

VILLAGE OF
ELWOOD, ILLINOIS

COMPREHENSIVE
ANNUAL
FINANCIAL REPORT

FOR THE FISCAL
YEAR ENDED
APRIL 30, 2008

VILLAGE OF ELWOOD, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE YEAR ENDED
APRIL 30, 2008**

Prepared by Finance Department:

**Roberta Day
Treasurer**

VILLAGE OF ELWOOD, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Elwood, Illinois including:

- List of Principal Officials
- Organization Chart
- Certificate of Achievement for Excellence in Financial Reporting
- Letter of Transmittal

VILLAGE OF ELWOOD, ILLINOIS

List of Principal Officials
April 30, 2008

VILLAGE PRESIDENT

Janice Ruban – Mayor Pro Tem

VILLAGE BOARD OF TRUSTEES

Donald LaPaglia	Charles Bernhard
Walter Strawn	Jason Kucera
Bud Jones	Mary Matichak

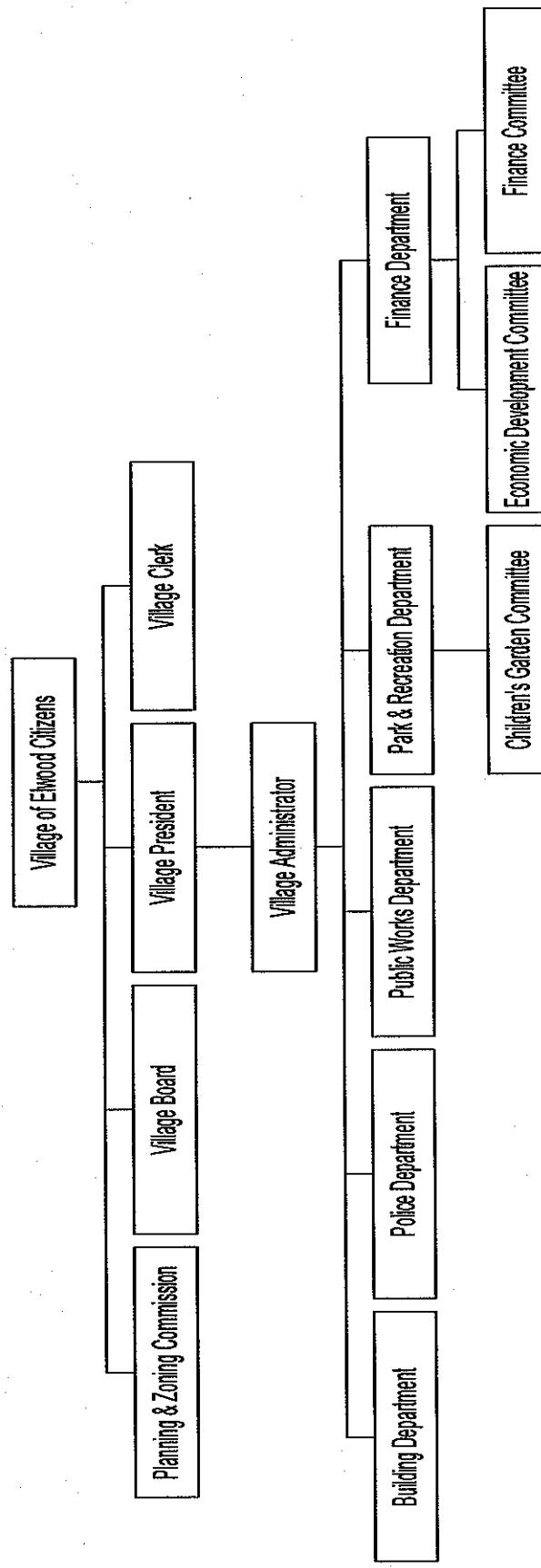
VILLAGE CLERK

Patricia Buchenau

DEPARTMENT HEADS

Village Administrator	Aimee Ingalls
Village Treasurer	Roberta Day
Chief of Police	David Albert
Director of Public Works	Scott Haywood

Village of Elwood



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Elwood
Illinois

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

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



Clue S. Cox

President

Jeffrey R. Ecker

Executive Director

June 30, 2008

To the Citizens of the Village of Elwood:

We submit to you the Comprehensive Annual Financial Report of the Village of Elwood for the fiscal year ended April 30, 2008. The responsibility for the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the Village of Elwood, Administrative Department. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and gives an accurate representation of the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to understand funds and account groups of the Village are included. All disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and is meant to be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

