100,000)
Net Change in Fund Balance	<u>\$ (260,000)</u>	<u>\$ (3,095,000)</u>	(240,056)
Fund Balance - Beginning			<u>7,354,536</u>
Fund Balance - Ending			<u>\$ 7,114,480</u>

CITY OF WEST CHICAGO, ILLINOIS**TIF Special Tax Allocation #1 - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 690,000	\$ 690,000	\$ 792,789
Interest Income	40,000	40,000	6,538
Miscellaneous	2,400	2,400	5,112
Total Revenues	<u>732,400</u>	<u>732,400</u>	<u>804,439</u>
Expenditures			
General Government	569,100	820,100	399,820
Debt Service			
Interest and Fiscal Charges	90,000	90,000	44,518
Total Expenditures	<u>659,100</u>	<u>910,100</u>	<u>444,338</u>
Net Change in Fund Balance	<u>\$ 73,300</u>	<u>\$ (177,700)</u>	360,101
Fund Balance - Beginning			<u>(363,027)</u>
Fund Balance - Ending			<u>\$ (2,926)</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
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds
- Budgetary Comparison Schedule – Internal Service Fund
- Combining Statement – Agency Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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.

Public Benefit Fund

The Public Benefit Fund, a major fund, accounts for the accumulation of funds from Kerr McGee to fund the public portion of certain improvements.

Kerr McGee Oversight Fund

The Kerr McGee Oversight Fund, a nonmajor fund, accounts for the costs of claims under the Comprehensive Environmental Compensation and Liability Act which are funded by the settlement with Kerr McGee.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund, a nonmajor fund, accounts for the state allotments used to fund the street maintenance approved by the State of Illinois.

TIF Special Tax Allocation Fund #1

The TIF Special Tax Allocation #1 Fund, a major fund, accounts for the accumulation of funds from incremental revenue generated within the TIF #1 area.

TIF Special Tax Allocation Fund #2

The TIF Special Tax Allocation #2 Fund, a nonmajor fund, accounts for the accumulation of funds from incremental revenue generated within the TIF #2 area.

Other Special Service Areas Fund

The Other Special Service Areas Fund, a nonmajor fund, accounts for the specific tax levies and related costs of the City's other special service areas.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DEBT SERVICE FUND

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

Tax Increment Alternate Revenue Bonds Series 1998 Fund

The Tax Increment Alternate Revenue Bonds Series 1998 Fund, a nonmajor fund, accounts for the collection of taxes and repayment of the Tax Increment Alternate Revenue Bonds.

CAPITAL PROJECTS FUNDS

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 Improvement Fund, a major fund, accounts for utility taxes that are set aside for funding major capital improvements throughout the City.

Capital Equipment Replacement Fund

The Capital Equipment Replacement Fund, a nonmajor fund accounts for funds set aside by the City Council during the budget process and costs allocated to user departments for future capital fleet purchases.

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 City's enterprise funds are both major funds.

Waterworks Fund

The Waterworks Fund, a major fund, is used to account for the provision of potable water and water treatment services to the residents of the City. 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.

Sewerage Fund

The Sewerage Fund, a major fund, is used to account for the provision of sewer repair, treatment, and improvement services to the residents of the City. 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.

Commuter Parking Fund

The Commuter Parking Fund, a nonmajor fund, was established to account for commuter parking facilities operated by the City that are financed by user fees.

INTERNAL SERVICE FUND

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.

MIS Replacement Fund

The MIS Replacement Fund accounts for the City's MIS operations, the costs of which are allocated out to the user funds/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 City at amounts determined by an annual actuarial study.

AGENCY FUNDS

Special Service Area #s 17, 18 & 20 Funds

These Special Service Area Funds are used to account for the collection of taxes levied against benefited property owners and remittance of those taxes to bond holders. The City is not obligated in any manner for the bonds, but rather is acting in an agent capacity.

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 3,315,000	\$ 3,315,000	\$ 3,284,696
Telecommunications Tax	1,300,000	1,300,000	1,230,212
Amusement Tax	15,000	15,000	20,194
Personal Property Replacement Tax	160,000	160,000	159,185
	<u>4,790,000</u>	<u>4,790,000</u>	<u>4,694,287</u>
Intergovernmental			
Sales Tax	3,275,000	2,705,000	2,750,584
Income Tax	2,469,000	2,069,000	2,181,609
MFT Allotments	700,000	700,000	714,671
Use Tax	375,000	325,000	325,332
Grants	272,000	272,000	145,148
	<u>7,091,000</u>	<u>6,071,000</u>	<u>6,117,344</u>
Charges for Services			
Brush Collection Fees	75,000	75,000	58,492
Weed Cutting Fees	-	-	10,023
Business Registration	18,000	18,000	27,695
Police Counter Service	10,000	10,000	9,718
Police Contractual Services	236,500	236,500	239,906
Police Towing	330,000	230,000	270,371
False Alarm Fees	10,000	10,000	13,900
Change of Occupancy Fees	35,000	35,000	48,798
Rental Inspections	75,000	75,000	124,401
Plan Review Fees	25,000	25,000	13,725
Engineering Fees	150,000	175,000	207,553
Transfer Station Fees	475,000	475,000	428,806
Property Rental	65,000	90,000	145,480
Tower Rental Fees	28,000	28,000	49,864
Cable Franchise Fee	163,000	163,000	165,048
	<u>1,695,500</u>	<u>1,645,500</u>	<u>1,813,780</u>

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Licenses and Permits			
Building Permits	\$ 200,000	\$ 200,000	\$ 246,692
Building Contractors Licenses	28,000	28,000	26,240
Oversize Truck Permits	16,000	16,000	14,498
Liquor Licenses	85,000	85,000	146,752
Vending Machine/Business Licenses	65,000	65,000	53,716
Other Licenses and Permits	2,000	2,000	1,212
	<u>396,000</u>	<u>396,000</u>	<u>489,110</u>
Fines and Forfeits			
Circuit Court Fines	525,000	525,000	459,159
Local Fines	475,000	945,000	1,293,992
Seizures	-	-	28,973
	<u>1,000,000</u>	<u>1,470,000</u>	<u>1,782,124</u>
Interest			
Interest Income	<u>375,000</u>	<u>375,000</u>	<u>89,602</u>
Miscellaneous			
Cemetery Lot Sales	25,000	25,000	44,550
Other Reimbursements	60,000	60,000	142,999
Health Insurance Reimbursements	128,000	128,000	153,354
Other Miscellaneous	28,000	278,000	377,612
	<u>241,000</u>	<u>491,000</u>	<u>718,515</u>
Total Revenues	<u>\$ 15,588,500</u>	<u>\$ 15,238,500</u>	<u>\$ 15,704,762</u>

CITY OF WEST CHICAGO, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
General Government			
Legislative	\$ 186,500	\$ 194,000	\$ 154,317
Administration	403,400	919,400	642,108
Administrative Services	2,146,500	2,201,500	1,829,300
Public Works	2,891,400	3,063,900	2,878,832
Community Development	934,000	1,034,000	953,660
	<u>6,561,800</u>	<u>7,412,800</u>	<u>6,458,217</u>
Public Safety			
Police Department	<u>8,691,500</u>	<u>8,781,500</u>	<u>8,616,769</u>
Culture and Recreation			
Museum and Cultural Services	<u>435,200</u>	<u>449,200</u>	<u>372,382</u>
Total Expenditures	<u>\$ 15,688,500</u>	<u>\$ 16,643,500</u>	<u>\$ 15,447,368</u>

CITY OF WEST CHICAGO, ILLINOIS**General Fund****Schedule of Detailed Expenditures - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
General Government			
Legislative			
Personal Services			
Salary of Alderman	\$ 33,600	\$ 33,600	\$ 23,100
Salary of Mayor	15,000	15,000	15,000
Salary of Corporate Counsel	3,000	3,000	3,000
Salary of City Clerk	4,500	4,500	4,500
Salary of Deputy City Clerk	400	400	300
IMRF and FICA	4,300	4,300	3,325
Unemployment Insurance	-	-	1,005
Contractual Services			
Legal Fees	45,000	52,500	43,171
Consultants	2,000	2,000	-
Training and Tuition	4,000	4,000	140
Memberships/Dues/Subscriptions	41,200	41,200	37,173
Legal Notices	2,000	2,000	968
Telephone and Alarms	-	-	980
Printing and Binding	10,700	10,700	5,821
Legal Reporter Fees	1,000	1,000	-
Other Contractual Services	1,000	1,000	361
Commodities			
IRMA Insurance	2,100	2,100	2,305
Computer and Office Supplies	800	800	-
Postage	200	200	23
Miscellaneous Commodities	3,200	3,200	1,009
Grant Distribution	12,000	12,000	12,000
Other Charges	500	500	136
Total Legislative	186,500	194,000	154,317

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration			
Personal Services			
Administrative Salaries	\$ 170,700	\$ 195,700	\$ 184,257
Overtime	1,000	1,000	96
IMRF and FICA	33,500	38,500	37,203
ICMA	9,500	9,500	8,612
Unemployment Insurance	-	-	1,005
Contractual Services			
Legal Fees	12,300	12,300	12,712
Newsletter Preparation	40,500	40,500	30,347
Network Charges	1,000	1,000	-
Training and Tuition	9,000	9,000	3,653
Memberships/Dues/Subscriptions	4,000	4,000	2,944
Software Maintenance	1,000	1,000	997
Telephone and Alarms	9,000	9,000	6,724
Printing and Binding	5,000	5,000	1,719
Advertising	15,000	15,000	13,865
Other Contractual Services	72,000	463,000	306,887
Commodities			
IRMA General Insurance	6,600	6,600	6,088
Telephone Repair	300	300	-
Office Equipment Repairs	200	200	-
Computer and Office Supplies	1,100	1,100	722
Gas and Oil	2,500	2,500	1,660
Postage	100	100	-
Miscellaneous Commodities	500	500	224
Special Events	500	500	-
Prospect Development	700	700	392
Other Charges	2,000	12,000	978
Capital Outlay			
Office Equipment	-	-	15,623
Other Capital	-	85,000	-
MIS Replacement	5,400	5,400	5,400
Total Administration	403,400	919,400	642,108

CITY OF WEST CHICAGO, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual
Year Ended December 31, 2009**

	Budget		
	Original	Final	Actual
General Government - Continued			
Administrative Services			
Personal Services			
Salary of Treasurer	\$ 4,500	\$ 4,500	\$ 4,500
Administrative Salaries	318,600	318,600	316,440
Administrative Salaries - Overtime	400	400	-
IMRF and FICA	60,900	60,900	58,101
ICMA	5,900	5,900	-
Health/Dental/Life Insurance	1,340,000	1,340,000	1,071,968
Contractual Services			
Legal Fees	41,000	41,000	58,443
Audit Fees	17,000	17,000	16,730
Data Processing	6,000	6,000	5,867
Consultants	82,800	82,800	76,689
Network Charges	2,400	2,400	-
Pre-employment Exams	25,100	25,100	24,289
Training and Tuition	36,300	36,300	25,577
Memberships/Dues/Subscriptions	3,400	3,400	2,468
Software Maintenance	28,500	28,500	25,131
Telephone and Alarms	5,600	5,600	4,771
Advertising	7,000	7,000	2,043
Other Contractual Services	3,600	8,600	6,999
Commodities			
IRMA General Insurance	20,000	20,000	18,448
Telephone Repairs	500	500	-
Office Equipment Maintenance and Repair	8,700	8,700	6,778
Postage Meter Rental	1,500	1,500	1,563
Copier Fees	11,000	11,000	3,187
Computer and Office Supplies	18,300	18,300	12,565
Gas and Oil	100	100	43
Postage	11,500	11,500	6,329
Miscellaneous Commodities	500	500	227
Safety Program	3,000	3,000	3,537
Special Events	8,500	8,500	6,021
Bank Fees	5,700	5,700	6,667
Other Charges	400	400	33

