Village of Bourbonnais, Illinois

Comprehensive Annual Financial Report
Fiscal Year Ended April 30, 2009

Village of Bourbonnais, Illinois

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Fiscal Year Ended April 30, 2009

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Village of Bourbonnais, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bourbonnais, Illinois, as of and for the years ended April 30, 2009 and 2008, which collectively comprise the Village of Bourbonnais, Illinois' basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Bourbonnais, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bourbonnais, Illinois, as of April 30, 2009 and 2008, and the respective changes in financial position, and cash flows, where applicable, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2010, on our consideration of the Village of Bourbonnais, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information as identified in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Wadley and Associates
Certified Public Accountants
Bourbonnais, Illinois
April 15, 2010

Village of Bourbonnais

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MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2009

This section of the Village of Bourbonnais' comprehensive annual financial report presents our discussion and analysis of the Village's financial performance during the fiscal year that ended on April 30, 2009. Please read it in conjunction with the Village's financial statements, which follow this section.

Financial Highlights

Summary Financial Highlights for the fiscal year ending April 30, 2009 are as follows:

- Renovations began on the property at 600 Main Street NW which will become the new Village administrative offices when complete
- The Village reached an agreement with the State of Illinois to rebuild Armour Road. Upon completion of the work, the road will be turned over to the Village.

Overview of the Financial Statements

This annual report consists of four parts – 1) *management's discussion and analysis* (this section), 2) *the basic financial statements*, 3) *required supplementary information,* and *4) an optional section* that presents statistical information. The basic financial statements include two types of statements that present different views of the Village.

- The first two statements are *government wide financial statements* that provide both *long-term* and *short-term* information about the Village's *overall* financial status. These appear first and include the statement of net assets and the statement of activities. They report information about the Village as a whole. The statements are prepared using the accrual method of accounting which is the accounting method used by most private sector businesses. The statement of net assets includes all of the Village's assets and liabilities except the fiduciary funds. All current year revenues and expenses are reported in the statement of activities. The two statements report the governmental and business-type activities of the Village that include all services performed by the Village. These activities are funded primarily by property taxes, charges for services and by federal and state grants.

  The statement of net assets shows the Village's assets and liabilities. The corresponding balance between total assets and liabilities equals the net assets or deficit of the Village. A deficit occurs when there are more liabilities than there are assets to pay those liabilities. This statement measures the financial strength of the Village; the greater the net asset figure, generally the indication of a healthier financial position for the Village. The statement helps management determine if the Village will be able to fund current obligations and whether they have resources available for future use.

- The statement of activities shows the current year change in net assets on a revenue-less-expenditure basis. It generally shows the operating results for a given year of the Village. Any excess of revenues over expenditures results in a surplus for the year that in turn increases the net assets available to fund future needs of the Village. Excess expenditures over revenues have an opposite impact on net assets.

- The remaining statements are *fund financial statements* that focus on *individual parts* of the Village government, reporting the Village's operations in more detail than the government-wide statements. The funds that are separately stated as major funds are the General Fund, Special Tax Allocation Fund and the Sewer Operating Fund. All other funds are considered nonmajor and are reported as one column.

- The *governmental funds* statements illustrate how *general government* services like public safety were financed in the short-term as well as what remains for future spending. They report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

  Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

- *Proprietary fund* statements offer *short* and *long-term* financial information about the activities the government operates like businesses, such as the Sewer Operating Fund. Information provided is consistent with the focus provided by the government-wide financial statements, but with more detail for the major enterprise funds.

- *Fiduciary funds* – The Village is the trustee, or *fiduciary*, for its employees' pension plans. It is also responsible for other assets that - because of a trust arrangement – can be used only for the trust beneficiaries. The Village is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Village's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the Village's government-wide financial statements because the Village cannot use these assets to finance its operations.

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 19-38.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including the major governmental fund budgetary schedules and data concerning the Village's progress in funding its obligations to provide pension benefits to its employees. Required supplementary information can be found on pages 39-49 of this report. The combining fund statements for non-major governmental funds are presented on pages 48-49 of this report.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have neither been reported nor depreciated in governmental financial statements. The GASB Statement No. 34 now requires that these assets be valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to either 1) depreciate these assets over their estimated useful life or 2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The Village has chosen to depreciate assets over their useful life.

If an improvement project is considered a recurring cost that does not extend the asset's original useful life or expand its capacity, the cost of that project will be expensed. For example, an "overlay" of a road will be expensed, whereas a "rebuild" of a road will be capitalized.

Government-Wide Financial Statements – Condensed Financial Information

Reports summarizing both long-term and short-term information regarding the financial condition of the Village are contained in the Statement of Net Assets and the Statement of Activities which follow:

Statements of Net Assets –

Net assets may serve, over time, as a useful indicator of a government's financial position. In the case of the Village of Bourbonnais, assets exceeded liabilities by $31,089,777 as of April 30, 2009. The following table reflects the condensed Statements of Net Assets:

	Primary Government				
	2009			2008	2007
	Governmental Activities	Business-type Activities	Total	Total	Total
ASSETS					
Current Assets	$ 12,823,783	$ 1,995,656	$ 14,819,439	$ 16,148,667	$ 15,328,401
Noncurrent Assets	14,373,495	12,097,388	26,470,883	25,102,855	25,218,535
Total assets	27,197,278	14,093,044	41,290,322	41,251,522	40,546,936
LIABILITIES					
Total liabilities	5,475,899	4,724,646	10,200,545	10,464,083	10,880,388
NET ASSETS					
Invested in capital assets, net of related debt	12,150,349	3,621,452	15,771,801	13,588,559	12,807,723
Restricted	1,030,745	1,530,434	2,561,179	1,390,184	1,255,296
Unrestricted	8,540,285	4,216,512	12,756,797	15,808,696	15,603,529
Total net assets	$ 21,721,379	$ 9,368,398	$ 31,089,777	$ 30,787,439	$ 29,666,548

Discussion & Analysis

The Village's net assets totaled $31,089,777 on April 30, 2009. Capital assets, net related debt, amounted to $15,771,801. This figure is arrived at by taking the original costs of the Village's assets, subtracting accumulated depreciation to date and comparing this figure to the amount of remaining long-term debt utilized to finance the acquisition of those assets.

Restricted net assets totaled $2,561,179 on April 30, 2009, and are those assets restricted by ordinance. By comparison, unrestricted net assets totaled $12,756,797 for the year ended April 30, 2009. This total is the net accumulated result of the current and previous years' operations. Village operations are based on revenues from property taxes, charges for services, state and federal aid and grants and local funds received to fund Village programs.

Statements of Activities –

Overall results of operations for the Village of Bourbonnais for the fiscal operating period ending April 30, 2009 are reported in the Statement of Activities for the Village. This statement reports the changes in the Village's net assets for this fiscal period.

	2009			2008
	Governmental Activities	Business Activities	Totals	Totals
Revenues				
Program Revenues				
Charges for Service		$ 2,393,635	$ 2,393,635	$ 2,709,451
General Revenues				
Property Taxes	$ 2,542,398		2,542,398	2,637,463
Franchise Taxes	391,160		391,160	168,132
Fees and Fines	446,009		446,009	559,876
Income tax and other state taxes	4,887,136		4,887,136	4,639,537
Licenses and Permits	9,500		9,500	18,250
Unrestricted Investment Earnings	178,273	53,963	232,236	419,407
Miscellaneous	248,728		248,728	252,487
Gain (loss) on sale of assets	(4,986)		(4,986)	
Total Revenues	8,698,218	2,447,598	11,145,816	11,404,603
Expenses				
General Government	1,801,428		1,801,428	1,117,357
Public Safety	3,056,466		3,056,466	3,629,427
Public Works	2,495,674		2,495,674	2,588,504
Economic Development	342,643		342,643	93,573
Culture and Recreation	83,032		83,032	78,662
Interest on Long-term Debt	122,878		122,878	123,159
Sewer Operating		2,941,357	2,941,357	2,653,030
Total Expenses	7,902,121	2,941,357	10,843,478	10,283,712
Changes in Net Assets	$ 796,097	$ (493,759)	$ 302,338	$ 1,120,891

Discussion & Analysis

Total Village revenues were $11,145,816 for the period. The Village's total cost (expense) to fund all governmental activities was $7,902,121 while business-type activities were $2,941,357. A majority of these costs were funded by property tax, user fees and state aid. Changes reflect continued reliance on property tax, special revenue (TIF), state aid and revenue sharing to fund future programs and associated costs.

Capital Assets

The Village's investment in capital assets for its Governmental and Business-type Activities as of April 30, 2009 amounted to $22,535,854. The investment in capital assets includes land, buildings, equipment, improvements other than buildings, underground systems, infrastructure, and construction in progress. This amount represents a net increase (including additions and deductions) of $1,512,847. Detailed information regarding the change in capital assets for Governmental and Business-type Activities is included in the Notes to the Financial Statements on page 27.

Debt Outstanding

The Village's long-term debt can be found in both the *Governmental and Business-Type Activities*. This information can be found in the Notes to the Financial Statements on pages 30-33.

Governmental Activities

General Government

As the name implies, the general government component of the Village has at its core those basic municipal services which are most often associated with local government; i.e. police department, public works, code enforcement, building and zoning and recreation. These services are supported primarily through those revenues received through real estate property tax, sales tax and other shared revenues received by the Village, including fees and other charges. To this extent they do not have a dedicated revenue stream or streams, but instead must relay on a limited or finite number of dollars available each year within which these programs and services must be funded.