The Village provides a full range of services. These services include:

- Administration
- Legal
- Community development
- Police protection
- Construction and maintenance of roads, streets and infrastructure
- Water distribution
- Wastewater treatment

ECONOMIC CONDITION AND OUTLOOK

The Village is located in the western portion of Will County, which is ranked as one of the top growth areas in the nation. It is located approximately thirty-five miles southwest of Chicago. Housing construction in the past (5) five-year has seen some positive changes in the Village's economic future. In addition, the second largest inter-modal industrial park in the nation is located in a tax increment financing district within the Village's western boarder.

The estimated actual value of property in the Village has increased by 8.29% in 2008. Current projections again anticipate a growth rate in 2009 of approximately 4.00% based on preliminary assessment information. When comparing this growth rate to the prior ten years, which averaged 28.00% from 1998 through 2007, it appears that the majority of the property in the Village is still to be developed; future development will occur on a planned basis.

OTHER ECONOMIC CONDITIONS EXPECTED

Housing developments will increase consistent with the growth in the rest of western Will County. Two (2) major developments are planned for upscale developments.

Currently, unemployment in Will County (5.5%) remains lower than the state (6.4%), and the nation (5.5%) as of May 2008. This compares to a Will County (4.5%), state (4.8%) and a national average of (4.5%) as of May 2007. The local unemployment rate has increased from the rate reported last year. The Bureau of Labor Statistics supplies this information to the Village.

MAJOR INITIATIVES

The Village has accomplished many major initiatives during FYE 2008. Some of the accomplishments that the elected officials and staff are most proud of are described in the following. Completing construction and occupying the new Village Hall, Town Center Road, and major construction projects on many Village thoroughfares.

DEPARTMENT FOCUS

The Administrative staff has grown by one (1) full time receptionist/cashier, while expanding the operation and responsibility of various positions while occupying the new facility.

FINANCIAL INFORMATION

Management of the Village is responsible for establishing and maintaining an internal control structure. This structure is designed to ensure that the assets of the Village are protected from loss, theft or misuse. It is also designed to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The Village's accounting records for governmental and agency funds are maintained on a modified accrual basis, which means revenues are recorded when they become measurable and available and expenditures are recorded when the fund liability is incurred. Accounting records for the Village's enterprise are maintained on a full accrual basis.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

BUDGETING CONTROLS In addition the Village maintains budgetary controls. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, certain Capital Projects Funds, Enterprise Funds and Tax Increment Financing Funds are included in the annual operational budget. Project length financial plans are prepared for the Capital Projects Funds and are published in a separate document. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established at the individual fund level.

GENERAL FUND BALANCE The fund balance in the General Fund increased in FYE 2008 by \$743,970 or 55.29%. The fund balance has increased well beyond the target of 25% of expenses showing increasing financial stability.

ENTERPRISE OPERATIONS the Village's enterprise operations are comprised of two separate and distinct activities: the Waterworks and Sewerage Fund and the Garbage Fund. For FYE 2008, operating expenses in the Enterprise Funds increased by \$46,370 or 7.06% over the prior year, due to increased operating costs. Revenue in the Waterworks and Sewerage Fund increased by 17.41% over the prior fiscal year due to increased rates.

DEBT ADMINISTRATION The Village has two (2) general obligation bonds issued outstanding in FY 2008. Both issues are Series 2005, \$6,715,000 and Series 2006, \$6,188,552 for various capital projects throughout the community. The Village received its first bond rating in conjunction with these bonds at BBB+, a very high bond rating for the first rated issue and given the size of the community. Being a home-rule community the Village does not have a limit on bonding authority.

CASH MANAGEMENT Cash temporarily idle during the year was invested in investment pools. The Village's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits are insured by federal depository insurance. However, policy requires all investments to be collateralized. The Village's investment management is in transition with a number of changes expected in coming years and a comprehensive review of the Village's investment policy anticipated.

RISK MANAGEMENT The Village entered into a contractual agreement effective January 1, 1986, joining the Illinois Municipal League Risk Management Agency (IMLRisk), which provides the Village with its insurance coverage for liability, property damage, workmen's compensation, and all other lines of coverage. IRMA is a self-insurance group consisting several municipalities, pooling their risks through a self-insurance agency. During 2006, the Village continued low claim experience through innovative loss control programs.