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
General Government - Continued			
Administrative Services - Continued			
Capital Outlay			
Other Capital Outlay	\$ 38,400	\$ 88,400	\$ 34,486
MIS Replacement	29,400	29,400	29,400
Total Administrative Services	2,146,500	2,201,500	1,829,300
Public Works			
Personal Services			
Administrative Salaries	166,700	166,700	124,318
Operating Salaries	713,200	713,200	608,068
Administrative Salaries - Overtime	57,000	57,000	88,778
IMRF and FICA	176,800	176,800	154,469
Unemployment Insurance	-	-	4,897
Contractual Services			
Legal Fees	21,000	51,000	55,573
Engineering & Inspections	10,000	10,000	-
Pre-employment Exams	900	900	389
Network Charges	6,000	6,000	-
Training and Tuition	6,500	6,500	4,102
Memberships/Dues/Subscriptions	1,200	1,200	937
Legal Notices	700	700	171
Telephone and Alarms	22,400	22,400	20,136
Interments Program	20,000	20,000	13,200
Brush Pickup	66,000	66,000	63,000
Grounds Maintenance	45,500	45,500	41,205
Cemetery Maintenance	6,000	6,000	7,000
Janitor Contract	48,800	48,800	48,578
Heating Gas	18,100	18,100	18,067
Electric	131,000	131,000	150,085
Refuse Disposal	38,000	38,000	37,617
Other Contractual Services	199,000	215,000	203,483
Traffic Signal Maintenance	18,000	18,000	23,834
Street Light Maintenance	10,000	10,000	19,700
Proactive Street Program	-	-	66,433
IRMA General Insurance	44,700	44,700	41,229
Other Insurance	6,000	6,000	16,646

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
General Government - Continued			
Public Works - Continued			
Contractual Services - Continued			
Vehicle Maintenance and Repair	\$ 8,000	\$ 8,000	\$ 13,856
Telephone Repair	600	600	-
Commodities			
Computer and Office Supplies	5,000	5,000	5,257
Field Equipment	1,000	1,000	343
Maps and Plats	-	-	1,987
Parts for Vehicles	35,900	35,900	37,341
Tools and Equipment	16,000	16,000	7,193
Gas and Oil	42,000	42,000	51,376
Materials	20,000	20,000	11,384
Street Patch Materials	300	300	92
Street Paint	3,000	3,000	1,726
Ice Control Materials	2,500	2,500	10,298
Parts - Mains	5,000	5,000	1,926
Rock Salt	474,400	574,400	421,760
BIT Patch - Cold	7,000	7,000	7,893
BIT Patch - Hot	37,000	37,000	51,079
Parts for Plows and Spreaders	15,000	15,000	24,155
Postage	500	500	114
Uniforms and Safety Equipment	12,200	12,200	7,922
Miscellaneous	52,700	52,700	63,582
Capital Outlay			
Vehicles	316,500	316,500	316,500
Building and Grounds Improvements	-	-	1,006
Land	-	26,500	26,827
MIS Replacement	3,300	3,300	3,300
Total Public Works	2,891,400	3,063,900	2,878,832

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Community Development			
Personal Services			
Administrative Salaries	\$ 300,800	\$ 300,800	\$ 361,950
Administrative Salaries - Overtime	3,900	3,900	72
IMRF and FICA	57,300	57,300	61,184
Contractual Services			
Legal Fees	31,000	31,000	39,018
Engineering and Inspections	90,000	90,000	14,700
Pre-employment Exams	200	200	-
Network Charges	1,200	1,200	-
Training and Tuition	7,300	7,300	2,531
Memberships/Dues/Subscriptions	2,400	2,400	648
Enforcement & Inspections	297,000	297,000	290,652
Plan Review	60,000	60,000	53,562
Software Maintenance	10,300	10,300	9,512
Legal Notices	1,200	1,200	2,918
Telephone and Alarms	6,400	6,400	6,906
Weed Cutting	3,500	3,500	7,375
Printing and Binding	3,400	3,400	2,043
Legal Reporter	8,000	8,000	4,856
Microfiche	6,000	6,000	4,300
IRMA General Insurance	24,700	24,700	22,783
Other Insurance	-	-	5,001
Vehicle Maintenance and Repair	1,000	1,000	13
Telephone and Repairs	1,200	1,200	-
Office Equipment Maintenance and Repair	700	700	-
Commodities			
Computer and Office Supplies	2,200	2,200	1,857
Parts for Vehicles	600	600	-
Gas and Oil	3,000	3,000	2,301
Postage	300	300	-
Uniforms and Safety Equipment	100	100	-
Miscellaneous Commodities	500	500	269
Prospect Development	1,300	1,300	905
Other Charges	400	400	-

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Development - Continued			
Capital Outlay			
Office Equipment	\$ 1,700	\$ 1,700	\$ 747
Vehicles	2,400	2,400	2,400
MIS Replacement	4,000	4,000	4,000
CN Mitigation	-	100,000	51,157
Total Community Development	934,000	1,034,000	953,660
Total General Government	6,561,800	7,412,800	6,458,217
Public Safety			
Police Department			
Personal Services			
Administrative Salaries	1,251,600	1,251,600	1,325,582
Patrolman Salaries	2,736,000	2,736,000	2,454,168
Patrolman Salaries - Overtime	409,000	409,000	556,855
Sergeants Salaries	830,400	830,400	829,883
Sergeants Salaries - Overtime	-	-	3,219
CSO Salaries	126,100	126,100	125,898
CSO - Overtime	7,500	7,500	-
Contract Services Salaries	35,000	35,000	16,474
Administrative Services - Overtime	25,000	25,000	29,666
IMRF and FICA	496,000	496,000	486,444
Police Pension	1,000,000	1,010,000	1,007,957
Unemployment Insurance	-	-	14,033
Contractual Services			
Legal Fees	115,000	155,000	143,828
Data Processing	3,000	3,000	3,000
Pre-employment Exams	500	500	-
Network Charges	6,000	6,000	-
Training and Tuition	29,300	29,300	23,805
Officer Training and Mileage	2,000	2,000	4,190
Memberships/Dues/Subscriptions	11,700	11,700	5,631
Software Maintenance	2,200	2,200	-
Legal Notices	1,000	1,000	52
Telephone and Alarms	70,200	70,200	61,324

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Contractual Services - Continued			
Electric	\$ 900	\$ 900	\$ 887
Printing and Binding	8,300	8,300	5,029
Grounds Maintenance	2,900	2,900	2,152
Social Services	4,900	4,900	3,660
DuComm Quarterly Share	439,700	439,700	429,675
Other Contractual Services	161,400	161,400	143,071
Graffiti Removal	12,000	12,000	22,845
IRMA General Insurance	308,800	308,800	378,766
Other Insurance	16,000	16,000	12,382
Vehicle Maintenance and Repair	30,000	30,000	25,848
Building Repair	1,000	1,000	44
Radio/Radar Equipment Maint. and Repair	11,000	11,000	15,577
Telephone Repair	2,800	2,800	267
Office Equipment and Repair	13,600	13,600	9,552
Postage Meter Rental	900	900	809
Copier Fees	18,500	18,500	13,464
Commodities			
Computer and Office Supplies	18,100	18,100	12,607
Field Equipment	13,000	53,000	47,041
Parts for Vehicles	15,500	15,500	15,487
Gas and Oil	131,300	131,300	75,773
Vehicle License Fees	1,300	1,300	1,349
Postage	13,000	13,000	7,158
Uniform and Safety Equipment	51,800	51,800	39,079
First Aid Supplies	1,100	1,100	1,082
Ammunition and Firearms	20,000	20,000	36,552
Tools and Equipment	700	700	216
Educational Programming	31,500	31,500	28,789
Film and Developing	1,600	1,600	429
Miscellaneous Commodities	19,200	19,200	13,564
Other Charges	-	-	235

CITY OF WEST CHICAGO, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Capital Outlay			
Vehicles	\$ 169,800	\$ 169,800	\$ 169,800
Communications Equipment	2,000	2,000	171
MIS Replacement	11,400	11,400	11,400
Total Public Safety	8,691,500	8,781,500	8,616,769
Culture and Recreation			
Museum and Cultural Services			
Personal Services			
Administrative Salaries	203,400	203,400	159,506
IMRF and FICA	38,500	38,500	29,902
Contractual Services			
Legal Fees	300	300	-
Consultants	200	200	-
Network Charges	6,000	6,000	-
Pre-employment Exams	100	100	-
Training and Tuition	700	700	428
Legal Notices	200	200	-
Legal Reporter Fees	200	200	-
Memberships/Dues/Subscriptions	1,700	1,700	1,546
Telephone and Alarms	5,000	5,000	4,168
Printing and Binding	500	500	517
Advertising	11,200	11,200	10,660
Other Contractual Services	12,000	12,000	5,424
IRMA General Insurance	15,800	15,800	14,573
Telephone Repair	600	600	-
Copier Fees	1,200	1,200	439
Commodities			
Computer and Office Supplies	800	800	500
Tools and Equipment	300	300	-
Educational Displays	1,000	1,000	958
Educational Programming	1,500	1,500	544
Gallery 200	4,000	4,000	3,879
Miscellaneous Commodities	2,400	2,400	2,550
Artifact Collection	500	500	331

CITY OF WEST CHICAGO, ILLINOIS

General Fund

**Schedule of Detailed Expenditures - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Museum and Cultural Services - Continued			
Commodities - Continued			
Special Events	\$ 120,000	\$ 120,000	\$ 120,000
Other Charges	600	600	359
Capital Outlay			
Other Capital Outlay	4,500	18,500	14,098
MIS Replacement	2,000	2,000	2,000
Total Culture and Recreation	435,200	449,200	372,382
Total Expenditures	\$ 15,688,500	\$ 16,643,500	\$ 15,447,368

CITY OF WEST CHICAGO, ILLINOIS

TIF Special Tax Allocation #1 - Special Revenue Fund

**Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
General Government			
Personal Services			
Administrative Salaries	\$ 211,500	\$ 211,500	\$ 196,075
Administrative Salaries - Overtime	400	400	2,033
IMRF and FICA	40,000	40,000	36,130
ICMA	2,100	2,100	1,722
Health/Dental/Life Insurance	27,300	27,300	24,249
Contractual Services			
Legal Fees	14,000	14,000	9,916
Memberships/Dues/Subscriptions	600	600	-
Legal Notices	500	500	-
Telephone and Alarms	1,200	1,200	1,111
Grounds Maintenance	24,000	24,000	12,789
Other	-	-	2,000
Commodities			
Postage	100	100	-
Special Events	16,000	16,000	12,704
Prospect Development	600	600	-
Other	1,000	1,000	600
Capital Outlay			
Building Grounds Improvement	-	25,000	35,890
Other	70,000	231,000	-
Land	30,000	80,000	21,416
Façade Improvement	50,000	50,000	22,597
Beautification Program	9,800	9,800	593
Streetscape Programs	70,000	85,000	19,995
	569,100	820,100	399,820
Debt Service			
Interest and Fiscal Charges	90,000	90,000	44,518
Total Expenditures	\$ 659,100	\$ 910,100	\$ 444,338