Tax Increment Financing District (TIF)

The Village has established a TIF district under the provisions of the original Illinois tax increment financing law. The existence of this district enables the Village to generate revenues through the so-called sales tax increment provision of the Act which may in turn be utilized to fund a wide variety of capital improvements and maintenance project within the identified TIF districts, improvements which would otherwise require the utilization of scarce general fund revenues or other capital financing mechanisms authorized under the law. TIF funds continue to fund yearly street improvements, utility projects, land acquisition and grants for businesses desiring to expand or redevelop within the district.

Business-type Activities

The Village of Bourbonnais' "Business-type Activities" is comprised of the sewer operating fund, which supports the operation and maintenance of the sewer utilities. This fund continues to be a well managed enterprise which allows the Village to provide this taxpayer service in an efficient and cost effective manner.

Economic Factors and Next Year's Budget and Rates

Despite economic conditions to the contrary, growth continues in Bourbonnais. During the fiscal year 2009, twenty-two permits were issued for new single family homes. This continues the positive growth pattern of the last six years.

The business corridor north on US Rt. 45/North Convent is ever expanding, with various retail/office strip centers, as well as new restaurants and medical facilities. There have been a number of new construction projects in Bourbonnais, including St. Paul's Lutheran Church and School, Culver's and the first phase of the Burns Road West improvement. Also, there have been some renovations from existing and new businesses in Bourbonnais which include Jimmy Jo's BBQ, JR's Chicken, Library Bar, Inc., The Red Cross, Liquor Zone, Studio Fitness Elite and the move and expansion of Cheezer's Pizza.

Property values have remained relatively stable in Bourbonnais and with the Village portion of the property tax levy remaining less than 5%; management will continue to rein in expenses to continue to provide quality services to our residents.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, taxpayers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives and expends. If you have questions about this report or need additional financial information, please contact the Village of Bourbonnais Municipal Office, 600 Main Street NW, Bourbonnais, Illinois, 60914.

Basic Financial Statements

Village of Bourbonnais
Statements of Net Assets
April 30, 2009 and 2008

	2009 Primary Government			2008
	Governmental Activities	Business-type Activities	Total	Total
ASSETS				
Cash and investments	$ 9,176,106	$ 1,741,680	$ 10,917,786	$ 11,910,477
Receivables	3,396,682	399,676	3,796,358	4,226,812
Internal Balances	145,700	(145,700)	-	
Other assets	105,295		105,295	11,378
Total current assets	12,823,783	1,995,656	14,819,439	16,148,667
Capital assets:				
Land, improvements, and construction in progress	5,940,134	7,879,452	13,819,586	13,783,897
Other capital assets, net of depreciation	8,433,361	282,907	8,716,268	7,239,110
Investment in joint venture		3,935,029	3,935,029	4,079,848
Total noncurrent assets	14,373,495	12,097,388	26,470,883	25,102,855
Total assets	27,197,278	14,093,044	41,290,322	41,251,522
LIABILITIES				
Accounts payable and accrued expenses	191,765	29,413	221,178	143,483
Deferred revenue	2,484,868		2,484,868	2,263,289
Accrued interest	35,884	154,326	190,210	155,877
Long-term liabilities:				
Bonds payable within one year	840,000	320,000	1,160,000	730,000
Bonds payable in more than one year	1,383,146	4,220,907	5,604,053	6,704,448
Compensated absences	540,236		540,236	466,986
Total liabilities	5,475,899	4,724,646	10,200,545	10,464,083
NET ASSETS				
Invested in capital assets, net of related debt	12,150,349	3,621,452	15,771,801	13,588,559
Restricted	1,030,745	1,530,434	2,561,179	1,390,184
Unrestricted	8,540,285	4,216,512	12,756,797	15,808,696
Total net assets	$ 21,721,379	$ 9,368,398	$ 31,089,777	$ 30,787,439

See accompanying notes.

Village of Bourbonnais
Statements of Activities
for the Years Ended April 30, 2009 and 2008

	2009							2008
		Program Revenues			Net (Expense) Revenue and Changes in Net Assets Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Total
Primary government:								
Governmental activities								
General government	$ 1,801,428				$ (1,801,428)		$ (1,801,428)	$ (1,117,357)
Public safety	3,056,466				(3,056,466)		(3,056,466)	(3,629,427)
Public works	2,495,674				(2,495,674)		(2,495,674)	(2,588,504)
Economic Development	342,643				(342,643)		(342,643)	(93,573)
Culture and recreation	83,032				(83,032)		(83,032)	(78,662)
Interest on long term debt	122,878				(122,878)		(122,878)	(123,159)
Total governmental activities	7,902,121	-	-	-	(7,902,121)		(7,902,121)	(7,630,682)
Business-type activities								
Sewer Operating	2,941,357	2,393,635				(547,722)	(547,722)	56,421
Total business-type activities	2,941,357	2,393,635	-	-	-	(547,722)	(547,722)	56,421
Total primary government	10,843,478	2,393,635	-	-	(7,902,121)	(547,722)	(8,449,843)	(7,574,261)
General revenues:								
Property taxes, levied for general purposes					2,542,398		2,542,398	2,637,463
Franchise taxes					391,160		391,160	168,132
Fees and fines					446,009		446,009	559,876
Income tax and other state tax revenue					4,887,136		4,887,136	4,639,537
Licenses and permits					9,500		9,500	18,250
Unrestricted investment earnings					178,273	53,963	232,236	419,407
Miscellaneous					248,728		248,728	252,487
Special items:								
Gain (loss) on sale of assets					(4,986)		(4,986)	
Transfers					-		-	
Total general revenues, special items, and transfers					8,698,218	53,963	8,752,181	8,695,152
Change in net assets					796,097	(493,759)	302,338	1,120,891
Net assets - beginning					20,925,282	9,862,157	30,787,439	29,666,548
Net assets - ending					$ 21,721,379	$ 9,368,398	$ 31,089,777	$ 30,787,439

See accompanying notes.

Village of Bourbonnais
Balance Sheets
Governmental Funds
April 30, 2009 and 2008

	2009				2008
	General Fund	Special Tax Allocation Fund	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 707,419	$ 2,645,379	$ 106,592	$ 3,459,390	$ 6,858,177
Investments	3,841,655	1,362,069	512,992	5,716,716	3,077,934
Interest receivable	5,835	3,093		8,928	10,902
Due from other funds	319,847		15,136	334,983	418,491
Receivables from other governments	1,803,189	1,398,501	36,356	3,238,046	3,235,850
Other receivables	149,708			149,708	219,564
Other assets	3,655	2,354		6,009	11,378
Prepaid insurance	99,286			99,286	
Total assets	$ 6,930,594	$ 5,411,396	$ 671,076	$ 13,013,066	$ 13,832,296
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 22,376	$ 13,915	$ 9,614	$ 45,905	$ 8,373
Salaries and benefits payable	138,050	7,810		145,860	143,483
Due to other funds	44,814	137,431	7,038	189,283	337,807
Deferred revenue	1,237,181	1,247,687		2,484,868	1,714,528
Total liabilities	1,442,421	1,406,843	16,652	2,865,916	2,204,191
Fund balances:					
Reserved	522,864	336,021	171,860	1,030,745	290,576
Unreserved	4,965,309	3,668,532		8,633,841	9,900,002
Unreserved, reported in nonmajor			482,564	482,564	1,437,527
Total fund balances	5,488,173	4,004,553	654,424	10,147,150	11,628,105
Total liabilities and fund balances	$ 6,930,594	$ 5,411,396	$ 671,076	$ 13,013,066	$ 13,832,296

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

Total Governmental Fund Balance	$ 10,147,150	$ 11,628,105
Capital assets, net accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds.	14,373,495	12,989,541
Deferred revenues used in governmental activities are not financial resources and therefore are not reported in the funds.		(548,761)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. All liabilities, both current and long-term, are reported in the statements of net assets. Balances at April 30, 2009 are:		
Bonds payable	(2,223,146)	(2,646,244)
Interest payable	(35,884)	(30,373)
Compensated absences	(540,236)	(466,986)
Net Assets of Governmental Activities	$ 21,721,379	$ 20,925,282

See accompanying notes.

Village of Bourbonnais
Statements of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the Years Ended April 30, 2009 and 2008

	2009				2008
	General	Special Tax Allocation Fund	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	$ 891,155	$ 1,104,385		$ 1,995,540	$ 2,264,142
Franchise taxes	391,160			391,160	168,132
Fees and fines	446,009			446,009	559,876
Licenses and permits	9,500			9,500	18,250
Intergovernmental	3,076,601	1,266,881	$ 514,101	4,857,583	4,639,537
Investment earnings	98,884	66,520	12,869	178,273	330,638
State/Federal reimbursements			29,553	29,553	133,965
Miscellaneous	248,728			248,728	117,785
Total revenues	5,162,037	2,437,786	556,523	8,156,346	8,232,325
EXPENDITURES					
Current:					
General government	880,708	225,512	108	1,106,328	567,015
Public safety	3,056,466			3,056,466	3,629,427
Public works	1,060,862	383,690	1,051,122	2,495,674	2,588,504
Culture and recreation	83,032			83,032	78,662
Economic development		342,643		342,643	93,573
Debt Service					
Principal		380,000	45,000	425,000	415,000
Interest and other charges		43,987	73,380	117,367	123,159
Capital outlay	221,172	1,158,125	645,910	2,025,207	723,800
Total expenditures	5,302,240	2,533,957	1,815,520	9,651,717	8,219,140
Excess (deficiency) of revenues over (under) expenditures	(140,203)	(96,171)	(1,258,997)	(1,495,371)	13,185
OTHER FINANCING SOURCES (USES)					
Transfers in			430,894	430,894	400,470
Transfers out	(358,000)		(72,894)	(430,894)	(400,470)
Total other financing sources and (uses)	(358,000)	-	358,000	-	-
SPECIAL ITEM					
Proceeds from sale of assets	14,416			14,416	14,850
Net change in fund balances	(483,787)	(96,171)	(900,997)	(1,480,955)	28,035
Fund balances - beginning	5,971,960	4,100,724	1,555,421	11,628,105	11,600,070
Fund balances - ending	$ 5,488,173	$ 4,004,553	$ 654,424	$ 10,147,150	$ 11,628,105

Net change in fund balances - Governmental funds	$ (1,480,955)	$ 28,035
Capital outlays are reported as expenditures. However, in the Statement of Activities the cost of assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount the outlays exceeded depreciation expense.	1,403,357	173,458
Change in deferred revenue. Revenue recognition differs in the statement of activities and in the funds.	546,858	373,321
In the statement of activities, only the gain or (loss) on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the assets.	(19,402)	(14,850)
The following expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Compensated absences	(73,250)	
Interest payable	(5,511)	
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	425,000	415,000
Change in net assets of governmental activities	$ 796,097	$ 974,964

See accompanying notes.