INDEPENDENT AUDIT

State statute requires an annual audit by independent certified public accountants. The Village selected the accounting firm of Lauterbech & Amen. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

AWARDS

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to governmental entities for their Comprehensive Annual Financial Report (CAFR) for each fiscal year. The Village of Elwood received the prestigious award in FY 2007. In order to be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

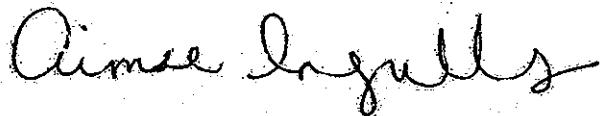
A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

ACKNOWLEDGEMENTS

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire administrative staff. Each member has our sincere appreciation for the contributions made in preparation of this report. Particular recognition should be given to Robbie Day, Accountant/ Bookkeeper, and Pat Buchenau, Village Clerk for their hard work and dedication in completing this report.

In addition, the Village wishes to recognize the staff of the firm of Lauterbech & Amen, whose professionalism and cooperation is sincerely appreciated. In closing, we would like to thank the members of the Board of Trustees for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Without their leadership and ongoing support, preparation of this report would not have been possible.

Sincerely,



Aimee Ingalls
Village Administrator

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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

INDEPENDENT AUDITORS' REPORT

June 22, 2008

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

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

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

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

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

Village of Elwood, Illinois
June 22, 2008
Page 2

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

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

Lauterbach & Amen LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

Our discussion and analysis of the Village of Elwood's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2008. Please read it in conjunction with the transmittal letter that begins on page iii and the Village's financial statements, which begin on page 15. This is the third year that the Village is applying GASB Statement No. 34. Therefore, comparative data for the prior year is presented.

FINANCIAL HIGHLIGHTS

- The Village of Elwood's governmental net assets decreased as a result of this year's operations and capital improvements by \$6,670,806, while net assets of business-type activities decreased by \$843,713.
- During the year, expenses were \$6.7 million more than the \$14.5 million generated in revenues for governmental programs.
- Revenues for business-type activities were \$0.7 million while expenses were \$1.5 million, resulting in the \$.8 million decrease to net assets.
- The General Fund reported a surplus this year of \$734,970, resulting in an ending fund balance of \$1,681,475.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 15 - 18) provide information about the activities of the Village of Elwood as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 19. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Elwood's operation in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village of Elwood's finances, in a manner similar to a private-sector business. The government wide financial statements can be found on pages 15 - 18 of this report.

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

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements – Continued

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

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, and parks and recreation. The business-type activities of the Village include water, sewer, and garbage operations.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Elwood, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

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

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

The Village of Elwood maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Deer Run TIF Fund, Phase I Improvements Fund, Brandon/Noel Road Improvements Fund, Capital Construction Bond Fund, and Village Hall Construction Fund, all of which are considered major funds.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

USING THIS ANNUAL REPORT - Continued

Fund Financial Statements - Continued

Governmental Funds – Continued

Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village of Elwood adopts an annual appropriated budget for all of the governmental funds, except the Brandon/Noel Road Improvements Fund. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 19 - 24 of this report.

Proprietary Funds

The Village maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its water and sewer, and garbage operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Garbage Fund. The Water and Sewer Fund is considered to be a major proprietary fund of the Village, while the Garbage Fund is considered to be a non-major fund. The basic proprietary fund financial statements can be found on pages 25 - 27 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 - 51 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F. employee pension obligations. Required supplementary information can be found on pages 52 - 54 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on the pension. Combining and individual fund statements and schedules can be found on pages 55 - 80 of this report.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Elwood, liabilities exceeded assets by \$18.0 million due in large part to the current year accretion expense on the Capital Appreciation Bonds.

	Net Assets					
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and Other Assets	\$ 11,062,451	13,405,976	838,805	1,568,232	11,901,256	14,974,208
Capital Assets	132,692,059	128,409,087	22,537,632	23,097,528	155,229,691	151,506,615
Total Assets	143,754,510	141,815,063	23,376,437	24,665,760	167,130,947	166,480,823
Long-Term Debt Outstanding	153,843,754	148,207,886	14,506,410	14,324,741	168,350,164	162,532,627
Other Liabilities	16,278,674	13,304,289	511,844	1,139,123	16,790,518	14,443,412
Total Liabilities	170,122,428	161,512,175	15,018,254	15,463,864	185,140,682	176,976,039
Net Assets						
Invested in Capital Assets,						
Net of Debt	27,266,803	10,793,782	8,037,632	8,777,528	35,304,435	19,571,310
Restricted	914,820	1,214,702	-	-	914,820	1,214,702
Unrestricted (Deficit)	(54,549,541)	(31,705,596)	320,551	424,368	(54,228,990)	(31,281,228)
Total Net Assets	(26,367,918)	(19,697,112)	8,358,183	9,201,896	(18,009,735)	(10,495,216)