CITY OF WEST CHICAGO, ILLINOIS

Capital Improvement - Capital Projects Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Utility Taxes	\$ 2,200,000	\$ 2,000,000	\$ 2,037,722
Sales Taxes	540,000	430,000	473,994
Interest Income	75,000	75,000	24,331
Miscellaneous	1,562,800	2,373,600	863,841
Total Revenues	4,377,800	4,878,600	3,399,888
Expenditures			
Capital Outlay	3,060,000	4,893,300	2,027,729
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,317,800	(14,700)	1,372,159
Other Financing Sources			
Transfers In	-	487,100	487,100
Net Change in Fund Balance	\$ 1,317,800	\$ 472,400	1,859,259
Fund Balance - Beginning			1,969,104
Fund Balance - Ending			\$ 3,828,363

CITY OF WEST CHICAGO, ILLINOIS

Capital Improvement - Capital Projects Fund

**Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Capital Outlay			
Administrative Salaries	\$ 80,300	\$ 80,300	\$ 69,478
Operational Salaries	14,500	14,500	11,046
Administrative Salaries - Overtime	3,000	3,000	1,180
IMRF and FICA	18,500	18,500	14,852
Health/Dental/Life Insurance	32,700	32,700	28,902
Engineering and Inspections	100,000	142,000	40,356
Building and Grounds Improvements	40,000	40,000	31,123
Street Improvements	1,688,400	3,390,700	1,173,419
Other Capital Outlay	1,082,600	1,171,600	657,373
Total Expenditures	\$ 3,060,000	\$ 4,893,300	\$ 2,027,729

CITY OF WEST CHICAGO, ILLINOIS

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009**

See Following Page

CITY OF WEST CHICAGO, ILLINOIS

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009**

	<u>Special</u>	
	<u>Kerr McGee Oversight</u>	<u>Motor Fuel Tax</u>
ASSETS		
Cash and Investments	\$ -	\$ -
Receivables - Net of Allowances Property Taxes	-	-
Due From Other Funds	-	-
Total Assets	<u>-</u>	<u>-</u>
LIABILITIES AND FUND BALANCES		
Current Liabilities		
Accounts Payable	-	-
Due to Other Funds	-	-
Unearned/Deferred Revenues	-	-
Total Liabilities	<u>-</u>	<u>-</u>
Fund Balances		
Reserved - Debt Service	-	-
Unreserved	-	-
Total Fund Balances	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ -</u>

Revenue		Debt Service Tax Increment Alternate Revenue Bonds Series 1998	Capital Projects Capital Equipment Replacement	Total
TIF Special Tax Allocation #2	Other Special Service Areas			
\$ 180,790	\$ -	\$ 488,740	\$ 733,759	\$ 1,403,289
83,564	4,991	-	-	88,555
-	25,643	-	-	25,643
264,354	30,634	488,740	733,759	1,517,487
-	-	5,953	19,414	25,367
-	8,315	-	-	8,315
83,564	4,991	-	-	88,555
83,564	13,306	5,953	19,414	122,237
-	-	482,787	-	482,787
180,790	17,328		714,345	912,463
180,790	17,328	482,787	714,345	1,395,250
\$ 264,354	\$ 30,634	\$ 488,740	\$ 733,759	\$ 1,517,487

CITY OF WEST CHICAGO, ILLINOIS

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2009**

	Special	
	Kerr McGee Oversight	Motor Fuel Tax
Revenues		
Taxes	\$ -	\$ -
Charges for Services	-	-
Interest Income	-	-
Miscellaneous	-	-
Total Revenues	-	-
Expenditures		
Current		
General Government	-	-
Capital Outlay	-	-
Debt Service		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
Other Financing (Uses)		
Transfers Out	(324,461)	(825,757)
Net Change in Fund Balances	(324,461)	(825,757)
Fund Balances - Beginning	324,461	825,757
Fund Balances - Ending	\$ -	\$ -

Revenue		Debt Service Tax Increment Alternate Revenue Bonds Series 1998	Capital Projects Capital Equipment Replacement	Total
TIF Special Tax Allocation #2	Other Special Service Areas			
\$ 81,538	\$ 4,870	\$ 316,037	\$ -	\$ 402,445
-	-	-	745,000	745,000
283	-	1,201	4,043	5,527
-	-	-	13,566	13,566
81,821	4,870	317,238	762,609	1,166,538
2,498	-	-	-	2,498
-	-	-	1,039,096	1,039,096
-	-	225,000	-	225,000
-	-	52,293	-	52,293
2,498	-	277,293	1,039,096	1,318,887
79,323	4,870	39,945	(276,487)	(152,349)
-	-	-	-	(1,150,218)
79,323	4,870	39,945	(276,487)	(1,302,567)
101,467	12,458	442,842	990,832	2,697,817
\$ 180,790	\$ 17,328	\$ 482,787	\$ 714,345	\$ 1,395,250

CITY OF WEST CHICAGO, ILLINOIS

Kerr McGee Oversight - Special Revenue Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest Income	\$ -	\$ -	\$ -
Miscellaneous	-	-	-
Total Revenues	-	-	-
Expenditures			
General Government	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
Other Financing (Uses)			
Transfers Out	-	-	(324,461)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(324,461)
Fund Balance - Beginning			<u>324,461</u>
Fund Balance - Ending			<u>\$ -</u>

CITY OF WEST CHICAGO, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Allotments	\$ -	\$ -	\$ -
Interest Income	-	-	-
Miscellaneous	-	-	-
Total Revenues	-	-	-
Expenditures			
Highways and Streets	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
Other Financing (Uses)			
Transfers Out	-	-	(825,757)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(825,757)
Fund Balance - Beginning			<u>825,757</u>
Fund Balance - Ending			<u><u>\$ -</u></u>

CITY OF WEST CHICAGO, ILLINOIS

TIF Special Tax Allocation #2 - Special Revenue Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 75,000	\$ 75,000	\$ 81,538
Interest Income	1,000	1,000	283
Total Revenues	<u>76,000</u>	<u>76,000</u>	<u>81,821</u>
Expenditures			
General Government			
Contractual Services	-	-	1,810
Prospect Development	60,000	60,000	688
Total Expenditures	<u>60,000</u>	<u>60,000</u>	<u>2,498</u>
Net Change in Fund Balance	<u>\$ 16,000</u>	<u>\$ 16,000</u>	79,323
Fund Balance - Beginning			<u>101,467</u>
Fund Balance - Ending			<u>\$ 180,790</u>

CITY OF WEST CHICAGO, ILLINOIS

Other Special Service Areas - Special Revenue Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ -	\$ -	\$ 4,870
Interest Income	-	-	-
Total Revenues	-	-	4,870
Expenditures			
General Government	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	4,870
Fund Balance - Beginning			<u>12,458</u>
Fund Balance - Ending			<u>\$ 17,328</u>

CITY OF WEST CHICAGO, ILLINOIS

Tax Increment Alternate Revenue Bond Series 1998 - Debt Service Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 277,300	\$ 277,300	\$ 316,037
Interest Income	10,000	10,000	1,201
Total Revenues	<u>287,300</u>	<u>287,300</u>	<u>317,238</u>
Expenditures			
Debt Service			
Principal Retirement	225,000	225,000	225,000
Interest and Fiscal Charges	52,300	52,300	52,293
Total Expenditures	<u>277,300</u>	<u>277,300</u>	<u>277,293</u>
Net Change in Fund Balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>	39,945
Fund Balance - Beginning			<u>442,842</u>
Fund Balance - Ending			<u>\$ 482,787</u>

CITY OF WEST CHICAGO, ILLINOIS

Capital Equipment Replacement - Capital Projects Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 745,100	\$ 745,100	\$ 745,000
Interest Income	25,000	25,000	4,043
Miscellaneous	-	-	13,566
Total Revenues	770,100	770,100	762,609
Expenditures			
Capital Outlay			
Vehicles	580,800	1,181,800	1,039,096
Net Change in Fund Balance	<u>\$ 189,300</u>	<u>\$ (411,700)</u>	(276,487)
Fund Balance - Beginning			<u>990,832</u>
Fund Balance - Ending			<u>\$ 714,345</u>

CITY OF WEST CHICAGO, ILLINOIS

Waterworks - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Service	\$ 5,000,000	\$ 5,000,000	\$ 4,980,408
Operating Expenses			
Operations			
Water Distribution	3,384,700	3,419,700	2,521,907
Water Treatment Plant	1,531,800	1,531,800	1,291,921
Depreciation and Amortization	-	-	1,327,505
Total Operating Expenses	4,916,500	4,951,500	5,141,333
Operating Income (Loss)	83,500	48,500	(160,925)
Nonoperating Revenues (Expenses)			
Connection Fees	20,000	20,000	19,759
Sales Taxes	1,000,000	800,000	948,148
Interest Income	350,000	350,000	102,955
Other Income	141,500	141,500	342,873
Interest Expense	(1,004,000)	(1,004,000)	(1,006,014)
	507,500	307,500	407,721
Income (Loss) Before Transfers	591,000	356,000	246,796
Transfer Out	-	(250,900)	(250,900)
Change in Net Assets	\$ 591,000	\$ 105,100	(4,104)
Net Assets - Beginning			29,348,870
Net Assets - Ending			\$ 29,344,766

CITY OF WEST CHICAGO, ILLINOIS

Waterworks - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Water Distribution			
Personal Services			
Administrative Salaries	\$ 378,400	\$ 378,400	\$ 355,850
Operational Salaries	512,900	512,900	469,437
Administrative Salaries - Overtime	50,000	50,000	38,790
IMRF and FICA	177,400	177,400	158,145
ICMA	3,800	3,800	1,722
Health/Dental/Life Insurance	321,400	321,400	284,230
Unemployment Insurance	-	-	2,628
Contractual Services			
Legal Fees	25,000	25,000	55,745
Auditing Fees	13,500	13,500	13,300
JULIE System	3,000	3,000	1,768
Engineering & Inspection	45,000	45,000	7,350
Consultants	45,000	45,000	38,931
Pre-employment Exams	600	600	539
Training and Tuition	4,000	4,000	616
Memberships/Dues/Subscriptions	1,500	1,500	996
Software Maintenance	6,700	6,700	6,234
Legal Notices	1,000	1,000	611
Telephone and Alarms	30,000	30,000	28,960
Heating and Gas	7,500	7,500	3,540
Electric	420,000	420,000	419,731
Lab Results	20,000	20,000	8,138
Refuse Disposal	20,000	20,000	7,125
Printing and Binding	2,500	2,500	2,427
Grounds Maintenance	9,400	9,400	6,975
Other Contractual Services	243,500	278,500	77,722
IRMA General Insurance	126,500	126,500	116,680
Other Insurance	3,000	3,000	11,506
Vehicle Maintenance and Repair	3,500	3,500	1,457
Building Maintenance and Repair	1,200	1,200	166
Distribution System Maintenance and Repair	300,000	300,000	50,523
Pump Station Maintenance and Repair	200,000	200,000	77,118
Reservoir Maintenance and Repair	1,000	1,000	-
Radio/Radar Equipment Maintenance and Repair	1,000	1,000	-
Office Equipment Maintenance and Repair	2,600	2,600	-