Village of Bourbonnais
Statements of Fund Net Assets
Proprietary Fund
April 30, 2009 and 2008

	2009 Enterprise Fund Sewer Operating Fund	2008 Enterprise Fund Sewer Operating Fund
ASSETS		
Current assets:		
Cash and cash equivalents	$ 211,245	$ 498,472
Investments	1,530,435	1,475,894
Receivables, net	399,676	760,496
Due from other funds	44,800	
Total current assets	2,186,156	2,734,862
Noncurrent assets:		
Investment in joint venture	3,935,029	4,079,848
Capital assets		
Land and improvements (Net of accumulated depreciation)	7,879,452	7,802,262
Buildings and equipment (Net of accumulated depreciation)	282,907	231,204
Total noncurrent assets	12,097,388	12,113,314
Total assets	14,283,544	14,848,176
LIABILITIES		
Current Liabilities:		
Accounts payable	9,108	
Accrued payroll expenses	20,305	
Due to other funds	190,500	80,684
Accrued Interest	154,326	117,131
Bonds, notes, and loans payable	320,000	305,000
Total current liabilities	694,239	502,815
Noncurrent liabilities:		
Bonds, notes, and loans payable	4,220,907	4,483,204
Total noncurrent liabilities	4,220,907	4,483,204
Total liabilities	4,915,146	4,986,019
NET ASSETS		
Invested in capital assets, net of related debt	3,621,452	3,245,262
Restricted for bond retirement	615,358	690,319
Restricted for repairs and maintenance	915,076	409,289
Unrestricted	4,216,512	5,517,287
Total net assets	$ 9,368,398	$ 9,862,157

See accompanying notes.

Village of Bourbonnais
Statements of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund
for the Years Ended April 30, 2009 and 2008

	2009 Enterprise Fund	2008 Enterprise Fund
	Sewer Operating Fund	Sewer Operating Fund
OPERATING REVENUES		
Charges for services	$ 2,195,380	$ 2,438,827
Miscellaneous	5,305	737
Total operating revenues	2,200,685	2,439,564
OPERATING EXPENSES		
Personal services	516,234	489,418
Contractual services	1,379,127	1,299,611
Utilities	58,592	48,531
Repairs and maintenance	69,628	17,693
Other supplies and expenses	64,984	54,178
Depreciation	189,740	205,140
Total operating expenses	2,278,305	2,114,571
Operating income (loss)	(77,620)	324,993
NONOPERATING REVENUES (EXPENSES)		
Interest and investment revenue	53,963	88,769
Recapture fees	4,903	18,162
Water & sewer permits	27,669	74,821
Tap on fees	160,378	177,641
Equity interest in joint venture operating income (loss)	(144,819)	(241,075)
Interest expense	(368,233)	(297,384)
Franchise Fee	(150,000)	
Total nonoperating revenue (expenses)	(416,139)	(179,066)
Change in net assets	(493,759)	145,927
Total net assets - beginning	9,862,157	9,716,230
Total net assets - ending	$ 9,368,398	$ 9,862,157

See accompanying notes.

Village of Bourbonnais
Statements of Cash Flows
Proprietary Fund
for the Years Ended April 30, 2009 and 2008

	2009 Enterprise Fund Sewer Operating Fund	2008 Enterprise Fund Sewer Operating Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	2,511,400	2,268,103
Other receipts	5,305	
Payments to suppliers	(1,416,212)	(1,405,924)
Payments to employees	(495,929)	(489,418)
Net cash provided (used) by operating activities	604,564	372,761
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(340,673)	(171,925)
Sales of capital assets	22,040	
Principal paid on capital debt	(305,000)	(280,000)
Amortized bond cost and interest paid on capital debt	(315,917)	(74,388)
Net cash provided (used) by operating activities	(939,550)	(526,313)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	47,759	104,628
Net increase in cash and cash equivalents	(287,227)	(48,924)
Cash and cash equivalents - beginning of the year	498,472	547,396
Cash and cash equivalents - end of the year	$ 211,245	$ 498,472
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	(77,620)	324,993
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	189,740	205,140
Receivables, net	316,020	(94,926)
Accounts and other payables	176,424	(62,446)
Net cash provided (used) by operating activities	$ 604,564	$ 372,761

See accompanying notes.

Village of Bourbonnais
Statement of Fiduciary Net Assets
Fiduciary Funds
April 30, 2009

	Pension (and other employee benefit) Trust Funds		Agency Funds	
	Police Pension Fund	Deferred Compensation Plan	Building Escrow Fund	Community Fund
ASSETS				
Cash and cash equivalents	$ 437,245		$ 27,707	$ 4,029
Interest receivable	22,976			
Investments, at fair value:				
Certificates of deposit	152,740			
Mortgage and asset backed securities	2,529,970			
U.S. Government Bonds and GSE Bonds	2,281,562			
Mutual funds	1,685,979			
Investment contract with insurance company		$ 847,067		
Total assets	7,110,472	847,067	27,707	4,029
LIABILITIES				
Accounts payable	2,556		16,530	
Refunds payable and others	15,395		11,177	4,029
Total liabilities	17,951	-	27,707	4,029
NET ASSETS				
Net assets held in trust for pension benefits and other purposes	$ 7,092,521	$ 847,067	$ -	$ -

See accompanying notes.

Village of Bourbonnais
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
for the Year Ended April 30, 2009

	Pension (and other employee benefit) Trust Funds	
	Police Pension Fund	**Deferred Compensation Plan**
ADDITIONS		
Contributions:		
Employer	$ 255,144	
Plan members	136,325	$ 48,480
Total contributions	391,469	48,480
Investment Income:		
Net increase (decrease) in fair value of investments	(888,670)	55,741
Interest	279,385	
Dividends	71,806	
	(537,479)	55,741
Less: investment expenses	(2,682)	
Net investment income (loss)	(540,161)	55,741
Total additions (reductions)	(148,692)	104,221
DEDUCTIONS		
Administrative expenses	4,077	621
Benefits	277,025	28,000
Refund of contributions	15,395	
Total deductions	296,497	28,621
Net increase (decrease)	(445,189)	75,600
Net assets held in trust for pension benefits and other purposes:		
May 1, 2008	7,537,710	771,467
April 30, 2009	$ 7,092,521	$ 847,067

See accompanying notes.

Note 1-Summary of Significant Accounting Policies

A. Reporting Entity

The Village follows accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board. The financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

2. Fiscal dependency on the primary government.

The accompanying financial statements present only the Village of Bourbonnais, Illinois (the primary government). Upon review, we did not note the existence of any component units.

B. Basis of Presentation

Government-wide Financial Statements – The government-wide statement of net assets and statement of activities report the overall financial activity of the Village, excluding fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the Village. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fines, fees and 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 requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – The fund financial statements provide information about the Village's funds, including its fiduciary funds. Separate statements for each fund category-governmental, proprietary and fiduciary- are presented. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Note 1-Summary of Significant Accounting Policies (continued)

The Village reports the following major governmental funds:

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

Special Tax Allocation Fund – The Special Tax Allocation Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for special purposes. The Special Tax Allocation Fund includes the transactions of the Village's two tax increment financing districts.

The Village reports the following major proprietary fund:

Sewer Operating Fund – This fund accounts for the Village's sewer and solid waste operations.

Additionally, the Village reports the following fiduciary-type funds:

Employee Retirement Funds – These funds account for the accumulation of retirement and disability benefits for the police pension plan and the deferred compensation plan.

Building Escrow Fund – This agency-type fund accounts for the accumulation of fees assessed to contractors arising from residential development.

Community Fund – This agency-type fund accounts for accumulated donations received from individuals and businesses which are then redistributed to charitable organizations.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the Village receives value without directly giving equal value in exchange, include property tax revenue, grants and other contributions. On an accrual basis, revenues from property taxes are recognized in the period for which the levy is intended to finance, which is the year after the taxes are levied. For example, the 2007 levy is recognized as revenue for the year ended April 30, 2009. Property taxes levied for the calendar year 2008, which will be collected in fiscal year 2010, are recorded as receivables and deferred revenue.