By far the largest portion of the Village of Elwood's net assets reflects its investment in capital assets of \$35.3 million (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village of Elwood uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Elwood's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion or \$.9 million of the Village of Elwood's net assets represents resources that are subject to external restrictions on how they may be used. The remaining net assets represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Changes in Net Assets					
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues						
Program Revenues						
Charges for Services	\$ 4,057,203	2,311,608	587,497	509,554	4,644,700	2,821,162
Operating Grants/Contrib.	45,457	87,161	-	-	45,457	87,161
Capital Grants/Contrib.	50,000	50,000	33,750	19,500	83,750	69,500
General Revenues						
Property Taxes	7,038,909	5,714,095	-	-	7,038,909	5,714,095
Utility Taxes	443,077	339,502	-	-	443,077	339,502
Sales Taxes	396,246	1,365,439	-	-	396,246	1,365,439
Income Taxes	180,847	164,319	-	-	180,847	164,319
Other General Revenues	2,294,663	711,284	78,162	125,106	2,372,825	836,390
Total Revenues	14,506,402	10,743,408	699,409	654,160	15,205,811	11,397,568
Expenses:						
General Government	1,816,816	2,697,423	-	-	1,816,816	2,697,423
Public Safety	1,317,095	769,922	-	-	1,317,095	769,922
Public Works	3,222,603	3,480,685	-	-	3,222,603	3,480,685
Parks and Recreation	68,958	114,402	-	-	68,958	114,402
Interest on Long-Term Debt	14,751,436	14,065,749	-	-	14,751,436	14,065,749
Waterworks and Sewerage	-	-	1,413,463	1,708,927	1,413,463	1,708,927
Garbage	-	-	129,659	124,518	129,659	124,518
Total Expenses	21,176,908	21,128,181	1,543,122	1,833,445	22,720,030	22,961,626
Change in Net Assets	(6,670,506)	(10,384,773)	(843,713)	(1,179,285)	(7,514,219)	(11,564,058)
Net Assets-Beginning	(19,967,112)	(9,312,339)	9,201,896	10,381,181	(10,765,216)	1,068,842
Net Assets-Ending	(26,637,618)	(19,697,112)	8,358,183	9,201,896	(18,279,435)	(10,495,216)

Net assets of the Village of Elwood's governmental activities decreased substantially (negative \$26.6 million compared to negative \$19.9 million). This deficit arose primarily due to the current year accretion on the Capital Appreciation Bonds outstanding.

Net assets of business-type activities decreased (negative \$.8 million compared to negative \$1.1 million). The Village of Elwood generally can only use these net assets to finance the continuing operations of the utility operations.

Governmental Activities

Revenues for governmental activities were \$14.5 million for the year, with the largest portion of revenue coming from property taxes (\$7.0 million), 99.8% for TIF bonds. Total expenses for the year were \$21.2 million with the largest portion coming from the interest expense on long-term (TIF) debt (\$14.8 million).

VILLAGE OF ELWOOD, ILLINOIS

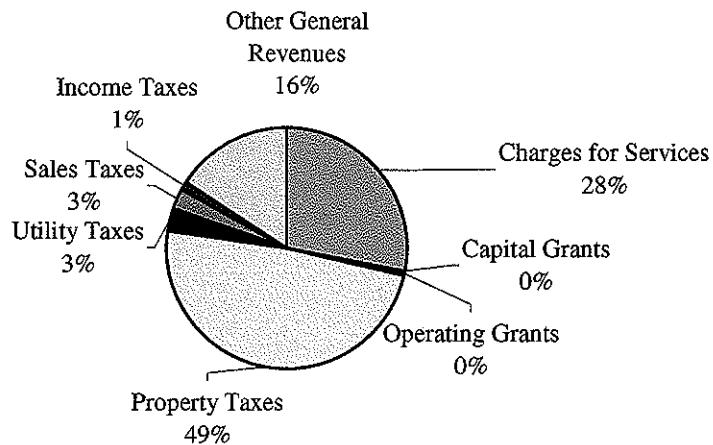
Management's Discussion and Analysis April 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