CITY OF WEST CHICAGO, ILLINOIS

Waterworks - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Water Distribution - Continued			
Contractual Services - Continued			
Postage Meter Rental	\$ 1,200	\$ 1,200	\$ 1,361
Copier Rental	7,900	7,900	2,051
Commodities			
Computer and Office Supplies	7,800	7,800	7,868
Parts for Vehicles	7,000	7,000	2,317
Tools and Equipment	7,000	7,000	1,483
Gas and Oil	35,000	35,000	16,298
Postage	10,900	10,900	5,239
Uniforms and Safety Equipment	12,000	12,000	5,774
Parts and Equipment - Wells	4,000	4,000	2,183
Parts and Equipment - Distribution	60,000	60,000	37,631
Parts and Equipment - Pump Station	15,000	15,000	4,465
Lab Supplies	1,000	1,000	318
Chemicals	3,000	3,000	30
Water Meters	100,000	100,000	9,584
Miscellaneous Commodities	3,000	3,000	5,331
Bank Fees	3,300	3,300	10,558
Capital Outlay			
Office Equipment	5,000	5,000	3,175
Vehicle Replacement Charge	111,000	111,000	111,000
Other Capital Outlay	4,397,100	4,492,100	394,987
MIS Replacement Charge	9,700	9,700	9,700
	7,781,800	7,911,800	2,880,313
Less Nonoperating Items			
Capital Assets Capitalized	(4,397,100)	(4,492,100)	(358,406)
Total Water Distribution	3,384,700	3,419,700	2,521,907
Water Treatment Plant			
Personal Services			
Administrative Salaries	82,000	82,000	81,656
Operational Salaries	479,000	479,000	449,988
Administrative Salaries - Overtime	50,000	50,000	48,412
IMRF and FICA	115,200	115,200	108,009

CITY OF WEST CHICAGO, ILLINOIS

Waterworks - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Water Treatment Plant - Continued			
Contractual Services			
Legal Fees	\$ 5,000	\$ 5,000	\$ 28
Consultants	15,000	15,000	-
Pre-employment Exams	300	300	-
Training and Tuition	3,000	3,000	2,458
Memberships/Dues/Subscriptions	400	400	149
Telephone and Alarms	20,000	20,000	8,386
Heating and Gas	7,500	7,500	3,727
Electric	175,000	175,000	185,025
Lab Results	3,000	3,000	925
Grounds Maintenance	21,600	21,600	14,765
Janitorial Service	22,800	22,800	22,829
Other Contractual Services	15,000	15,000	14,948
Building Maintenance and Repair	10,000	10,000	8,443
WTP Operations Repair	15,000	15,000	10,737
Copier Rental	8,500	8,500	6,901
Equipment Rental	1,000	1,000	325
Commodities			
Computer and Office Supplies	2,000	2,000	769
Parts for Vehicles	200	200	85
Tools and Equipment	3,000	3,000	2,427
Gas and Oil	1,400	1,400	21
Uniforms and Safety Equipment	4,000	4,000	2,852
Parts for Building Repairs	3,000	3,000	3,337
Lab Supplies	10,000	10,000	10,369
Chemicals	450,000	450,000	279,518
Parts for WTP Operations	5,000	5,000	5,680
Miscellaneous Commodities	1,000	1,000	2,100
AWWA Visitation Day	-	-	14,152
Capital Outlay			
Vehicle Replacement Charge	2,900	2,900	2,900
 Total Water Treatment Plant	 1,531,800	 1,531,800	 1,291,921
 Total Operating Expenses	 \$ 4,916,500	 \$ 4,951,500	 \$ 3,813,828

CITY OF WEST CHICAGO, ILLINOIS

Sewerage - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Sewer Service	\$ 4,500,000	\$ 4,500,000	\$ 5,136,995
Recapture Fees	-	-	535
Total Operating Revenues	4,500,000	4,500,000	5,137,530
Operating Expenses			
Operations			
Winfield Lift Station	72,600	261,600	233,348
Wastewater Treatment	2,732,600	2,677,000	2,567,586
Sanitary Sewer Collection	2,475,600	2,536,200	2,060,049
Wastewater Pre-Treatment	-	-	12
Treatment Plant Equipment Replacement	400,000	400,000	-
Special Service Area #2	18,600	18,600	27,837
Depreciation	-	-	1,070,959
Total Operating Expenses	5,699,400	5,893,400	5,959,791
Operating Income (Loss)	(1,199,400)	(1,393,400)	(822,261)
Nonoperating Revenues			
Connection Fees	15,000	15,000	22,980
Property Taxes	15,000	15,000	15,161
Interest Income	350,000	350,000	97,900
Other Income	28,000	28,000	32,229
	408,000	408,000	168,270
Income (Loss) Before Transfers	(791,400)	(985,400)	(653,991)
Transfer Out	-	(236,200)	(236,200)
Change in Net Assets	\$ (791,400)	\$ (1,221,600)	(890,191)
Net Assets - Beginning			31,401,518
Net Assets - Ending			\$ 30,511,327

CITY OF WEST CHICAGO, ILLINOIS

Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Winfield Lift Station			
Personal Services			
Operational Salaries	\$ 8,600	\$ 8,600	\$ 5,783
Administrative Salaries - Overtime	1,500	1,500	771
IMRF and FICA	1,900	1,900	1,218
Health/Dental/Life Insurance	5,500	5,500	4,466
Contractual Services			
Telephone and Alarms	300	300	265
Electric	30,000	30,000	26,115
Grounds Maintenance	700	700	370
Other Contractual Services	15,500	15,500	-
Commodities			
IRMA General Insurance	2,300	2,300	2,121
Lift Station Payout	-	189,000	188,643
Lift Station Maintenance and Repair	5,000	5,000	3,508
Tools and Equipment	300	300	66
Parts for Lift Station	1,000	1,000	22
Total Winfield Pump	72,600	261,600	233,348
Wastewater Treatment			
Personal Services			
Administrative Services	31,600	31,600	26,666
Administrative Salaries - Overtime	-	-	40
IMRF and FICA	6,100	6,100	4,668
Health/Dental/Life Insurance	65,400	9,800	16,999
Contractual Services			
Legal Fees	5,000	5,000	-
Auditing Fees	3,500	3,500	3,410
Memberships/Dues/Subscriptions	-	-	13,607
Telephone and Alarms	-	-	4,059
Printing and Binding	-	-	227
Grounds Maintenance	13,000	13,000	9,563

CITY OF WEST CHICAGO, ILLINOIS

Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Wastewater Treatment - Continued			
Contractual Services - Continued			
Other Contractual Services	\$ 2,554,500	\$ 2,554,500	\$ 2,439,000
IRMA General Insurance	53,500	53,500	49,347
Capital Outlay			
Other Capital Outlay	350,000	350,000	-
	3,082,600	3,027,000	2,567,586
Less Nonoperating Items			
Capital Assets Capitalized	(350,000)	(350,000)	-
Total Wastewater Treatment	2,732,600	2,677,000	2,567,586
Sanitary Sewer Collection			
Personal Services			
Administrative Salaries	431,300	431,300	323,919
Operational Salaries	524,800	524,800	465,118
Administrative Salaries - Overtime	50,000	50,000	54,466
IMRF and FICA	189,500	189,500	155,537
ICMA	3,500	3,500	1,722
Health/Dental/Life Insurance	250,600	306,200	262,639
Unemployment Insurance	-	-	8,847
Contractual Services			
Legal Fees	15,000	15,000	57,182
Auditing Fees	3,500	3,500	3,410
JULIE System	1,000	1,000	1,452
Engineering & Inspection	45,000	45,000	7,350
Consultants	45,000	45,000	38,931
Training and Tuition	500	500	87
Software Maintenance	9,300	9,300	8,793
Telephone and Alarms	6,000	6,000	11,609
Heating Gas	6,000	6,000	7,364
Electric	70,000	70,000	66,534
Grounds Maintenance	5,300	5,300	3,990
Other Contractual Services	259,200	264,200	94,033
IRMA Insurance	54,100	54,100	49,900
Other Insurance	4,000	4,000	18,554
Vehicle Maintenance and Repair	5,000	5,000	22,106

CITY OF WEST CHICAGO, ILLINOIS

Sewerage - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Sanitary Sewer Collection - Continued			
Contractual Services - Continued			
Lift Station Maintenance and Repair	\$ 115,000	\$ 115,000	\$ 20,285
Sewer Main Maintenance and Repair	140,000	140,000	19,805
Postage Meter Rental	1,200	1,200	1,359
Commodities			
Copier and Rental	7,900	7,900	2,039
Computer and Office Supplies	3,200	3,200	5,725
Parts for Vehicles	7,500	7,500	17,563
Tools and Equipment	7,500	7,500	6,839
Gas and Oil	21,000	21,000	12,592
Postage	5,000	5,000	2,829
Chemicals	500	500	795
Parts for Lift Stations	25,000	25,000	51,860
Material for Trench Backfill	5,000	5,000	2,846
Parts for Mains	5,000	5,000	639
Miscellaneous Commodities	2,500	2,500	4,063
Bank Fees	3,300	3,300	10,957
Capital Outlay			
Office Equipment	5,000	5,000	2,896
Vehicle Replacement Charge	142,400	142,400	142,400
Other Capital Outlay	2,050,200	2,095,200	91,014
	4,525,800	4,631,400	2,060,049
Less Nonoperating Items			
Capital Assets Capitalized	(2,050,200)	(2,095,200)	-
Total Sanitary Sewer Collection	2,475,600	2,536,200	2,060,049
Wastewater Pre-Treatment			
Personal Services			
IMRF and FICA	-	-	12
Total Wastewater Pre-Treatment	-	-	12

CITY OF WEST CHICAGO, ILLINOIS**Sewerage - Enterprise Fund****Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Treatment Plant Equipment Replacement			
Capital Outlay			
Secondary Treatment Repair	\$ 400,000	\$ 400,000	\$ -
Other Capital Outlay	2,980,000	2,996,000	15,890
	3,380,000	3,396,000	15,890
Less Nonoperating Items			
Capital Assets Capitalized	(2,980,000)	(2,996,000)	(15,890)
Total Treatment Plant Equipment Replacement	400,000	400,000	-
Special Service Area #2			
Operating and Maintenance			
Personal Service			
Operational Salaries	4,100	4,100	4,404
Administrative Salaries - Overtime	500	500	506
IMRF and FICA	1,000	1,000	925
Commodities			
Electric	6,000	6,000	8,807
Grounds Maintenance	7,000	7,000	2,198
Storm Sewer/Lift Station Repair	-	-	10,997
Capital Outlay			
Other Capital Outlay	70,000	70,000	-
	88,600	88,600	27,837
Less Nonoperating Items			
Capital Assets Capitalized	(70,000)	(70,000)	-
Total Operating and Maintenance	18,600	18,600	27,837
Total Operating Expenses	\$ 5,699,400	\$ 5,893,400	\$ 4,888,832

CITY OF WEST CHICAGO, ILLINOIS**Commuter Parking - Enterprise****Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees	\$ 57,000	\$ 57,000	\$ 53,887
Licenses and Permits			
Parking Permits	65,000	65,000	66,353
Total Operating Revenues	122,000	122,000	120,240
Operating Expenses			
Operations	478,600	778,600	510,634
Depreciation	-	-	25,177
Total Operating Expenses	478,600	778,600	535,811
Operating Income (Loss)	(356,600)	(656,600)	(415,571)
Nonoperating Revenues			
Interest Income	25,000	25,000	5,038
Change in Net Assets	<u>\$ (331,600)</u>	<u>\$ (631,600)</u>	(410,533)
Net Assets - Beginning			<u>861,467</u>
Net Assets - Ending			<u>\$ 450,934</u>