Revenue from grants and other contributions are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Village must provide local resources

Note 1-Summary of Significant Accounting Policies (continued)

to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the Village on a reimbursement basis.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village enterprise funds are charges to customers for sales and services which include sewer and solid waste charges. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Pension trust funds recognize employer and participant contributions in the period in which contributions are due and the Village has made a formal commitment to provide the contributions. Retirement benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Governmental Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Village considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, income taxes, utility taxes, intergovernmental revenues, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Property taxes receivable which are expected to be collected within sixty days are considered available and are recognized as revenue. Sales, income and other taxes are considered to be measurable when they have been collected by the state or other collection agent and are recognized as revenue at that time. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Note 1-Summary of Significant Accounting Policies (continued)

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

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received they are recorded as deferred revenues until earned.

D. Cash and Cash Equivalents

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

E. Budgets and Budgetary Accounting

The Village adopts annual budgets for the General Fund and Special Revenue Funds. No legally adopted budgets are prepared for capital projects funds. Expenditures for capital project funds are controlled on a project basis.

F. Investments

Investments are stated at fair value, which approximates market. Investments for the Bourbonnais Police Pension Fund are reported at fair value, determined by closing market prices at year-end as reported by the investment custodian.

G. Interfund Transactions

The Village has the following types of interfund transactions:

Loans – Amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (i.e. due from other funds) in lender funds and interfund payables (i.e. due to other funds) in borrower funds.

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

Note 1-Summary of Significant Accounting Policies (continued)

Transfers – Flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.

H. Prepaid Items

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.

I. Long-Term Debt, Bond Premiums, Discounts and Issuance Costs

In the government-wide, proprietary and component unit financial statements, outstanding debts are reported as liabilities. 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, government 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 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.

J. Restricted Assets – Enterprise Fund

Certain cash and investments in the Sewer Operating Fund are restricted in accordance with the ordinances authorizing the issuance of the revenue bonds. These assets are reflected as restricted cash and investments and restrictions of net assets.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date donated. 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.

Note 1-Summary of Significant Accounting Policies (continued)

Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

	USEFUL LIFE	THRESHOLD
Buildings	20-50 years	$ 10,000
Land Improvements	10-30 years	$ 10,000
Equipment	2-20 years	$ 5,000
Water & Sewer Lines	33-100 years	$ 10,000
Streets	25 years	$ 100,000

L. Fund Equity

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. Reserved fund balances in pension trust funds represent the net assets held in trust that are required to be reserved for the employees' pension benefits. The unreserved fund balances for governmental funds represent the amount available for budgeting future operations.

M. Net Assets

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Invested in Capital Assets, Net of Related Debt – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the Village's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted – This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Note 1-Summary of Significant Accounting Policies (continued)

N. Property Taxes

Property taxes are levied each year on all taxable real property located in the Village. The Village must file its tax levy ordinance by the last Tuesday of December of each year. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year. Property taxes are collected by the Kankakee County Collector/Treasurer who remits to the Village its share of the collection. Taxes levied for calendar year 2007 were due, payable, and collected in two installments in June and September 2008.

O. Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Village employees are entitled to certain compensated absences based on their length of employment. With minor exceptions, compensated absences either vest or accumulate and are accrued when they are earned.

P. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Deposits and Investments

Statutes authorize the Village to invest in obligations of the U.S. Treasury and U.S. agencies, banker's acceptances, repurchase agreements (meeting certain statutory requirements), certain rated instruments of commercial paper and Illinois State Treasurer's investment pool. Similar investments are permitted for the Police Pension trust funds, which is governed by the Illinois Pension Code. The Village's Police Pension fund, under the direction of a separate Board of Trustees, contractually delegates investment oversight to investment managers.

Deposits:

The Village and pension trust fund's investment policies require all uninsured deposits with financial institutions to be fully collateralized with the collateral held by an independent third party acting as the Village's agent and held in the name of the Village and pension trust fund, respectively.

Note 2 – Deposits and Investments (continued)

At April 30, 2009, the carrying amount of the Village's deposits for governmental and business-type activities was $3,459,390 and the bank balance was $3,851,322. The balances were covered through federal depository insurance or by collateral held by the Village or its agent, in the Village's name.

At April 30, 2009, the carrying amount of deposits of fiduciary activities was $468,981 and the bank balance was $407,487. The entire bank balance was covered through federal depository insurance or by collateral held by the Village's agent in the Village's name.

Investments:

The Village's investments are categorized below to give an indication of the level of custodial credit risk assumed by the Village as of April 30, 2009. Category 1 includes investments that are insured or registered, or held by the Village or its agent in the Village's name. Certificates of deposits are held by governmental, proprietary and fiduciary funds. All other investments are held by the Bourbonnais Police Pension Fund, a fiduciary fund of the Village. Uncategorized investments are not subject to categorization because they are not securities.

At April 30, 2009 investments included the following:

	Category 1	Fair Value
Categorized investments:		
Certificates of deposit	$ 3,358,857	$ 3,358,857
Mortgage and asset backed securities	2,529,970	2,529,970
U.S. Government bonds and GSE bonds	2,281,562	2,281,562
Mutual Funds	2,533,046	2,533,046
Total categorized investments	$ 10,703,435	$ 10,703,435
Uncategorized investments:		
Illinois Funds		2,510,599
Total investments		$ 13,214,034

Note 3 – Loans Receivable

In prior years, the Village was the recipient of a grant totaling $315,000 from the Illinois Department of Commerce and Community Affairs under the Illinois Community Development Assistance Program. The grant was used to assist the economic and development needs of low to moderate income people through the execution of below-market loans to area businesses. Upon repayment of the loans, the Village's use of the funds is restricted to general community development.

Note 3 – Loans Receivable (continued)

The principal balance of the outstanding loan as of April 30, 2009:

Reuben Smith	$ 62,152

Note 4 – Capital Assets

Capital asset activity for the year ended April 30, 2009, was as follows:

Governmental activities:	Balance May 1, 2008	Additions	Retirements	Balance April 30, 2009
Land - nondepreciable	$ 2,686,092			$ 2,686,092
Land improvements	7,481,177	$ 86,703		7,567,880
Buildings and improvements	6,654,325	1,088,295		7,742,620
Equipment	5,180,030	138,672	$ (33,832)	5,284,870
Road improvements	2,310,203	711,537		3,021,740
Total general fixed assets	24,311,827	2,025,207	(33,832)	26,303,202
Less accumulated depreciation	(11,322,286)	(621,850)	14,430	(11,929,706)
Governmental activity capital assets, net	$ 12,989,541			$ 14,373,496

Business-type activities:	Balance May 1, 2008	Additions	Retirements	Balance April 30, 2009
Land and improvements	$ 9,404,629	$ 264,879		$ 9,669,508
Building and improvements	250,000			250,000
Equipment	349,220	75,794	$ (22,040)	402,974
Total proprietary fixed assets	10,003,849	340,673	(22,040)	10,322,482
Less accumulated depreciation	(1,970,383)	(211,780)	22,040	(2,160,123)
Business-type capital assets, net	$ 8,033,466			$ 8,162,359

Depreciation was charged to general government.

Note 5 – Interfund Balances and Activity

5-A. Balances Due to/from Other Funds

Balances due to/from other funds at April 30, 2009, consist of the following:

$ 129,347	Due to the General Fund from other governmental funds
190,500	Due to the General Fund from proprietary fund
44,800	Due to Proprietary Fund from the general fund
$ 364,647	Total

Note 5 – Interfund Balances and Activity (continued)

Summary of balances due from other funds reported in fund financial statements:

$ 319,847	Due from other funds, Balance Sheets – Governmental Funds
44,800	Due from other funds, Statements of Net Assets – Proprietary Funds
$ 364,647	Total

These balances resulted from the time lag between the dates that 1) reimbursable expenditures occurred, 2) transactions were recorded in the accounting system, and 3) payments between funds are made. Or, in one specific case, the General Fund holds the accumulation of collected impact fees and this year a new fund was established to account for the impact fee activities. An interfund receivable and payable has been set up to facilitate the transfer. All these interfund balances are expected to be repaid within one year.

5-B. Transfers to/from Other Funds

Transfers to/from other funds at April 30, 2009, consist of the following:

$ 358,000	From General Fund to Motor Fuel Tax Bond Fund to subsidize capital expenditures.

Note 6 – Pension Plans

6-A. Defined Benefit Pension Plan

Plan Description. The Village of Bourbonnais, Illinois' defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. State statues require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2008 was 12.28 percent of annual covered payroll. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For calendar year 2008, the Village's annual pension cost of $209,736 for the Regular plan was equal to the Village's required and actual contributions.

Note 6 – Pension Plans (continued)

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/2009	$ 209,736	100%	$0
4/30/2008	186,811	100%	$0
4/30/2007	164,677	100%	$0

The required contribution for 2008 was determined as part of the December 31, 2006 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006, included (a) 7.50 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that spread the effects of short term volatility in the market value of investments over a five year period with a 20% corridor between the actuarial and market value of assets. The Village's 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 the December 31, 2006 valuation was 24 years.

Funded Status and Funding Progress. As of December 31, 2008, the most recent actuarial valuation date, the Village's plan was 56.63 percent funded. The actuarial accrued liability for benefits was $4,290,770 and the actuarial value of assets was $2,429,657, resulting in an underfunded actuarial accrued liability (UAAL) of $1,861,113. The covered payroll (annual payroll of active employees covered by the plan) was $1,707,951 and the ratio of the UAAL to the covered payroll was 109 percent.

A schedule of funding progress, presented in the statistical section following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets in increasing or decreasing over time relative to the actuarial accrued liability for benefits.