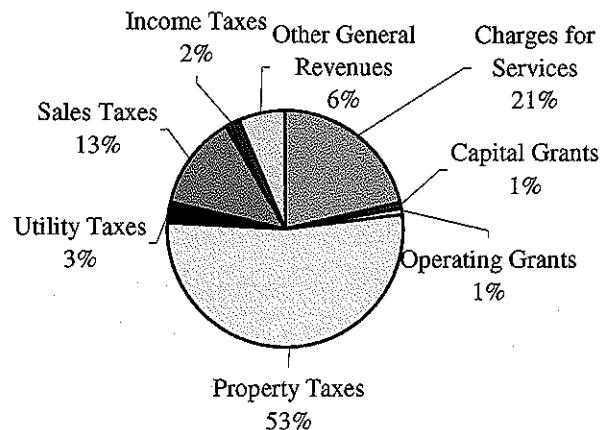
Governmental Activities – Continued

The main reason for the large amount of interest on long-term debt is related to the Tax Increment Financing bonds outstanding at year end of \$148.8 million, and the related accretion expense on the bonds.

Revenues by Source - Governmental Activities at April 30, 2008



Revenues by Source - Governmental Activities at April 30, 2007



VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2008

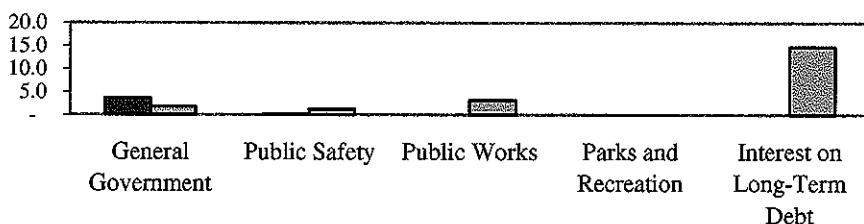
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

The 'Revenues by Source' Tables graphically depict the major revenue sources of the Village of Elwood for 2008 and 2007. It depicts very clearly the reliance of property taxes "98% from the TIF district" and charges for services (28%) to fund governmental activities. It also clearly identifies the minor percentage the Village receives from sales taxes (only 2%). Under the Board's leadership and the cooperation of the industrial park, there continues to be an effort to develop and expand the TIF District and develop capital infrastructure improvements to assist in that effort. It is then anticipated that the Village will see significant increases in sales tax revenues.

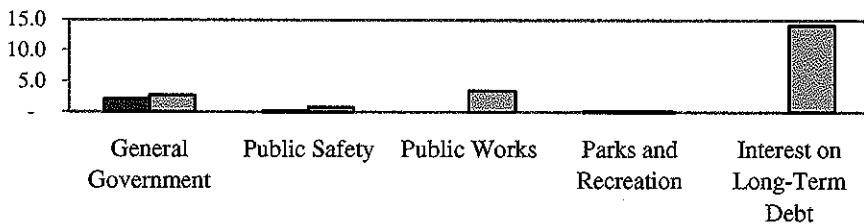
Expenses and Program Revenues - Governmental Activities at April 30, 2008

■ Revenues
■ Expenses



Expenses and Program Revenues - Governmental Activities at April 30, 2007

■ Revenues
■ Expenses



VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

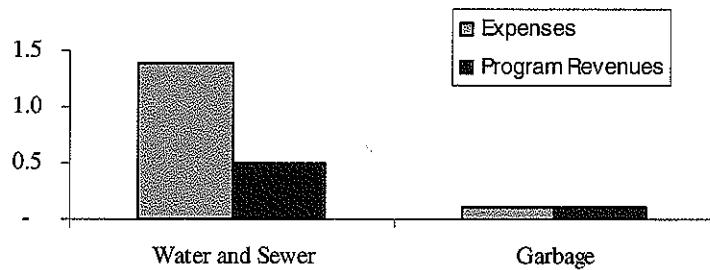
Governmental Activities – Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. From the table, it can be noted that the general government function has enough revenues to meet program expenses.