CITY OF WEST CHICAGO, ILLINOIS**Commuter Parking - Enterprise Fund****Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operations			
Personal Services			
Administrative Salaries	\$ 14,800	\$ 14,800	\$ 16,709
Operational Salaries	46,500	46,500	44,469
IMRF and FICA	11,600	11,600	11,633
Health/Dental/Life Insurance	21,800	21,800	19,286
Contractual Services			
Auditing Fees	1,200	1,200	1,150
Telephone and Alarms	3,000	3,000	3,667
Electric	17,000	17,000	20,293
Printing and Binding	1,000	1,000	808
Grounds Maintenance	24,300	24,300	7,828
Janitorial Services	7,000	7,000	3,593
Contractual Services	25,000	25,000	23,774
Other Insurance	-	-	1,239
Commodities			
Postage	2,400	2,400	1,314
Miscellaneous Commodities	3,000	3,000	1,256
Capital Outlay			
Building and Ground Improvements	170,000	470,000	274,899
Other Capital Outlay	130,000	130,000	78,716
Total Operations	\$ 478,600	\$ 778,600	\$ 510,634

CITY OF WEST CHICAGO, ILLINOIS

MIS Replacement - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 65,200	\$ 65,200	\$ 65,200
Operating Expenses			
Operations	46,000	46,000	31,674
Operating Income	19,200	19,200	33,526
Nonoperating Revenues			
Interest Income	4,000	4,000	1,764
Change in Net Assets	<u>\$ 23,200</u>	<u>\$ 23,200</u>	35,290
Net Assets - Beginning			<u>286,574</u>
Net Assets - Ending			<u>\$ 321,864</u>

CITY OF WEST CHICAGO, ILLINOIS

Agency - Special Service Areas Funds

**Combining Statement of Changes in Assets and Liabilities
Year Ended December 31, 2009**

See Following Page

CITY OF WEST CHICAGO, ILLINOIS

Agency - Special Service Areas Funds

**Combining Statement of Changes in Assets and Liabilities
Year Ended December 31, 2009**

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balances</u>
ALL FUNDS				
ASSETS				
Cash and Investments	<u>\$ 110,597</u>	<u>\$ 120,000</u>	<u>\$ 117,582</u>	<u>\$ 113,015</u>
LIABILITIES				
Due to Bondholders	<u>\$ 110,597</u>	<u>\$ 120,000</u>	<u>\$ 117,582</u>	<u>\$ 113,015</u>
SPECIAL SERVICE AREA #17				
ASSETS				
Cash and Investments	<u>\$ 45,574</u>	<u>\$ 51,455</u>	<u>\$ 49,959</u>	<u>\$ 47,070</u>
LIABILITIES				
Due to Bondholders	<u>\$ 45,574</u>	<u>\$ 51,455</u>	<u>\$ 49,959</u>	<u>\$ 47,070</u>

	Beginning Balances	Additions	Deductions	Ending Balances
SPECIAL SERVICE AREA #18				
ASSETS				
Cash and Investments	\$ 47,899	\$ 50,354	\$ 49,959	\$ 48,294
LIABILITIES				
Due to Bondholders	\$ 47,899	\$ 50,354	\$ 49,959	\$ 48,294
SPECIAL SERVICE AREA #20				
ASSETS				
Cash and Investments	\$ 17,124	\$ 18,191	\$ 17,664	\$ 17,651
LIABILITIES				
Due to Bondholders	\$ 17,124	\$ 18,191	\$ 17,664	\$ 17,651

SUPPLEMENTAL SECTION

CITY OF WEST CHICAGO, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Refunding Bonds of 1998B December 31, 2009

Date of Issue	March 1, 1998
Date of Maturity	December 1, 2012
Authorized Issue	\$2,290,000
Denomination of Bonds	\$5,000
Interest Rates	3.95% - 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	American National Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2010	\$ 240,000	\$ 41,604	\$ 281,604	2010	\$ 20,802	2010	\$ 20,802
2011	285,000	29,966	314,966	2011	14,983	2011	14,983
2012	320,000	16,000	336,000	2012	8,000	2012	8,000
	<u>\$ 845,000</u>	<u>\$ 87,570</u>	<u>\$ 932,570</u>		<u>\$ 43,785</u>		<u>\$ 43,785</u>

CITY OF WEST CHICAGO, ILLINOIS

Long-Term Debt Requirements

Waterworks General Obligation Alternate Revenue Source Bonds of 2002 December 31, 2009

Date of Issue	April 15, 2002
Date of Maturity	January 1, 2022
Authorized Issue	\$21,220,000
Denomination of Bonds	\$5,000
Interest Rates	2.80% - 5.10%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	BNY Midwest Trust Company

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jan. 1	Amount	July. 1	Amount
2010	\$ 945,000	\$ 368,154	\$ 1,313,154		\$ -	2010	\$ 368,154
2011	985,000	715,130	1,700,130	2011	368,154	2011	346,976
2012	1,025,000	671,659	1,696,659	2012	346,976	2012	324,683
2013	1,070,000	625,558	1,695,558	2013	324,683	2013	300,875
2014	1,115,000	576,384	1,691,384	2014	300,875	2014	275,509
2015	1,170,000	523,523	1,693,523	2015	275,509	2015	248,014
2016	1,225,000	466,628	1,691,628	2016	248,014	2016	218,614
2017	1,280,000	405,868	1,685,868	2017	218,614	2017	187,254
2018	1,345,000	341,219	1,686,219	2018	187,254	2018	153,965
2019	1,410,000	272,680	1,682,680	2019	153,965	2019	118,715
2020	1,480,000	200,060	1,680,060	2020	118,715	2020	81,345
2021	1,555,000	123,037	1,678,037	2021	81,345	2021	41,692
2022	1,635,000	41,692	1,676,692	2022	41,692	2022	-
	<u>\$ 16,240,000</u>	<u>\$ 5,331,592</u>	<u>\$ 21,571,592</u>		<u>\$ 2,665,796</u>		<u>\$ 2,665,796</u>

CITY OF WEST CHICAGO, ILLINOIS

Long-Term Debt Requirements

IEPA Revolving Loan

December 31, 2009

Date of Issue	October 8, 2002
Date of Maturity	September 9, 2024
Authorized Issue	\$11,000,000
Interest Rates	2.57%
Interest Dates	March 9 and September 9
Principal Maturity Dates	March 9 and September 10
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2010	\$ 485,019	\$ 221,838	\$ 706,857
2011	497,564	209,292	706,856
2012	510,433	196,423	706,856
2013	523,635	183,221	706,856
2014	537,179	169,677	706,856
2015	551,074	155,782	706,856
2016	565,327	141,529	706,856
2017	579,950	126,906	706,856
2018	594,950	111,906	706,856
2019	610,339	96,518	706,857
2020	626,125	80,731	706,856
2021	642,320	64,536	706,856
2022	658,933	47,923	706,856
2023	675,977	30,879	706,856
2024	693,461	13,393	706,854
	<u>\$ 8,752,286</u>	<u>\$ 1,850,554</u>	<u>\$ 10,602,840</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 City's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City'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 City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

CITY OF WEST CHICAGO, ILLINOIS

**Net Assets by Component - Last Seven Fiscal Years
December 31, 2009 (Unaudited)**

See Following Page

CITY OF WEST CHICAGO, ILLINOIS

Net Assets by Component - Last Seven Fiscal Years December 31, 2009 (Unaudited)

	Fiscal Year Ended 4/30/2004	Fiscal Year Ended 4/30/2005
Governmental Activities		
Invested in Capital Assets, Net of Related Debt	\$ 81,085,245	\$ 71,974,620
Restricted	1,546,531	1,666,393
Unrestricted	14,869,627	15,140,305
Total Governmental Activities Net Assets	<u>97,501,403</u>	<u>88,781,318</u>
Business-Type Activities		
Invested in Capital Assets, Net of Related Debt	36,748,410	41,863,003
Restricted	3,256,796	3,404,266
Unrestricted	12,115,564	10,799,853
Total Business-Type Activities Net Assets	<u>52,120,770</u>	<u>56,067,122</u>
Primary Government		
Invested in Capital Assets, Net of Related Debt	117,833,655	113,837,623
Restricted	4,803,327	5,070,659
Unrestricted	26,985,191	25,940,158
Total Primary Government Net Assets	<u>\$ 149,622,173</u>	<u>\$ 144,848,440</u>

Data Source: City Records

The City implemented GASB 34 in Fiscal Year 2004.

Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
\$ 73,993,952	\$ 75,611,759	\$ 75,663,542	\$ 77,409,060	\$ 79,007,408
1,501,944	1,462,074	1,328,804	1,264,241	479,320
18,181,783	17,723,775	17,986,270	19,850,570	22,492,259
93,677,679	94,797,608	94,978,616	98,523,871	101,978,987
40,858,481	38,575,240	37,577,723	36,528,712	35,884,266
3,367,499	3,629,195	3,533,535	3,806,146	3,833,998
15,713,801	19,237,261	21,061,429	21,276,997	20,588,763
59,939,781	61,441,696	62,172,687	61,611,855	60,307,027
114,852,433	114,186,999	113,241,265	113,937,772	114,891,674
4,869,443	5,091,269	4,862,339	5,070,387	4,313,318
33,895,584	36,961,036	39,047,699	41,127,567	43,081,022
\$ 153,617,460	\$ 156,239,304	\$ 157,151,303	\$ 160,135,726	\$ 162,286,014

CITY OF WEST CHICAGO, ILLINOIS

**Changes in Net Assets - Last Seven Fiscal Years
December 31, 2009 (Unaudited)**

	Fiscal Year Ended 4/30/2004	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
Expenses							
Governmental Activities							
General Government	\$ 4,537,513	\$ 6,130,579	\$ 4,686,846	\$ 6,087,786	\$ 6,519,035	\$ 4,845,172	\$ 9,423,220
Highways and Streets	2,992,846	2,619,568	2,382,363	7,570,597	8,166,925	5,881,641	8,759,315
Public Safety	6,566,848	6,966,803	7,763,865	4,697,995	5,269,466	2,499,094	1,486,314
Culture and Recreation	425,418	336,479	458,363	518,487	409,874	251,723	376,103
Interest on Long-Term Debt	92,235	85,490	82,532	74,596	123,108	87,034	95,920
Total Governmental Activities Expenses	14,614,860	16,138,919	15,373,969	18,949,461	20,488,408	13,564,664	20,140,872
Business-Type Activities							
Waterworks	3,987,472	3,813,830	3,698,571	5,076,878	6,452,600	4,409,193	6,147,347
Sewerage	3,411,591	3,576,366	3,759,415	3,909,722	5,009,744	4,102,048	5,959,791
Commuter Parking	56,622	87,362	98,565	132,148	136,383	119,829	535,811
Total Business-Type Activities Activities Net Assets	7,455,685	7,477,558	7,556,551	9,118,748	11,598,727	8,631,070	12,642,949
Total Primary Government Expenses	22,070,545	23,616,477	22,930,520	28,068,209	32,087,135	22,195,734	32,783,821
Program Revenues							
Governmental Activities							
Charges for Services							
General Government	176,886	355,831	637,704	1,907,004	1,897,830	1,560,418	1,754,497
Highways and Streets	933,667	1,590,339	1,275,803	1,051,912	1,249,338	1,186,037	2,330,517
Public Safety	552,015	541,012	1,009,654	444,500	483,100	485,533	745,000
Culture and Recreation	1,207	959	77	26,973	-	-	-
Operating Grants/Contributions	926,513	1,173,828	-	293,396	359,576	272,902	145,148
Capital Grants/Contributions	-	-	998,677	777,051	778,850	536,437	714,671
Total Governmental Activities Program Revenues	2,590,288	3,661,969	3,921,915	4,500,836	4,768,694	4,041,327	5,689,833
Business-Type Activities							
Charges for Services							
Waterworks	4,627,213	4,895,059	5,207,640	5,391,870	5,193,617	3,503,214	4,980,408
Sewerage	3,483,604	3,932,096	3,575,276	3,982,237	3,961,312	3,821,226	5,137,530
Commuter Parking	94,057	96,371	99,526	94,043	98,111	81,994	120,240
Capital Grants/Contributions	802,009	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	9,006,883	8,923,526	8,882,442	9,468,150	9,253,040	7,406,434	10,238,178
Total Primary Government Program Revenues	\$ 11,597,171	\$ 12,585,495	\$ 12,804,357	\$ 13,968,986	\$ 14,021,734	\$ 11,447,761	\$ 15,928,011