6-B. Police Pension Plan

Plan Description. The Village of Bourbonnais Police Pension Fund is a single-employer defined benefit pension plan that covers the full time police officers of the Village of Bourbonnais. It was created and is administered as prescribed by "Article 3, Police Pension Fund – Municipalities 500,000 and Under" of the Illinois Pension Code (Illinois Compiled statutes, 1992, Chapter 40.) The Bourbonnais Police Pension issued a separate financial report dated January 6, 2010. A copy may be obtained from the Village's accounting department.

Summary of Significant Accounting Policies. The Bourbonnais Police Pension financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Note 6 – Pension Plans (continued)

Method Used to Value Investments. Investments are reported at fair value based upon quoted market prices. Cash deposits are reported at carrying amounts which reasonably estimates fair value. Securities owned by the Bourbonnais Police Pension that are traded on national exchanges are valued at the last reported sales price.

Annual Pension Cost and Net Pension Obligation. The Village's annual pension cost of $255,144 for the Regular plan was equal to the Village's required and actual contribution.

Three-Year Trend Information for the Police Pension Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/2009	$ 255,144	100%	$0
4/30/2008	225,387	100%	$0
4/30/2007	254,289	100%	$0

Funded Status and Funding Progress. As of April 30, 2009, the most recent actuarial valuation date, the police pension plan was 86.96 percent funded. The actuarial accrued liability for benefits was $8,668,490 and the actuarial value of assets was $7,537,709, resulting in an underfunded actuarial accrued liability (UAAL) of $1,130,781. The covered payroll (annual payroll of active employees covered by the plan) was $1,375,631 and the ratio of the UAAL to the covered payroll was 82.2 percent.

A schedule of funding progress, presented in the statistical section following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets in increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions. In the April 30, 2008 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included (a) 7.0 percent investment rate of return and (b) projected salary increases ranging from 1.5 – 5.5 percent per year. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments. The remaining amortization period at April 30, 2008 was approximately 25 years.

Note 7 – Long-Term Obligations

Bonds have been issued to provide funds for redevelopment projects, motor fuel tax fund projects and for sewer projects.

Long-term debt is comprised of the following:

$2,270,000 T.I.F. Bonds (2005 Series) due in one remaining installment of $790,000 on December 1, 2009, plus interest at 3.5%, payable semiannually

Note 7 – Long-Term Obligations (continued)

$6,525,000 Sewer Revenue Refunding Bonds (2001 Series) due in annual installments of $230,000 to $525,000 through December 1, 2020 with interest at 4.07% to 5.75%, payable semiannually

$1,655,000 Motor Fuel General Obligation Bonds (2003 Series) due in annual installments of $45,000 to $115,000 through December 1, 2028 with interest at 2.5% to 5.25%, payable semiannually

$2,710,000 Sewerage Refunding Revenue Bonds (2006 Series) due in annual installments of $30,000 to $305,000 through December 1, 2020 with interest at 3.45% to 4.125%, payable semiannually

7-A. Long-term Obligation Activity

Changes in long-term obligations for the year ended April 30, 2009 are as follows:

	May 1, 2008	Increases	Decreases	April 30, 2009	Due Within One Year
Governmental acitivies:					
Bonds Payable:					
Motor Fuel Tax Revenue Bonds (Series 2006)	$ 1,545,000		$ (45,000)	$ 1,500,000	$ 50,000
TIF District Revenue Bonds (Series 2005)	1,170,000		(380,000)	790,000	790,000
Unamortized cost	(68,756)		1,902	(66,854)	
Total bonds payable	2,646,244		(423,098)	2,223,146	840,000
Compensated absences	466,986	73,250		540,236	
Total long-term debt	$ 3,113,230	$ 73,250	$ (423,098)	$ 2,763,382	$ 840,000
Business-type activities:					
Sewer Revenue Refunding Bonds (Series 2001)	2,595,000		(275,000)	2,320,000	290,000
Sewerage Refunding Bonds (Series 2006)	2,690,000		(30,000)	2,660,000	30,000
Unamortized refunding	(225,253)	(130,981)		(356,234)	
Unamortized cost	(271,543)		188,684	(82,859)	
Total long-term debt	$ 4,788,204	$ (130,981)	$ (116,316)	$ 4,540,907	$ 320,000

Compensated absences typically have been liquidated in the general fund.

7-B. Debt Service Requirements

Debt service requirements on bonds outstanding at April 30, 2009 are as follows:

Note 7 – Long-Term Obligations (continued)

Debt service requirements

Year ending	Governmental Activities		Business-type Activities	
April 30	Principal	Interest	Principal	Interest
2010	$ 840,000	$ 85,594	$ 320,000	$ 233,235
2011	50,000	69,956	330,000	217,089
2012	50,000	68,144	355,000	199,659
2013	55,000	66,331	365,000	184,271
2014	55,000	64,338	385,000	168,317
2015-2019	315,000	281,970	2,200,000	562,353
2020-2024	400,000	193,594	1,025,000	74,200
2025-2029	525,000	79,220		
	$ 2,290,000	$ 909,147	$ 4,980,000	$ 1,639,124

7-C. Advance Refunding of Debt

In prior years, the Village defeased a portion of the Sewer Revenue Refunding Bonds (2001 Series) by placing the proceeds of a new bond issue in escrow to provide for a future debt service payment in December 2010 on the issue. Accordingly, the escrow account assets and the liability for the defeased bonds are not included in the Village's financial statements. At April 30, 2009, $2,405,000 of bonds outstanding are considered defeased.

7-D. Conduit Debt

In July 2007, the Village issued $45,000,000 in industrial project revenue bonds for the express purpose of providing capital financing to Olivet Nazarene University. At April 30, 2009, the conduit debt obligation outstanding was $45,000,000. The Village has no obligation for this debt.

7-E. Legal Debt Margin

According to Illinois statutes, the legal debt limit is 2.857% of assessed valuation. The following is the legal debt margin calculation for the year ending April 30, 2009.

Note 7 – Long-Term Obligations (continued)

Legal Debt Margin

Assessed valuation - 2008 levy year	$ 323,023,716
Tax Increment Financing Districts	(18,025,584)
Assessed valuation, net of abatements	$ 304,998,132
Satautory debt limit - 8.625% of assessed valuation	$ 26,306,089
Total debt:	
Sewer Revenue Refunding Bonds (Series 2001)	$ 4,725,000
Sewerage Refunding Bonds (Series 2006)	2,660,000
TIF Bonds (Series 2005)	790,000
Motor Fuel Tax General Obligation Bonds (Series 2006)	1,500,000
Total debt	9,675,000
Legal debt margin	$ 16,631,089

Note 8- Reserved Fund Balances

The Village has collected impact fees from developers to be used in improving roads and parks near new developments. In previous years, the fees have been collected in the General fund and the Village intends to set up a new fund to account for the collection and use of these fees. The accumulation of fees received over the years is reserved. TIF District bond documents require current year debt service be accrued on a monthly basis. Revenue bond ordinances of the Motor Fuel Tax Fund and Sewer Operating Fund require certain reserve amounts be maintained for bond retirement. Additionally, the Sewer Operating Fund ordinance requires reserves for repair and maintenance.

At April 30, 2009, the amounts restricted in Sewer Operating Fund, Motor Fuel Tax Fund and Special Tax Allocation Fund and General Fund are as follows:

	General Fund	Special Tax Allocation Fund	Motor Fuel Bond Fund	Sewer Operating Fund
Bond Retirement		$ 336,021	$ 171,860	$ 615,358
Repair and Maintenance Reserves				915,076
Impact fees	$ 522,864			
Total	$ 522,864	$ 336,021	$ 171,860	$ 1,530,434

Note 8- Reserved Fund Balances (continued)

The Village of Bourbonnais has reserved the net assets held in trust for pension benefits and other purposes. At April 30, 2009, the amount of reserved net assets reserved is as follows:

	Fiduciary Funds
Police Pension Fund	$ 7,092,521
Deferred Compensation Plan	847,067
Total	$ 7,939,588

Note 9 – Fiduciary Funds

In 1995 the Village established a Community Fund which received donations from taxpayers to be used for Youth Groups and Senior Citizens' programs. The balance in this fund at April 30, 2009 was $4,029. The Village also has a Building Escrow Fund for financing of public facilities arising from residential development. The balance in this fund at April 30, 2009 was $27,707.

Note 10 – Redevelopment Contracts

The Village has a series of redevelopment contracts connected with its Tax Increment Financing District. These contracts are set up to refund a portion of sales tax and/or property taxes to the business. Monetary maximums and time limitations are set forth for each reimbursement agreement.

Note 11– Risk Management

The Village, through membership in the Illinois Municipal League Risk Management Association, insures all major areas of risk. This insurance program combines elements of self-insurance (at the Association level) with pure insurance. Member contributions are based on the loss experience of the Village and that of the Association as a whole.

The Village's cost is based on rates determined by the Trustees of the Fund. Members of the Fund may also be subject to additional contributions not to exceed 10 percent of such member's contribution for the most recent fiscal year of the Fund if additional reserves are deemed necessary by the Fund's trustees. Assessments, if any, for the Fund fiscal year ended April 30, 2009 are not determinable.