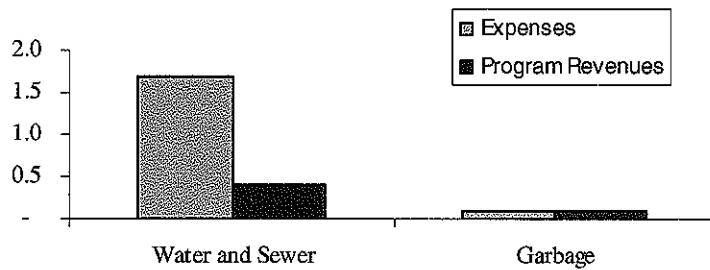
Business-type activities

Total revenues of the Village's business-type activities were \$0.7 million, while expenses were also \$1.5 million, resulting in a decrease in net assets at the end of the year. The table below compares program revenues and expenditures for the Water and Sewer Fund and the Garbage Fund. As part of the annexation agreement with Centerpoint Properties, The Village receives necessary funds to have the Water and Sewer Fund break-even at year-end. Although in addition to the \$0.6 millions in charges for services, the Village also received \$0.03 million in capital grants/contributions.

Expenses and Program Revenues - Business-Type Activities at April 30, 2008



Expenses and Program Revenues - Business-Type Activities at April 30, 2007



The above graph compares program revenues to expenses for water and sewer operations, and garbage operations. From the table it can be noted that the Garbage function is charging the appropriate service charge to cover the garbage expenses.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$3,740,155, which is significantly below last year's governmental fund balances of \$7,101,701. Included in this year's total change in fund balance, however, is a surplus of \$734,970 in the General Fund, a surplus of \$55,501 in the Brandon/Noel Road Improvements Fund and a surplus of \$694,978 in the Capital Construction Bond Fund. In addition, these other changes in fund balances should be noted:

- The Village spent \$5,922,311 million this year on the Village Hall construction and \$2,955,226 for Phase I Improvements, reducing the beginning fund balances in the Village Hall Construction Fund and in the Phase 1 Fund. These reductions were expected because balances at the beginning of this year included the proceeds of previous distributions from the industrial park developer, and bond proceeds. Although these and other capital expenditures reduce available fund balances, they create new assets as reported in the Statement of Net Assets and as discussed in Note 1 to the financial statements.
- Motor fuel tax funds, provided by the State, can only be used to replace, maintain, or improve the Village's roads. This year \$57,205 was added to a fund balance of \$473,923 to be used for future projects in the Motor Fuel Tax Fund.

Proprietary funds

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

The Village reports the Water and Sewer Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water and sewer system. Water is sold to all municipal customers at a flat rate of \$22.42 for first 2,000 gallons and \$4.96 per thousand gallons thereafter. The spread between purchase and sale rates is intended to finance the operations of the waterworks and sewerage system, including labor costs, supplies, and infrastructure maintenance.

The Village intends to run the fund at a breakeven rate, with a contribution from the developer of the industrial park.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2008

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no amendments made to the General Fund budget during the year. The General Fund revenues were \$2,538,166 above the budgeted amount of \$1,915,374. The major factors for the increases in charges for services for overweight truck fees, which totaled \$1,704,944 for the year with an anticipated budget of only \$150,000.

The General Fund expenditures were \$720,605 above the budgeted amount of \$2,089,990. The most significant increases included in the General Government function due to unanticipated expenditures related to the new construction of Village Hall and related engineering and legal fees.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village of Elwood's investment in capital assets for its governmental and business-type activities as of April 30, 2008 was \$155.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, park facilities, roads, sidewalks, and bridges. The total increase in the Village's investment in capital assets for the current fiscal year was \$4.0 million, or 2.6 percent over the prior year.

	Capital Assets - Net of Accumulated Depreciation					
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 2,051,833	50,000	1,909,500	1,909,500	3,961,333	1,959,500
Construction in Progress	463,528	3,010,819	-	-	463,528	3,010,819
Buildings and Improvements	6,006,125	-	10,689,623	11,009,320	16,695,748	11,009,320
Machinery & Equipment	655,669	390,739	76,104	100,442	731,773	491,181
Infrastructure	123,514,904	124,957,529	9,862,405	10,078,266	133,377,309	135,035,795
Total	132,692,059	128,409,087	22,537,632	23,097,528	155,229,691	151,506,615

This year's major additions included:

Gardner Street	\$ 38,240
Route 53 Turn Lane	186,640
Mississippi St.	495,419
Other Projects	119,612
St Louis reconstruction project	24,807
Jackson/Matteson Streets	78,311
Meadow Brook Detention	14,697
Elwood Town Ctr./Lincolnway Drive	641,649
Diagonal Road Extension	103,461

1,702,836

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2008

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Capital Assets – Continued

The fiscal year 2008 capital budget includes \$8,552,385 for capital projects, principally for the construction of the new Village Hall, the completion of the Mississippi Avenue reconstruction project, downtown park and the initial year of Gardner Street, with engineering for Diagonal and Mississippi turn lane.