	Fiscal Year Ended 4/30/2004	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
Net (Expense) Revenue							
Governmental Activities	\$ (12,024,572)	\$ (12,476,950)	\$ (11,452,054)	\$ (14,448,625)	\$ (15,719,714)	\$ (9,523,337)	\$ (14,451,039)
Business-Type Activities	1,551,198	1,445,968	1,325,891	349,402	(2,345,687)	(1,224,636)	(2,404,771)
Total Primary Government Net Revenue (Expense)	(10,473,374)	(11,030,982)	(10,126,163)	(14,099,223)	(18,065,401)	(10,747,973)	(16,855,810)
General Revenues and Other Changes in Net Assets							
Governmental Activities							
Taxes							
Property	2,969,894	3,187,882	3,367,882	3,751,770	4,086,381	4,451,083	4,479,930
Utility	2,876,665	3,100,842	2,001,813	-	-	-	-
Other	1,190,006	1,073,759	1,332,973	1,254,401	1,305,440	877,403	1,250,406
Intergovernmental							
Sales and Use	2,549,061	2,845,423	3,522,570	3,929,364	4,052,219	3,607,854	3,549,910
Income	1,418,371	1,706,851	1,963,180	2,165,411	2,471,340	1,654,932	2,181,609
Replacement	105,660	117,523	158,186	155,243	193,689	117,888	159,185
Other	-	-	-	2,058,843	2,190,649	1,316,154	2,037,722
Interest Income	173,314	283,811	664,894	1,084,991	1,069,786	530,225	253,642
Miscellaneous	428,368	162,889	3,569,777	759,852	531,218	513,053	3,506,651
Contributions	6,838,708	86,072	-	-	-	-	-
Transfers	-	-	(232,860)	120,000	-	-	487,100
Total Governmental Activities	18,550,047	12,565,052	16,348,415	15,279,875	15,900,722	13,068,592	17,906,155
Business-Type Activities							
Property	-	-	15,171	15,158	15,172	15,025	15,161
Sales and Use	-	-	-	-	-	-	948,148
Interest Income	680,024	576,586	788,970	1,018,478	1,111,535	425,385	205,893
Miscellaneous	651,909	1,140,760	1,509,767	306,827	1,949,971	223,394	417,841
Contributions	1,353,533	-	-	-	-	-	-
Transfers	-	-	232,860	(120,000)	-	-	(487,100)
Total Business-Type Activities	2,685,466	1,717,346	2,546,768	1,220,463	3,076,678	663,804	1,099,943
Total Primary Government	21,235,513	14,282,398	18,895,183	16,500,338	18,977,400	13,732,396	19,006,098
Changes in Net Assets							
Governmental Activities	6,525,475	88,102	4,896,361	831,250	181,008	3,545,255	3,455,116
Business-Type Activities	4,236,664	3,163,314	3,872,659	1,569,865	730,991	(560,832)	(1,304,828)
Total Primary Government	\$ 10,762,139	\$ 3,251,416	\$ 8,769,020	\$ 2,401,115	\$ 911,999	\$ 2,984,423	\$ 2,150,288

Data Source: City Records
The City implemented GASB 34 in Fiscal Year 2004.

CITY OF WEST CHICAGO, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years December 31, 2009 (Unaudited)

	Fiscal Year Ended 4/30/2000	Fiscal Year Ended 4/30/2002	Fiscal Year Ended 4/30/2003	Fiscal Year Ended 4/30/2004
General Fund				
Reserved	\$ 5,988	\$ 139,800	\$ 33,830	\$ 95,335
Unreserved	3,347,179	3,161,732	2,187,860	3,455,827
Total General Fund	3,353,167	3,301,532	2,221,690	3,551,162
All Other Governmental Funds				
Reserved	483,394	941,310	1,163,856	2,643,467
Unreserved, Reported in:				
Special Revenues Funds	10,517,033	13,311,798	12,958,166	9,541,225
Capital Projects Funds	3,394,137	3,899,888	3,440,925	2,536,907
Total All Other Governmental Funds	\$ 14,394,564	\$ 18,152,996	\$ 17,562,947	\$ 14,721,599

Data Source: City Records

Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
\$ 172,890	\$ 160,863	\$ 1,115,019	\$ 1,468,640	\$ 1,258,433	\$ 1,277,811
4,867,620	6,426,774	7,547,196	8,260,787	10,789,860	12,278,094
5,040,510	6,587,637	8,662,215	9,729,427	12,048,293	13,555,905
2,472,656	2,831,253	2,675,629	2,479,613	2,347,877	1,516,583
8,735,946	10,145,240	6,868,385	6,637,886	6,350,617	6,275,876
2,528,662	1,983,701	3,182,862	2,815,078	2,959,936	4,542,708
\$ 13,737,264	\$ 14,960,194	\$ 12,726,876	\$ 11,932,577	\$ 11,658,430	\$ 12,335,167

CITY OF WEST CHICAGO, ILLINOIS

General Governmental Revenues By Source - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Source	Fiscal Year Ended 4/30/2001	Fiscal Year Ended 4/30/2002	Fiscal Year Ended 4/30/2003	Fiscal Year Ended 4/30/2004
Taxes	\$ 10,259,144	\$ 10,004,057	\$ 10,399,392	\$ 9,923,461
Intergovernmental	881,387	1,160,678	1,126,665	1,103,515
Charges for Services	1,522,136	1,457,392	1,566,722	2,420,199
Licenses and Permits	630,183	587,287	521,693	537,906
Fines and Forfeits	334,475	251,496	324,861	380,153
Fees	-	-	-	-
Interest Income	1,467,982	920,220	466,921	173,314
Rental Income	-	-	-	-
Miscellaneous	2,352,458	907,519	853,613	366,904
Total	\$ 17,447,765	\$ 15,288,649	\$ 15,259,867	\$ 14,905,452

Data Source: City Records

Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
\$ 10,979,782	\$ 11,037,386	\$ 7,220,257	\$ 7,943,758	\$ 7,737,287	\$ 8,401,237
1,077,096	990,894	7,165,222	7,494,386	5,097,366	6,117,344
2,549,845	806,360	2,315,647	2,389,235	2,179,039	2,558,780
1,171,269	1,057,216	632,799	572,886	326,417	489,110
365,347	833,898	481,943	668,147	726,532	1,782,124
-	2,407,119	-	-	-	-
283,810	664,895	1,075,101	1,049,762	523,118	251,878
-	160,073	-	-	-	-
177,816	2,833,815	759,852	531,218	513,053	3,506,651
<u>\$ 16,604,965</u>	<u>\$ 20,791,656</u>	<u>\$ 19,650,821</u>	<u>\$ 20,649,392</u>	<u>\$ 17,102,812</u>	<u>\$ 23,107,124</u>

CITY OF WEST CHICAGO, ILLINOIS

General Governmental Expenditures By Function - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Function	Fiscal Year Ended 4/30/2001	Fiscal Year Ended 4/30/2002	Fiscal Year Ended 4/30/2003	Fiscal Year Ended 4/30/2004
General Government	\$ 3,332,440	\$ 3,314,245	\$ 4,073,288	\$ 5,113,922
Public Safety	5,449,891	5,739,317	6,589,122	6,834,854
Highways and Streets	1,571,226	1,405,049	1,684,227	587,890
Culture and Recreation	307,308	305,615	331,401	413,400
Capital Outlay	1,841,554	4,085,239	3,366,217	2,877,197
Debt Service				
Principal	705,000	735,000	760,000	110,000
Interest and Fiscal Charges	184,190	155,638	125,503	94,183
Total	<u>\$ 13,391,609</u>	<u>\$ 15,740,103</u>	<u>\$ 16,929,758</u>	<u>\$ 16,031,446</u>

Data Source: City Records

Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
\$ 4,952,629	\$ 4,540,750	\$ 6,030,937	\$ 6,393,241	\$ 4,551,384	\$ 6,957,868
7,074,392	7,756,125	7,511,979	8,006,829	5,783,643	8,616,769
699,073	758,534	826,980	1,025,381	700,402	-
371,756	449,110	514,550	406,417	248,277	372,382
2,997,181	4,065,602	5,477,801	4,227,901	3,455,854	5,141,045
130,000	135,000	150,000	190,000	210,000	225,000
89,208	83,618	77,378	126,710	108,533	96,811
<u>\$ 16,314,239</u>	<u>\$ 17,788,739</u>	<u>\$ 20,589,625</u>	<u>\$ 20,376,479</u>	<u>\$ 15,058,093</u>	<u>\$ 21,409,875</u>

CITY OF WEST CHICAGO, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years December 31, 2009 (Unaudited)

	Fiscal Year Ended 4/30/2001	Fiscal Year Ended 4/30/2002	Fiscal Year Ended 4/30/2003	Fiscal Year Ended 4/30/2004
Revenues				
Taxes	\$ 10,259,144	\$ 10,004,057	\$ 10,399,392	\$ 9,923,461
Intergovernmental	881,387	1,160,678	1,126,665	1,103,515
Charges for Services	1,522,136	1,457,392	1,566,722	2,420,199
Licenses and Permits	630,183	587,287	521,693	537,906
Fines and Forfeits	334,475	251,496	324,861	380,153
Fees	-	-	-	-
Interest Income	1,467,982	920,220	466,921	173,314
Rental Income	-	-	-	-
Miscellaneous	2,352,458	907,519	853,613	366,904
Total Revenues	17,447,765	15,288,649	15,259,867	14,905,452
Expenditures				
General Government	3,332,440	3,314,245	4,073,288	5,113,922
Public Safety	5,449,891	5,739,317	6,589,122	6,834,854
Highways and Streets	1,571,226	1,405,049	1,684,227	587,890
Culture and Recreation	307,308	305,615	331,401	413,400
Capital Outlay	1,841,554	4,085,239	3,366,217	2,877,197
Debt Service				
Principal	705,000	735,000	760,000	110,000
Interest and Fiscal Charges	184,190	155,638	125,503	94,183
Total Expenditures	13,391,609	15,740,103	16,929,758	16,031,446
Excess of Revenues Over (Under) Expenditures	4,056,156	(451,454)	(1,669,891)	(1,125,994)
Other Financing Sources (Uses)				
Transfer In	488,304	888,326	303,403	1,532,361
Transfer Out	(488,304)	(888,326)	(303,403)	(1,532,361)
Sale of Assets	-	-	-	-
	-	-	-	-
Net Change in Fund Balances	\$ 4,056,156	\$ (451,454)	\$ (1,669,891)	\$ (1,125,994)
Debt Service as a Percentage of Noncapital Expenditures	7.70%	7.64%	6.53%	1.55%