Note 12– Segment Information

The Village has one enterprise fund to account for sewer services provided to residents. Segment information for the year ended April 30, 2009 is as follows:

Statement of Net Assets:	Sewer Operating Fund
Assets	
Current assets	$ 2,141,356
Due from other funds	44,800
Capital assets	8,162,359
Other assets	3,935,029
Total assets	14,283,544
Liabilities	
Current liabilities	503,739
Due to other funds	190,500
Long-term liabilities	4,220,907
Total liabilities	4,915,146
Net Assets	
Invested in capital assets, net of related debt	3,621,452
Restricted	1,530,434
Unrestricted	4,216,512
	$ 9,368,398

Statement of Revenues, Expenses and Changes in Fund Net Assets:	
Operating revenues	$ 2,200,685
Operating expenses	(2,088,565)
Depreciation expense	(189,740)
Operating income (loss)	(77,620)
Nonoperating revenues (expenses)	(416,139)
Change in net assets	(493,759)
Beginning net assets	9,862,157
Ending net assets	$ 9,368,398

Note 12– Segment Information (continued)

Statement of Cash Flows:	Sewer Operating Fund
Net cash provided (used) by:	
Operating activities	$ 604,564
Capital and related financing activities	(939,550)
Investing activities	47,759
Net increase (decrease) in cash and cash equivalents	(287,227)
Beginning cash and cash equivalents	498,472
Ending cash and cash equivalents	$ 211,245

Note 13 – Loss Contingencies

The Village is involved in litigation from time to time on a variety of matters in connection with the services it provides. The Village Attorney estimates that the amount of actual or potential claims against the Village as of April 30, 2009 will not materially affect the financial condition of the Village or any of the individual funds. Settlement amounts are not expected to exceed insurance coverage. Therefore, the General Fund contains no provision for estimated claims.

Note 14 – Budget and Actual

No fund exceeded expenditures over budgeted amounts during the fiscal year ended April 30, 2009.

Note 15 – Intergovernmental Joint Venture

Effective May 1, 1996, pursuant to a Municipal Joint Sewage Treatment Agency Intergovernmental Agreement, the City of Kankakee and the villages of Aroma Park, Bourbonnais, and Bradley agreed to the establishment of an independent agency with authority to operate the Regional Wastewater Treatment Facility (RWTF), raise revenue and exercise other powers as necessary. The independent agency created is the Kankakee River Metropolitan Agency (KRMA). The agreement requires a seven member board comprised of four persons appointed by the Mayor of the City of Kankakee and one person appointed by the Mayor of each village. A majority of five affirmative votes is required to modify this agreement, modify the methodology or the amounts of user charges, and approve bond issues or any appropriation in excess of $50,000 or to change the membership of the agency. On April 22, 1999, KRMA acquired ownership of the RWTF.

Note 15 – Intergovernmental Joint Venture (continued)

As of April 30, 2009, the Village has recorded in the Kankakee Municipal Utility an investment in the joint venture of $3,935,029.

Financial statements of the joint venture can be obtained from the Village's accounting department. Pertinent financial information for the joint venture as of April 30, 2009 is as follows:

Statement of net assets:	
Current assets	$ 405,437
Restricted assets	974,990
Capital assets, net	21,235,056
Total assets	$ 22,615,483
Current liabilities	$ 1,836,937
Non-current liabilities	20,400,187
Total liabilities	22,237,124
Total net assets	$ 378,359
Statement of revenues, expenses and change in net assets:	
Operating revenues	$ 5,626,942
Operating expenses	(5,473,729)
Other income (expense)	(648,018)
Change in net assets	(494,805)
Ownership percentage	29.27%
Village's share of net income (equity interest in joint venture income)	$ (144,819)

Note 16 – Fiscal Year 2008 Clerical Errors

The general fund unreserved fund balance on the balance sheet for the governmental funds was originally reported at $5,504,974 and total liabilities were reported at $1,642,202 which included compensated absences. Due to the long-term nature of compensated absences, this liability does not belong on the balance sheet. The correct balance for total liabilities at 2008 fiscal year end is $1,175,216. Therefore, the correct balance for general fund unreserved fund balance at April 30, 2008 was $5,971,960 which is shown on this report.

Note 16 – Fiscal Year 2008 Clerical Errors (continued)

The other governmental funds unreserved fund balance on the balance sheet for the governmental funds was originally reported at $1,407,154 and total liabilities were reported at $37,238 which included accrued interest payable. Due to the long-term nature of the interest and the bonds, this liability does not belong on the balance sheet. The correct balance for total liabilities at 2008 fiscal year end is $6,865. Therefore, the correct balance for other governmental funds unreserved fund balance at April 30, 2008 was $1,437,527, which is shown on this report.

Note 17 – Subsequent Events

In preparing these financial statements, the Village has evaluated events and transactions for potential recognition or disclosure through April 15, 2010, the date the financial statements were available to be issued. No material events or transactions have occurred subsequent to the balance sheet date.

Required Supplementary Information

Required Supplementary Information
Village of Bourbonnais
Budgetary Comparison Schedule - General Fund
for the Years Ended April 30, 2009 and 2008

	2009			2008
	Original Budget	Final Budget	Actual	Actual
REVENUES:				
General Property Taxes	$ 1,100,000	$ 1,100,000	$ 891,155	$ 931,354
Replacement Taxes	65,000	65,000	55,350	73,456
State Income Taxes	1,700,000	1,700,000	1,356,914	1,748,557
Sales and Other Taxes	2,310,000	2,310,000	1,664,337	1,226,795
Circuit Court Fines	105,000	105,000	78,229	119,134
Liquor Licenses	15,250	15,250	9,500	18,250
Building and Zoning Fees	206,000	206,000	180,636	222,719
Impact Fees	-	-	41,843	-
Franchise Fees	328,500	328,500	391,160	168,132
Interest Income	200,000	200,000	98,884	197,107
Sale of Assets	15,000	15,000	14,416	14,850
Other Intergovernmental Revenue	60,100	60,100		40,150
Other Government Sources	548,470	548,470		78,815
Miscellaneous Fines, Fees, Licenses and Permits	259,700	259,700	145,301	218,023
Miscellaneous Revenue	6,500	6,500	248,728	117,785
Transfers	556,875	556,875		
Total Revenues	7,476,395	7,476,395	5,176,453	5,175,127
EXPENDITURES:				
President and Board of Trustees Department	120,050	120,050	110,425	106,749
Administrative Department	184,352	184,352	156,138	180,239
Police Department	2,811,771	2,811,771	2,770,625	2,626,468
Public Works Department	951,600	951,600	1,031,326	1,045,317
Code Enforcement Department	300,092	300,092	285,841	229,495
Central Services Department	2,289,000	2,289,000	918,285	773,464
Finance Department	64,176	64,176	75,978	64,214
Street Department	265,200	265,200	52,219	302,505
Park Department	170,200	170,200	116,167	144,649
Capital Projects	180,550	180,550	143,236	311,763
Total expenditures	7,336,991	7,336,991	5,660,240	5,784,863
Excess of Revenues Over (Under) Expenditures	$ 139,404	$ 139,404	$ (483,787)	$ (609,736)

See accompanying notes.

Required Supplementary Information
Village of Bourbonnais
Budgetary Comparison Schedule - General Fund
for the Years Ended April 30, 2009 and 2008

	2009			2008
	Original Budget	Final Budget	Actual	Actual
PRESIDENT AND BOARD OF TRUSTEES DEPARTMENT:				
Wages & Salaries	$ 46,400	$ 46,400	$ 41,834	$ 46,401
Employee Benefits	3,350	3,350	2,790	3,321
Payroll Taxes	3,700	3,700	3,174	3,550
Office Supplies	1,100	1,100	422	378
Contracts - Other	600	600	947	3,527
Printing, Publishing and Advertising	12,000	12,000	3,176	6,061
Expense Reimbursement	9,000	9,000	7,925	7,189
Dues and Subscriptions	2,100	2,100	1,826	2,518
Travel	20,800	20,800	18,900	31,009
Special Census	5,000	5,000	17,570	
Contributions	3,000	3,000	3,422	2,795
Christmas Party Expenses	13,000	13,000	8,439	
Total President and Board of Trustees	$ 120,050	120,050	110,425	106,749
ADMINISTRATIVE DEPARTMENT:				
Wages and Salaries	120,153	120,153	89,059	117,551
Employee Benefits	44,646	44,646	48,613	42,857
Payroll Taxes	5,747	5,747	8,054	8,356
Printing, Publishing and Advertising	800	800	835	481
Equipment & Maintenance	456	456	769	193
Expense Reimbursement	550	550	420	637
Dues & Subscriptions	1,300	1,300	332	870
Publications	-			309
Supplies	6,050	6,050	4,453	5,162
Telephone	650	650	1,633	694
Training	4,000	4,000	1,970	3,129
Total Administrative Department	$ 184,352	$ 184,352	$ 156,138	$ 180,239

See accompanying notes.