Additional information on the Village's capital assets can be found in note 3 on pages 41 - 42 of this report.

Debt Administration

At year-end, the Village had total outstanding bonded debt of \$177.1 million as compared to \$169.6 million the previous year, resulting in a 4.7 percent increase from the prior year. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Installment Contracts	\$ 78,049	103,333	-	-	78,049	103,333
General Obligation Bonds	6,715,000	6,715,000	-	-	6,715,000	6,715,000
General Obligation Capital Appreciation Bonds	6,188,552	6,188,552	-	-	6,188,552	6,188,552
Accretion - General Obligation Capital Appreciation Bonds	790,508	414,096	-	-	790,508	414,096
TIF Notes Payable	92,443,655	104,798,695	-	-	92,443,655	104,798,695
Accretion - TIF Notes Payable	56,368,324	36,845,534	-	-	56,368,324	36,845,534
Loans Payable	-	-	14,500,000	14,500,000	14,500,000	14,500,000
Total	162,584,088	155,065,210	14,500,000	14,500,000	177,084,088	169,565,210

The Village of Elwood has been rated by Standard & Poor's for alternate revenue bonds at (BBB+) general obligation debt. As a home-rule unit, no legal limit exists on the amount of debt that can be outstanding.

Additional information on the Village's long-term debt can be found in Note 3 on pages 43 – 49 of this report.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2008

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2008 appropriation, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. Unemployment rates for April 30, 2007 for the Village of Elwood (Will County) is 5.5 percent, which is over the state unemployment rate of 6.4 percent and the national unemployment rate of 5.5 percent.

Inflation increases in the metropolitan area continue to be somewhat higher than the national Consumer Price Index (CPI) increases. The metropolitan CPI increase was 3.6 percent for fiscal year 2008 compared with the national rate of 3.9 percent.

These indicators were taken into account when adopting the General Fund budget for 2009. Amounts available for appropriation in the General Fund budget are \$1,926,763, a decrease of 23% over the final 2008 budget of \$2,497,523, basically due to reimbursements. The sales tax base of the Village of Elwood continues to remain stable, allowing the Village of Elwood to budget consistently for fiscal year 2008. Property taxes increased slightly and utility taxes are expected to lead further increases. Budgeted expenditures are expected to decrease nearly 23% percent, due to reimbursements. Increased cost-of-living adjustments of 3.0%, along with market adjustments in key positions, represent the largest increments. The Village has added some major new programs and initiatives to the 2009 budget, including tree replacement, leak detection, sanitary sewer televising, and valve testing.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Elwood's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Office, Village of Elwood, P.O. Box 435, Elwood, Illinois, 60421.

BASIC FINANCIAL STATEMENTS

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

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

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

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Assets
April 30, 2008

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Assets
April 30, 2008

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 4,389,256	744,620	5,133,876
Receivables - Net	6,591,903	38,370	6,630,273
Due from Other Governments	33,556	-	33,556
Prepays	47,736	55,815	103,551
Total Current Assets	11,062,451	838,805	11,901,256
Noncurrent Assets			
Capital Assets			
Nondepreciable	2,515,361	1,909,500	4,424,861
Depreciable	139,344,153	23,480,464	162,824,617
Accumulated Depreciation	(9,167,455)	(2,852,332)	(12,019,787)
Total Noncurrent Assets	132,692,059	22,537,632	155,229,691
Total Assets	143,754,510	23,376,437	167,130,947

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

	Governmental Activities	Business-Type Activities	Total
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LIABILITIES

Current Liabilities

Accounts Payable	833,594	48,991	882,585
Retainage Payable	79,515	-	79,515
Accrued Interest Payable	48,641	461,250	509,891
Unearned Revenues	6,409,187	-	6,409,187
Current Portion of Long-Term debt	8,907,737	1,603	8,909,340
Total Current Liabilities	16,278,674	511,844	16,790,518