Data Source: City Records

Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
\$ 10,979,782	\$ 11,037,386	\$ 7,220,257	\$ 7,943,758	\$ 7,737,287	\$ 8,401,237
1,077,096	990,894	7,165,222	7,494,386	5,097,366	6,117,344
2,549,845	806,360	2,315,647	2,389,235	2,179,039	2,558,780
1,171,269	1,057,216	632,799	572,886	326,417	489,110
365,347	833,898	481,943	668,147	726,532	1,782,124
-	2,407,119	-	-	-	-
283,810	664,895	1,075,101	1,049,762	523,118	251,878
-	160,073	-	-	-	-
177,816	2,833,815	759,852	531,218	513,053	3,506,651
16,604,965	20,791,656	19,650,821	20,649,392	17,102,812	23,107,124
4,952,629	4,540,750	6,030,937	6,393,241	4,551,384	6,957,868
7,074,392	7,756,125	7,511,979	8,006,829	5,783,643	8,616,769
699,073	758,534	826,980	1,025,381	700,402	-
371,756	449,110	514,550	406,417	248,277	372,382
2,997,181	4,065,602	5,477,801	4,227,901	3,455,854	5,141,045
130,000	135,000	150,000	190,000	210,000	225,000
89,208	83,618	77,378	126,710	108,533	96,811
16,314,239	17,788,739	20,589,625	20,376,479	15,058,093	21,409,875
290,726	3,002,917	(938,804)	272,913	2,044,719	1,697,249
168,735	169,589	330,000	555,000	150,000	587,100
(168,735)	(402,449)	(210,000)	(555,000)	(150,000)	(100,000)
214,287	-	-	-	-	-
214,287	(232,860)	120,000	-	-	487,100
\$ 505,013	\$ 2,770,057	\$ (818,804)	\$ 272,913	\$ 2,044,719	\$ 2,184,349
1.65%	1.59%	1.32%	1.67%	2.65%	1.75%

CITY OF WEST CHICAGO, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Tax Levy Year	Fiscal Year End	Residential Property	Farm
2000	4/30/2001	\$ 214,763,130	\$ 473,512
2001	4/30/2002	243,613,111	430,739
2002	4/30/2003	316,490,599	389,662
2003	4/30/2004	350,365,979	339,065
2004	4/30/2005	380,374,817	331,806
2005	4/30/2006	420,190,233	285,435
2006	4/30/2007	463,201,134	226,466
2007	4/30/2008	482,728,818	248,092
2008	12/31/2008*	509,905,446	276,390
2009	12/31/2009	503,652,130	286,844

N/A - Not Currently Available

*For the Eight Months Ended December 31, 2008

Data Source: DuPage County Clerk's and Treasurer's Offices

Commercial Property		Industrial Property		Total Assessed Value	Total Direct Tax Rate
\$	57,525,750	\$	118,668,940	\$ 391,431,332	7.9024
	63,264,142		123,697,590	431,005,582	7.7258
	68,723,126		133,557,460	519,160,847	8.1099
	67,615,490		129,318,270	547,638,804	8.0609
	71,419,516		137,938,675	590,064,814	7.8833
	75,951,359		140,810,220	637,237,247	7.8201
	86,688,224		154,537,960	704,653,784	7.5812
	100,599,520		156,767,550	740,343,980	7.5418
	110,593,070		163,773,650	784,548,556	7.4882
	114,043,959		161,948,610	779,931,543	N/A

CITY OF WEST CHICAGO, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Levy Years December 31, 2009 (Unaudited)

Taxing Body	2000	2001	2002
Countywide			
DuPage County	0.2536	0.2353	0.2154
Forest Preserve District	0.1742	0.1654	0.1534
DuPage Airport Authority	0.0291	0.0271	0.0248
DuPage Water Commission	0.0000	0.0000	0.0000
Local			
Wayne Township	0.0829	0.0812	0.0763
Wayne Township Road	0.1019	0.0988	0.0929
City of West Chicago - Wayne Township	0.6462	0.6352	0.4552
Winfield Township	0.1054	0.1036	0.0983
Winfield Township Road	0.1372	0.1349	0.1280
City of West Chicago - Winfield Township	0.6366	0.6182	0.4452
West Chicago Park District	0.3262	0.3133	0.2920
West Chicago Fire Protection District	0.6316	0.6237	0.5895
West Chicago Mosquito District	0.0069	0.0068	0.0065
West Chicago Library District	0.2299	0.2236	0.2689
Educational			
Grade School District 33	3.1372	3.0793	3.6340
High School District 94	2.0379	2.0016	20.3600
College of DuPage District 502	0.1966	0.1930	0.2179
Total Tax Rate - Winfield Township	7.9024	7.7258	8.1099
Share of Total Tax Rate Levied by the City of West Chicago	8.06%	8.00%	5.49%
Total Tax Rate - Wayne Township	7.8542	7.6843	8.0628
Share of Total Tax Rate Levied by the City of West Chicago	8.23%	8.27%	5.65%

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

Data Source: DuPage County Clerk

Tax Levy Year						
2003	2004	2005	2006	2007	2008	2009
0.1999	0.1850	0.1797	0.1713	0.1651	0.1557	N/A
0.1419	0.1358	0.1271	0.1303	0.1187	0.1206	N/A
0.0230	0.0213	0.0198	0.0183	0.0170	0.0160	N/A
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	N/A
0.0822	0.0696	0.0680	0.0666	0.0647	0.0649	N/A
0.0317	0.0754	0.0720	0.0704	0.0642	0.0604	N/A
0.4526	0.4486	0.4423	0.4236	0.4273	0.4240	N/A
0.0945	0.0924	0.0901	0.0869	0.0855	0.0845	N/A
0.1230	0.1203	0.1178	0.1143	0.1125	0.1112	N/A
0.4394	0.4298	0.4423	0.4236	0.4273	0.4240	N/A
0.3130	0.3016	0.2933	0.2813	0.2718	0.2687	N/A
0.5779	0.5578	0.5500	0.5335	0.6501	0.6506	N/A
0.0063	0.0109	0.0105	0.0101	0.0099	0.0099	N/A
0.2655	0.2733	0.2651	0.2532	0.2465	0.2443	N/A
3.7140	3.6750	3.6993	3.5986	3.5300	3.5158	N/A
1.9528	1.8829	1.8377	1.7669	1.7186	1.7011	N/A
0.2097	0.1972	0.1874	0.1929	0.1888	0.1858	N/A
8.0609	7.8833	7.8201	7.5812	7.5418	7.4882	N/A
5.45%	5.45%	5.66%	5.59%	5.67%	5.66%	N/A
7.9705	7.8344	7.7522	7.5170	7.4727	7.4178	N/A
5.68%	5.73%	5.71%	5.64%	5.72%	5.72%	N/A

CITY OF WEST CHICAGO, ILLINOIS

Principal Property Tax Payers - Current Year and Nine Years Ago December 31, 2009 (Unaudited)

	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
DuPage Airport Authority	\$ 18,618,700	1	2.39%	\$ 7,374,070	3	2.13%
Dividend Capital Op Ptshp	11,681,230	2	1.50%			
Cobalt Industrial REIT II	10,795,180	3	1.38%			
Northridge Holdings Ltd.	6,648,670	4	0.85%			
LaGrou Properties	5,721,610	5	0.73%	4,767,300	5	1.37%
International Truck & Engine	5,124,210	6	0.66%			
Aspen Ridge 1-6 LLC	4,638,330	7	0.59%			
Riverwoods	4,638,330	8	0.59%			
General Mills	4,000,000	9	0.51%			
Menards, Inc	3,871,990	10	0.50%	3,076,010	10	0.89%
USAA Real Estate Co				9,023,450	1	2.60%
Centerpoint Properties				8,905,890	2	2.57%
CNC				6,038,280	4	1.74%
Leland Stahelin				3,758,260	6	1.08%
First Industrial				3,473,680	7	1.00%
WCB Properties				3,212,880	8	0.93%
Rubloff Eagle Creek				3,172,700	9	0.91%
	<u>\$ 75,738,250</u>		<u>9.71%</u>	<u>\$ 52,802,520</u>		<u>15.22%</u>

Data Source: Office of the DuPage County Clerk's

CITY OF WEST CHICAGO, ILLINOIS

Property Tax Levies and Collections - Last Ten Fiscal Years December 31, 2009 (Unaudited)

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	\$ 3,440,096	\$ 3,439,094	99.97%	\$ N/A	\$ 3,439,094	99.97%
2000	3,585,299	3,585,033	99.99%	N/A	3,585,033	99.99%
2001	3,791,289	3,790,244	99.97%	N/A	3,790,244	99.97%
2002	4,893,443	4,891,111	99.95%	N/A	4,891,111	99.95%
2003	3,141,457	3,140,545	99.97%	N/A	3,140,545	99.97%
2004	3,316,627	3,306,553	99.70%	N/A	3,306,553	99.70%
2005	2,578,507	2,576,288	99.91%	782	2,577,070	99.94%
2006	2,991,035	2,990,740	99.99%	292	2,991,032	100.00%
2007	3,168,990	3,161,494	99.76%	2,541	3,164,035	99.84%
2008	3,332,263	3,282,374	98.50%	N/A	3,282,374	98.50%

Note: Levies for all Special Services Area have been excluded from this table.

Data Source: Office of the DuPage County Clerk's

N/A - Not Available

CITY OF WEST CHICAGO, ILLINOIS

Ratios of Outstanding Debt By Type - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year Ended	Governmental Activities	Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	IEPA Revenue Bonds	General Obligation Bonds			
4/30/2001	\$ 3,490,000	\$ 60,000	\$ -	\$ 3,550,000	0.76%	\$ 151
4/30/2002	2,755,000	-	-	2,755,000	0.57%	117
4/30/2003	1,995,000	21,220,000	-	23,215,000	4.69%	989
4/30/2004	1,885,000	20,455,000	10,182,475	22,340,000	4.02%	874
4/30/2005	1,755,000	19,670,000	10,787,922	32,212,922	5.63%	1,260
4/30/2006	1,620,000	10,355,555	18,855,000	30,830,555	5.24%	1,206
4/30/2007	1,470,000	9,912,005	18,015,000	29,397,005	4.99%	1,150
4/30/2008	1,280,000	9,456,983	17,145,000	27,881,983	4.38%	1,039
12/31/2008*	1,070,000	9,225,076	14,145,000	24,440,076	3.84%	911
12/31/2009	845,000	8,752,286	16,240,000	25,837,286	4.17%	963

* For the Eight Months Ended December 31, 2008

Data Source: City's Records

Note: Details regarding the City'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.

CITY OF WEST CHICAGO, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year Ended	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
4/30/2001	\$ 3,490,000	\$ -	\$ 3,490,000	0.89%	\$ 148.71
4/30/2002	2,755,000	-	2,755,000	0.64%	117.39
4/30/2003	1,995,000	-	1,995,000	0.38%	85.01
4/30/2004	1,885,000	306,368	1,578,632	0.29%	61.74
4/30/2005	1,755,000	312,804	1,442,196	0.24%	56.40
4/30/2006	1,620,000	327,648	1,292,352	0.20%	50.54
4/30/2007	1,470,000	349,127	1,120,873	0.16%	41.76
4/30/2008	1,280,000	382,683	897,317	0.12%	33.43
12/31/2008*	1,070,000	442,842	627,158	0.08%	23.37
12/31/2009	845,000	482,787	362,213	0.05%	13.49

* For the Eight Months Ended December 31, 2008

Data Source: City Records

Note: Details regarding the City'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.