Required Supplementary Information
Village of Bourbonnais
Budgetary Comparison Schedule - General Fund
for the Years Ended April 30, 2009 and 2008

	2009			2008
	Original Budget	Final Budget	Actual	Actual
POLICE DEPARTMENT:				
Salaries	$ 1,902,211	$ 1,902,211	$ 1,883,843	$ 1,728,663
Police Pension Fund	260,000	260,000	255,144	225,387
Employee Benefits	429,200	429,200	406,075	450,023
Payroll Taxes	42,300	42,300	45,329	39,756
Supplies and Materials	8,650	8,650	9,218	8,415
Film and Film Processing	1,250	1,250	558	1,027
Office Supplies	1,000	1,000	1,910	2,110
Printing, Publications and Advertising	4,000	4,000	3,142	3,636
Telephone	6,000	6,000	5,192	6,568
Repairs, Maintenance and Rental - Vehicles and Equipment	23,000	23,000	27,205	29,126
Maintenance Agreement	10,000	10,000	15,093	10,146
Gas, Fuel and Oil	65,860	65,860	58,141	57,690
Tires	2,500	2,500	4,297	4,980
Uniforms	36,800	36,800	38,390	32,587
Training & Seminars	7,000	7,000	5,800	12,967
Dues & Subscriptions	1,000	1,000	875	1,180
Expense Reimbursement	200	200	154	100
Other Contractual Services	1,300	1,300	1,171	1,008
Legal & Professional	7,000	7,000	5,263	8,643
Animal Control	2,500	2,500	3,825	2,456
Total Police Department	2,811,771	2,811,771	2,770,625	2,626,468
PUBLIC WORKS DEPARTMENT:				
Salaries	553,850	553,850	565,370	561,347
Employee Benefits	198,400	198,400	246,935	236,338
Payroll Taxes	39,200	39,200	44,426	40,666
Supplies and Materials	46,700	46,700	57,908	65,845
Office Supplies	700	700	1,404	2,012
Printing, Publishing and Advertising	200	200	412	61
Telephone	6,000	6,000	6,231	6,372
Repairs and Maintenance - Building	7,550	7,550	12,286	14,660
Repairs and Maintenance - Vehicles	17,300	17,300	12,247	18,550
Repairs and Maintenance - Equipment	10,000	10,000	9,184	10,214
Rental Charge	800	800	1,063	
Gas, Fuel and Oil	35,000	35,000	44,102	46,960
Tires	4,000	4,000	4,842	2,770
Cleaning Allowance	4,500	4,500	3,871	4,549
Rain/Winter Wear	1,500	1,500	458	
Training and Seminars	300	300	951	327
Medical Examinations and Supplies	600	600	1,913	
Extermination	500	500		100
Contingency	1,600	1,600	442	2,614
Other Contracts	22,900	22,900	17,281	31,932
Total Public Works Department	$ 951,600	$ 951,600	$ 1,031,326	$ 1,045,317

See accompanying notes.

Required Supplementary Information
Village of Bourbonnais
Budgetary Comparison Schedule - General Fund
for the Year Ended April 30, 2009 and 2008

	2009			2008
	Original Budget	Final Budget	Actual	Actual
CODE ENFORCEMENT DEPARTMENT:				
Salaries	$ 201,000	$ 201,000	$ 194,568	$ 137,843
Employee Benefits	56,538	56,538	54,437	55,762
Payroll Taxes	13,504	13,504	13,757	9,076
Supplies and Materials	3,325	3,325	1,195	2,537
Printing, Publications and Advertising	3,400	3,400	1,176	3,517
Telephone	1,800	1,800	2,549	1,542
Repairs, Maintenance and Rental - Vehicles and Equipment	8,000	8,000	8,526	6,064
Training & Seminars	5,500	5,500	3,690	5,906
Gas, Fuel and Oil	5,000	5,000	4,481	6,097
Dues and Subscriptions	425	425	565	521
Tires	300	300	-	
Contracts Other	300	300	37	
Cleaning Allowance	1,000	1,000	860	630
Total Code Enforcement Department	300,092	300,092	285,841	229,495
CENTRAL SERVICES DEPARTMENT:				
Repairs & Maintenance - Traffic Signal	5,000	5,000	4,398	7,622
Insurance	140,000	140,000	148,929	137,544
Utilities	400	400	23,257	38,687
Street Lighting	98,000	98,000	93,721	151,839
Legal Fees	125,000	125,000	89,246	132,022
Audit Expense	22,500	22,500	19,050	18,850
Engineering	67,000	67,000	32,943	100,050
Other Professional Fees	5,000	5,000	23,215	24,002
Postage	8,000	8,000	5,641	5,787
Supplies	3,500	3,500	5,419	3,662
Telephone Expenses	27,000	27,000	13,653	
Computer Services and Expense	29,800	29,800	49,419	44,840
Other Contracts	14,000	14,000	546	41
Claims	300	300		
Maintenance Agreement	14,800	14,800	5,078	19,834
Contingency	185,000	185,000	22,788	78,545
Transfers	1,338,250	1,338,250	358,000	
Unemployment Insurance			864	10,139
Vehicles	131,600	131,600		
Equipment	38,550	38,550		
Improvements	35,300	35,300	22,118	
Total Central Services Department	$ 2,289,000	$ 2,289,000	$ 918,285	$ 773,464

See accompanying notes.

Required Supplementary Information
Village of Bourbonnais
Budgetary Comparison Schedule - General Fund
for the Years Ended April 30, 2009 and 2008

	2009			2008
	Original Budget	Final Budget	Actual	Actual
FINANCE DEPARTMENT:				
Salaries	$ 50,990	$ 50,990	$ 50,657	$ 43,989
Employee Benefits	7,533	7,533	19,254	14,044
Payroll Taxes	1,453	1,453	3,477	3,272
Office Supplies	800	800	670	434
Computer Supplies	1,500	1,500	1,111	495
Printing, Publishing & Advertising	1,000	1,000	98	1,202
Training	500	500	10	547
Dues & Subscriptions	100	100	389	45
Expense Reimbursement	100	100	215	44
Maintenance Agreements	200	200	97	142
Total Finance Department	64,176	64,176	75,978	64,214
STREET DEPARTMENT:				
Maintenance & Repairs - Grounds	6,000	6,000	(4,662)	15,196
Maintenance & Repairs - Storm	55,000	55,000	13,735	174,853
Supplies	32,000	32,000	16,452	71,579
Capital Outlay	15,000	15,000	22,683	36,342
Extermination	2,200	2,200	1,620	2,160
Rental Equipment	5,000	5,000	2,391	2,375
Depreciation	150,000	150,000		
Total Finance Department	265,200	265,200	52,219	302,505
PARKS DEPARTMENT:				
Salaries	40,000	40,000	35,410	40,777
Payroll Taxes	1,900	1,900	2,723	3,119
Park Expenses	30,500	30,500	44,899	34,766
Capital Outlay	97,800	97,800	33,135	65,987
Total Parks Department	170,200	170,200	116,167	144,649
CAPITAL PROJECTS:				
Vehicles and Equipment	145,250	145,250	138,673	
Transfers				280,619
Improvements	35,300	35,300	4,563	31,144
Total Capital Projects	180,550	180,550	143,236	311,763
TOTAL OPERATING EXPENDITURES	$ 7,336,991	$ 7,336,991	$ 5,660,240	$ 5,784,863

See accompanying notes.

Required Supplementary Information
Village of Bourbonnais
Budgetary Comparison Schedule - Special Revenue Fund
TAX INCREMENT FINANCING DISTRICT
for the Years Ended April 30, 2009 and 2008

	2009			2008
	Original Budget	Final Budget	Actual	Actual
REVENUE:				
State and Other Taxes	$ 1,480,000	$ 1,480,000	$ 1,266,881	$ 1,332,788
General Property Taxes	1,000,000	1,000,000	1,104,385	1,089,884
Interest Income	40,000	40,000	66,520	81,887
Miscellaneous Income	5,000	5,000		
Transfers from Reserves	1,000,000	1,000,000		
Total Revenues	3,525,000	3,525,000	2,437,786	2,504,559
EXPENDITURES:				
Highway and Streets	702,500	702,500	336,183	93,573
Economic Development	181,700	181,700	342,643	514,996
Sewer	50,000	50,000	47,507	
Legal and Professional	58,000	58,000	30,825	45,528
Dues & Seminars	1,000	1,000	7,411	4,892
Administrative & Other	318,000	318,000	187,051	163,316
Engineering	50,000	50,000	225	980
Other Capital Projects	2,410,500	2,410,500	1,158,125	362,181
Debt Reserve	250,000	250,000		
Debt Service				
Bonds Redeemed	370,000	370,000	380,000	370,000
Interest and Fiscal Charges	51,600	51,600	43,987	49,124
Total Expenditures	4,443,300	4,443,300	2,533,957	1,604,590
Excess of Revenues Over (Under) Expenditures	$ (918,300)	$ (918,300)	$ (96,171)	$ 899,969

See accompanying notes.

Required Supplementary Information
Village of Bourbonnais
Budgetary Comparison Schedule - Special Revenue Fund
MOTOR FUEL TAX FUND
for the Years Ended April 30, 2009 and 2008

	2009			2008
	Original Budget	Final Budget	Actual	Actual
REVENUE:				
State of Illinois Motor Fuel Tax	$ 490,000	$ 490,000	$ 514,101	$ 467,616
Interest on Investments	50,000	50,000	11,862	48,638
State Reimbursements			29,553	
Transfers				280,619
Total Revenues	540,000	540,000	555,516	796,873
EXPENDITURES				
Road Repairs and Resurfacing	1,042,925	1,042,925	1,042,734	752,557
Administrative Expense	4,200	4,200	108	2,077
Capital Projects				56,091
Transfer - Debt Service	119,851	119,851	72,894	119,851
Total Expenditures	1,166,976	1,166,976	1,115,736	930,576
Excess of Revenues Over (Under) Expenditures	$ (626,976)	$ (626,976)	$ (560,220)	$ (133,703)

See accompanying notes.

Required Supplementary Information
Village of Bourbonnais
Budgetary Comparison Schedule - Special Revenue Fund
MOTOR FUEL TAX BOND FUND
for the Year Ended April 30, 2009 and 2008

	2009			2008
	Original Budget	Final Budget	Actual	Actual
REVENUE:				
Interest on Investments	$ -	$ -	$ 1,007	$ 3,006
State/Fed Reimbursements				15,000
Transfer From MFT			430,894	119,851
Total Revenues	-	-	431,901	137,857
EXPENDITURES:				
Public Works			8,388	
Capital Projects	900,000	900,000	645,910	180,546
Debt Service	120,300	120,300	123,891	119,035
Total Expenditures	1,020,300	1,020,300	778,189	299,581
Excess of Revenues Over (Under) Expenditures	$ (1,020,300)	$ (1,020,300)	$ (346,288)	$ (161,724)

See accompanying notes.