CITY OF WEST CHICAGO, ILLINOIS

Schedule of Direct and Overlapping Bonded Debt December 31, 2009 (Unaudited)

Governmental Unit	Gross Debt	Percentage to Debt Applicable to City (1)	City's Share of Debt
City of West Chicago	\$ 17,085,000	100.00%	\$ 17,085,000
DuPage County	319,471,683	2.13%	6,808,767
DuPage Water Commission	24,310,000	2.22%	540,332
Forest Preserve District	263,403,831	2.13%	5,613,816
Warrenville Park District	462,325	2.96%	13,683
West Chicago Park District	4,150,000	84.03%	3,487,104
Winfield Park District	4,155,000	1.03%	42,976
West Chicago Library District	595,000	88.74%	527,980
School District #25	9,290,000	26.22%	2,436,146
School District #33	8,535,712	74.62%	6,369,228
School District #94	21,200,833	55.64%	11,795,700
U-46 School District	316,460,991	0.04%	127,898
U-303 School District	163,954,640	4.77%	7,827,223
Community College District #502	125,350,715	1.59%	1,994,613
Community College District #509	59,761,121	1.24%	740,181
Total Overlapping Debt	1,321,101,851		48,325,648
Total Direct and Overlapping Debt	\$ 1,338,186,851		\$ 65,410,648

Data Source: DuPage County Clerks

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. Every resident is not responsible for paying the debt of each overlapping government.

(1) Determined by the ratio of assessed value of property in the City subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit using the 2006 tax levy year equalized assessed values.

CITY OF WEST CHICAGO, ILLINOIS

Schedule of Legal Debt Margin

December 31, 2009 (Unaudited)

The City is a home rule municipality.

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

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

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

CITY OF WEST CHICAGO, ILLINOIS

Pledged-Revenue Coverage - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year Ended	(1) Revenues	(2) Expenses	(3) Net Revenue Available for Debt Service	(4) Debt Service		(5) Coverage
				Principal	Interest	
4/30/2001	\$ 4,839,059	\$ 4,194,021	\$ 645,038	\$ 10,000	\$ 2,850	50.20
4/30/2002	6,296,406	5,240,274	1,056,132	10,000	17,691	38.14
4/30/2003	10,477,253	5,434,133	5,043,120	50,000	-	100.86
4/30/2004	9,439,148	5,525,335	3,913,813	765,000	1,096,070	2.10
4/30/2005	10,537,583	5,944,066	4,593,517	785,000	1,232,867	2.28
4/30/2006	11,078,097	5,130,206	5,947,891	815,000	1,201,565	2.95
4/30/2007	10,692,329	6,518,489	4,173,840	840,000	1,131,057	2.12
4/30/2008	12,183,299	8,004,065	4,179,234	870,000	1,085,608	2.14
12/31/2008*	7,970,825	7,809,130	161,695	-	702,111	0.23
12/31/2009	12,683,129	11,101,124	1,582,005	905,000	1,006,014	0.83

* For the Eight Months Ended December 31, 2008

(1) As defined in applicable bond indentures and governing laws.

(2) Totaled expenses exclusive of depreciation and bond interest.

(3) Gross revenue minus expenses.

(4) Revenue bonds through April 30, 2003, alternate revenue bonds subsequent to that date.

(5) Net revenue available for debt service divided by total debt requirements.

Data Source: City Records

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

CITY OF WEST CHICAGO, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year Ended	(1) Population	(2) Personal Income (in Thousands)	Per Capita Personal Income	(1) Median Age	School Enrollment	(2) Unemployment Rate
4/30/2001	23,469	\$ 466,235,154	\$ 19,866	27.8	N/A	6.3
4/30/2002	23,469	480,222,209	20,462	27.8	N/A	6.8
4/30/2003	23,469	494,628,875	21,076	27.8	N/A	6.9
4/30/2004	25,571	555,098,198	21,708	27.8	N/A	6.6
4/30/2005	25,571	571,751,144	22,359	27.8	N/A	6.0
4/30/2006	25,571	588,903,678	23,030	27.8	N/A	4.5
4/30/2007	26,841	636,696,513	23,721	27.8	6,265	4.9
4/30/2008	26,841	636,684,014	23,721	27.8	6,265	6.6
12/31/2008*	26,841	619,543,962	23,082	30.8	7,397	6.5
12/31/2009	26,841	693,141,984	25,824	31.2	7,314	10.8

* For the Eight Months Ended December 31, 2008

Data Sources

(1) U.S. Census Bureau

(2) Illinois Department of Employment Security (using annual averages)

CITY OF WEST CHICAGO, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago December 31, 2009 (Unaudited)

Employer	2009			2000		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jel Sert	1,000	1	7.77%	N/A	N/A	N/A
West Chicago Elementary School District	632	2	4.91%	N/A	N/A	N/A
General Mills	510	3	3.96%	N/A	N/A	N/A
Ball Horticultural Co	434	4	3.37%	N/A	N/A	N/A
Siemens Energy & Automation	306	5	2.38%	N/A	N/A	N/A
Aspen Marketing Services	281	6	2.18%	N/A	N/A	N/A
Buck Services	260	7	2.02%	N/A	N/A	N/A
Community High School District	257	8	2.00%	N/A	N/A	N/A
Otto & Sons	230	9	1.79%	N/A	N/A	N/A
Wincup	212	10	1.65%	N/A	N/A	N/A
Turtle Splash	200	11	1.55%	N/A	N/A	N/A
Mapei Corporation	190	12	1.48%	N/A	N/A	N/A
Express Packaging	175	13	1.36%	N/A	N/A	N/A
Pella Windows & Doors	175	14	1.36%	N/A	N/A	N/A
St. Andrews Golf & Country Club	160	15	1.24%	N/A	N/A	N/A
	<u>5,022</u>		<u>39.02%</u>	<u>-</u>		<u>0.00%</u>

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

N/A - Not Available

CITY OF WEST CHICAGO, ILLINOIS

**Full-time Equivalent City Government Employees by Function - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

See Following Page

CITY OF WEST CHICAGO, ILLINOIS

Full-Time Equivalent City Government Employees by Function - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Function	Fiscal Year Ended 4/30/2001	Fiscal Year Ended 4/30/2002	Fiscal Year Ended 4/30/2003
General Government			
Administration	4.50	5.50	4.50
Finance/Administrative Services	9.00	8.00	8.00
Museum/Marketing	3.00	3.00	3.00
Public Works	29.50	31.50	32.55
Police	42.00	46.00	46.00
Community Development	13.00	13.00	12.00
Water and Sewer	21.00	20.75	21.70
Commuter Parking Lot	0.00	0.25	0.25
Total	122.00	128.00	128.00

N/A - Not Available

Data Source: City Records

Fiscal Year Ended 4/30/2004	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
4.50	2.00	2.00	2.50	3.00	2.25	2.25
8.00	11.00	11.00	10.50	8.00	8.00	8.00
3.00	3.00	3.00	4.00	4.00	3.38	1.75
30.55	17.57	17.41	18.21	21.50	23.00	23.00
46.00	46.00	47.00	47.00	49.00	50.00	48.00
10.00	9.00	9.90	9.90	6.00	6.00	6.00
22.70	48.65	37.40	48.81	24.00	20.00	20.00
0.25	0.56	0.56	0.63	0.50	0.81	1.00
125.00	137.78	128.27	141.55	116.00	113.44	110.00

CITY OF WEST CHICAGO, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Function/Program	Fiscal Year Ended 4/30/2001	Fiscal Year Ended 4/30/2002	Fiscal Year Ended 4/30/2003
Public Works			
Number of Parkway Trees Planted	58	309	165
Number of Parkway Trees Trimmed	941	1,027	582
Brush Pickup Program (Days to Collect)	4	4	4
Building Safety Inspections	12	12	12
Tunnel - Paint and Light Lens Replacements	1	1	13
Special Events Handled	6	6	6
Public Safety			
Fire			
Number of Fire Calls	N/A	N/A	N/A
Number of EMS Calls	N/A	N/A	N/A
ISO Rating	3/9	3/9	3/9
Police			
Part I Crime	774	841	847
Part II Crime	2,804	3,371	3,615
Calls for Service	46,482	42,493	57,879
Parking Tickets Issued	1,673	3,147	5,633
Community Development			
Number of Building Permits Issued	836	917	1,122
Number of Building Inspections	5,163	6,861	6,301
Highways and Streets			
Sidewalk Replaced (sq. ft.)	20,580	19,720	16,187
Crack Sealing (lbs. installed)	21,700	N/A	N/A
Tons of Salt Used	N/A	N/A	2,000
Water and Sewer			
Miles of Water Main	100	100	100
Number of metered accounts	5,821	5,900	6,011
Water Meters Read	11,457	25,465	35,916
Water Meter Service Requests	194	116	109
Water Meters Replaced	391	298	332
Average Daily Treated Water (Million Gallons)	3.5	3.6	3.65
Sanitary Sewer Repairs	5	1	-

N/A - Not Available

Data Source: City Records

Note: Indicators are not available for the general government function.

Fiscal Year Ended 4/30/2004	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
134	146	146	121	115	0	140
1,659	1,126	1,575	1,125	1,255	80	1,087
4	4	4	4	4	5	4
12	12	12	12	12	8	12
6	10	15	15	132	33	30
6	6	6	6	6	5	6
1,288	1,330	1,272	1,440	N/A	1,506	1,159
1,531	1,489	1,821	1,692	N/A	1,733	1,826
3/5	3/3	3/3	3/3	3/3	3/3	3/3
773	787	642	536	N/A	451	509
3,360	3,646	3,653	3,803	N/A	2,933	3,009
56,309	44,941	40,168	40,960	N/A	40,990	38,828
7,113	5,689	5,232	5,051	N/A	4,654	4,294
1,288	1,480	1,225	1,083	967	729	882
2,063	2,693	3,814	1,951	1,205	880	881
16,066	15,930	18,470	18,032	18,491	18,159	13,195
N/A	28,500	28,500	-	-	-	26,520
2,000	2,500	2,500	2,000	4,100	3,300	3,000
105	110	110	120	130	123	132
6,042	6,150	6,300	6,450	6,600	6,707	6,750
36,437	36,900	37,800	38,700	39,600	40,242	40,500
86	93	173	87	155	66	90
267	139	90	100	60	35	80
3.5	3.57	3.76	3.80	3.67	3.60	3
-	-	3	3	1	3	1.00

CITY OF WEST CHICAGO, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Function/Program	Fiscal Year Ended 4/30/2001	Fiscal Year Ended 4/30/2002	Fiscal Year Ended 4/30/2003
Police			
Stations	1	1	1
Patrol Units	28	29	29
Fire Stations	3	3	3
Public Works			
Streets (Miles)	139.00	122.00	123.50
Sidewalks (Miles)	N/A	N/A	N/A
Streetlights	N/A	N/A	381
Water and Sewer			
Water Mains (Miles)	100.00	122.00	123.00
Fire Hydrants	1,316	1,500	1,500
Sanitary Sewers (Miles)	120.00	120.00	121.00
Manholes	N/A	N/A	N/A

Data Source: City Records

Fiscal Year Ended 4/30/2004	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009
1 29	1 29	1 28	1 28	1 28	1 28	1 28
3	3	3	3	3	3	3
140.20 N/A 446	153.76 N/A 446	161.94 N/A 446	165.00 84.00 446	165.41 102.20 883	173.65 103.40 883	181.18 103.40 883
130.00 1,560 124.50 N/A	130.00 1,560 103.06 1,716	125.00 1,560 103.06 1,722	125.00 1,560 103.06 1,725	130.00 1,560 103.12 2,075	123.00 1,472 105.60 2,176	132.00 1,578 112.54 2,374