VILLAGE OF BOURBONNAIS

Note to Budgetary Comparison Schedules

April 30, 2009

Note 1 – Budgets and Budgetary Accounting:

The Village adopts annual budgets for the General Fund, Special Tax Allocation Funds, Motor Fuel Tax Fund, Sewer Fund and Motor Fuel Bond Fund. Expenditures for capital project funds are controlled on a project basis.

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

1. Prior to July 1, the Village Treasurer submits to the Village Board of Trustees a proposed operating budget for the fiscal year which had commenced May 1.

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to August 1, the budget is legally enacted through passage of the annual appropriation ordinance. This ordinance places legal restrictions on expenditures for the General Fund and at the fund level for the Special Revenue Funds. Once approved, the Village Board of Trustees may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

4. Control of and amendments to the budget rest with the Village Board of Trustees. No supplemental appropriations were necessary during the year.

5. Appropriations for all funds are adopted on a basis consistent with the accrual basis of accounting.

Village of Bourbonnais
Combining Balance Sheets
Nonmajor Governmental Funds
April 30, 2009 and 2008

	2009			2008
	Special Revenue Funds		Total Non-major Governmental Funds	Total Non-major Governmental Funds
	Motor Fuel Tax Fund	Motor Fuel Bond Fund		
ASSETS				
Cash and cash equivalents		$ 106,592	$ 106,592	$ 1,525,602
Investments	$ 512,992		512,992	
Receivable from other governments	36,356		36,356	36,670
Interfund Receivable	15,122	14	15,136	14
Total assets	$ 564,470	$ 106,606	$ 671,076	$ 1,562,286
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 9,614		$ 9,614	
Interfund Payable	6,895	$ 143	7,038	$ 6,865
Total liabilities	16,509	143	16,652	6,865
Fund balances:				
Reserved	101,281	70,579	171,860	117,894
Unreserved	446,680	35,884	482,564	1,437,527
Total fund balances	547,961	106,463	654,424	1,555,421
Total liabilities and fund balances	$ 564,470	$ 106,606	$ 671,076	$ 1,562,286

Village of Bourbonnais
Combining Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
April 30, 2009 and 2008

	2009			2008
	Special Revenue Funds		Total Non-major Governmental Funds	Total Non-major Governmental Funds
	Motor Fuel Tax Fund	Motor Fuel Bond Fund		
REVENUES				
Intergovernmental	$ 514,101		$ 514,101	$ 467,616
Investment earnings	11,862	$ 1,007	12,869	51,644
State/Fed Reimbursements	29,553		29,553	15,000
Impact Fees			-	
Total revenues	$ 555,516	$ 1,007	$ 556,523	$ 534,260
EXPENDITURES				
Current:				
General government	108		108	2,077
Public works	1,042,734	8,388	1,051,122	761,048
Capital Outlay		645,910	645,910	228,146
Debt service		118,380	118,380	88,662
Total expenditures	1,042,842	772,678	1,815,520	1,079,933
Excess (deficiency) of revenues over expenditures	(487,326)	(771,671)	(1,258,997)	(545,673)
OTHER FINANCING SOURCES (USES)				
Transfers in		430,894	430,894	400,470
Transfers out	(72,894)		(72,894)	(119,851)
Total other financing sources and uses	(72,894)	430,894	358,000	280,619
Net change in fund balances	(560,220)	(340,777)	(900,997)	(265,054)
Fund balances - beginning	1,108,181	447,240	1,555,421	1,820,475
Fund balances - ending	$ 547,961	$ 106,463	$ 654,424	$ 1,555,421

Statistical Section

Village of Bourbonnais
Assessed Valuations, Rates, Extensions and Collections
For the tax levy years 1998-2008

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Assessed valuation	$ 323,023,716	$ 293,060,541	$ 259,001,987	$ 234,471,154	$ 210,672,228	$ 203,876,490	$ 190,760,002	$ 182,695,825	$ 172,220,970	$ 167,034,542	$ 159,179,401
Tax rates:											
Corporate	0.105	0.116	0.115	0.122	0.128	0.129	0.150	0.159	0.169	0.174	0.178
Civil Defense	0.003	0.002	0.002	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003
Street lighting	0.029	0.029	0.032	0.030	0.034	0.032	0.033	0.033	0.035	0.036	0.035
Parks	0.015	0.014	0.016	0.017	0.018	0.019	0.021	0.022	0.024	0.027	0.040
Police Protection	0.059	0.060	0.064	0.062	0.061	0.057	0.052	0.050	0.053	0.054	0.054
Police Pension	0.054	0.055	0.059	0.056	0.063	0.057	0.052	0.047	0.041	0.039	0.035
Audit	0.008	0.007	0.008	0.008	0.009	0.009	0.010	0.010	0.011	0.011	0.010
Social security	0.038	0.039	0.042	0.040	0.036	0.037	0.037	0.036	0.038	0.036	0.036
School Crossing Guard	0.006	0.005	0.005	0.006	0.006	0.006	0.007	0.007	0.007	0.008	0.007
IMRF	0.029	0.029	0.032	0.033	0.036	0.037	0.039	0.042	0.044	0.045	0.048
Liability Insurance	0.033	0.034	0.038	0.040	0.045	0.046	0.047	0.050	0.047	0.048	0.049
Worker's Comp	0.002	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Unemployment	0.002	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Total tax rates	0.383	0.392	0.415	0.419	0.441	0.434	0.453	0.461	0.474	0.483	0.497
Tax extensions:											
Corporate	$ 339,175	$ 339,950	$ 297,852	$ 286,055	$ 269,660	$ 263,001	$ 286,140	$ 290,486	$ 291,053	$ 290,640	$ 283,340
Civil Defense	9,691	5,861	5,180	7,034	6,320	6,116	5,723	5,481	5,167	5,011	4,775
Street lighting	93,677	84,988	82,881	70,341	71,629	65,240	62,951	60,290	60,277	60,132	55,713
Parks	48,454	41,028	41,440	39,860	37,921	38,736	40,060	40,193	41,333	45,099	63,672
Police Protection	190,584	175,836	165,761	145,372	128,510	116,210	99,195	91,348	91,277	90,199	85,957
Police Pension	174,433	161,183	152,811	131,304	132,724	116,210	99,195	85,867	70,611	65,144	55,713
Audit	25,842	20,514	20,720	18,758	18,961	18,349	19,076	18,270	18,944	18,374	15,918
Social security	122,749	114,294	108,781	93,788	75,842	75,434	70,581	65,771	65,444	60,132	57,304
School Crossing Guard	19,381	14,653	12,950	14,068	12,640	12,233	13,353	12,789	12,056	13,363	11,142
IMRF	93,677	84,988	82,881	77,375	75,842	75,434	74,396	76,732	75,777	75,166	76,406
Liability Insurance	106,598	99,640	98,421	93,788	94,803	93,783	89,657	91,348	80,944	80,177	77,998
Worker's Comp	6,460	2,931	2,590	2,345	2,107	2,039	1,908	1,827	1,722	1,670	1,592
Unemployment	6,460	2,931	2,590	2,345	2,107	2,039	1,908	1,827	1,722	1,670	1,592
Total tax extensions	$ 1,237,181	$ 1,148,797	$ 1,074,858	$ 982,433	$ 929,066	$ 884,824	$ 864,143	$ 842,229	$ 816,327	$ 806,777	$ 791,122
Tax Collections:											
General Fund		$ 1,139,895	$ 1,061,904	$ 972,528	$ 915,450	$ 873,832	$ 854,973	$ 814,836	$ 816,129	$ 810,037	$ 790,614
Road & bridge collections		23,382	23,133	23,232	25,046	24,304	24,426	24,854	30,100	34,309	33,427
Total tax collections		$ 1,163,277	$ 1,085,037	$ 995,760	$ 940,496	$ 898,136	$ 879,399	$ 839,690	$ 846,229	$ 844,346	$ 824,041
Percentage of Village levy collected		99.2%	98.8%	99.0%	98.5%	98.8%	98.9%	96.7%	100.0%	100.4%	99.9%

Village of Bourbonnais
Schedules of Funding Progress

Illinois Municipal Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2008	$ 2,429,657	$ 4,290,770	$ 1,861,113	56.63	$ 1,707,951	108.97%
12/31/2007	2,810,248	3,921,855	1,111,607	71.66	1,565,890	70.99%
12/31/2006	2,906,021	3,872,441	966,420	75.04	1,401,509	68.96%

Bourbonnais Police Pension Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2008	$ 7,537,709	$ 8,668,490	$ 1,130,781	86.96	$ 1,375,631	82.20%
4/30/2007	7,131,827	8,147,663	1,015,836	87.53	1,256,981	80.82%
4/30/2006	6,487,063	8,254,909	1,767,846	78.58	1,170,354	151.05%

See accompanying notes.

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Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Trustees
Village of Bourbonnais
Bourbonnais, Illinois

We have audited the financial statements of the Village of Bourbonnais, Illinois as of and for the years ended April 30, 2009 and 2008, and have issued our report thereon dated April 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Bourbonnais, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported by *Government Auditing Standards*. There are no significant unresolved findings from previous annual audits, physical inspections or management review reports during our audit of the April 30, 2009 financial statements. There were no compliance findings noted during our audit of the April 30, 2009 financial statements relating to physical inspections or management reviews for which the Village has not taken corrective action.

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

Wadley & Associates
Certified Public Accountants
Bourbonnais, Illinois
April 15, 2010