Noncurrent Liabilities

Compensated Absences Payable	133,922	6,410	140,332
Installment Contracts Payable	51,297	-	51,297
General Obligation Bonds Payable	6,715,000	-	6,715,000
General Obligation Capital Appreciation Bonds Payable	6,188,552	-	6,188,552
Accretion - General Obligation Capital Appreciation Bonds Payable	790,508	-	790,508
Loans Payable	-	14,500,000	14,500,000
TIF Notes Payable	83,596,151	-	83,596,151
Accretion - TIF Notes Payable	56,368,324	-	56,368,324
Total Noncurrent Liabilities	153,843,754	14,506,410	168,350,164
Total Liabilities	170,122,428	15,018,254	185,140,682

NET ASSETS

Invested in Capital Assets - Net of Related Debt	27,266,803	8,037,632	35,304,435
Restricted - Special Revenues	914,820	-	914,820
Unrestricted	(54,549,541)	320,551	(54,228,990)
Total Net Assets	(26,367,918)	8,358,183	(18,009,735)

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

VILLAGE OF ELWOOD, ILLINOIS

Statement of Activities
Year Ended April 30, 2008

		Program Revenues		
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Primary Government				
Governmental Activities				
General Government	\$ 1,816,816	3,720,168	-	-
Public Safety	1,317,095	300,768	-	-
Public Works	3,222,603	-	45,157	50,000
Parks and Recreation	68,958	36,267	-	-
Interest on Long-Term Debt	14,751,436	-	-	-
Total Governmental Activities	<u>21,176,908</u>	<u>4,057,203</u>	<u>45,157</u>	<u>50,000</u>
Business-Type Activities				
Water and Sewer	1,413,463	451,651	-	33,750
Garbage	129,659	135,846	-	-
Total Business-Type Activities	<u>1,543,122</u>	<u>587,497</u>	<u>-</u>	<u>33,750</u>
	<u>22,720,030</u>	<u>4,644,700</u>	<u>45,157</u>	<u>83,750</u>

General Revenues
 Taxes
 Property Taxes
 Utility Taxes
 Intergovernmental - Unrestricted
 Sales Taxes
 Income Taxes
 Reimbursements
 Interest Income
 Miscellaneous

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

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

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
1,903,352	-	1,903,352
(1,016,327)	-	(1,016,327)
(3,127,446)	-	(3,127,446)
(32,691)	-	(32,691)
(14,751,436)	-	(14,751,436)
<u>(17,024,548)</u>	<u>-</u>	<u>(17,024,548)</u>
-	(928,062)	(928,062)
-	6,187	6,187
<u>-</u>	<u>(921,875)</u>	<u>(921,875)</u>
<u>(17,024,548)</u>	<u>(921,875)</u>	<u>(17,946,423)</u>
7,038,909	-	7,038,909
443,077	-	443,077
396,246	-	396,246
180,847	-	180,847
691,190	-	691,190
627,199	78,162	705,361
976,274	-	976,274
<u>10,353,742</u>	<u>78,162</u>	<u>10,431,904</u>
(6,670,806)	(843,713)	(7,514,519)
<u>(19,697,112)</u>	<u>9,201,896</u>	<u>(10,495,216)</u>
<u>(26,367,918)</u>	<u>8,358,183</u>	<u>(18,009,735)</u>

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

VILLAGE OF ELWOOD, ILLINOIS

Balance Sheet - Governmental Funds
April 30, 2008

	General	Deer Run TIF	Phase I Improvements
ASSETS			
Cash and Investments	\$ 1,635,328	63,920	812,143
Receivables - Net of Allowances			
Property Taxes	203,954	6,205,233	-
Other Taxes	182,716	-	-
Due from Other Governments	-	-	-
Prepays	25,907	-	-
Total Assets	2,047,905	6,269,153	812,143
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	162,476	620,779	6,806
Retainage Payable	-	-	79,515
Unearned/Deferred Revenues	203,954	6,205,233	-
Total Liabilities	366,430	6,826,012	86,321
Fund Balances			
Reserved - Prepaid Items	25,907	-	-
Reserved - Road Improvements	-	-	-
Reserved - Road Reconstruction	-	-	-
Unreserved - Designated - Capital Improvements			
General	79,702	-	-
Unreserved - Undesignated			
General	1,575,866	-	-
Special Revenue	-	-	-
Debt Service	-	(556,859)	-
Capital Projects	-	-	725,822
Total Fund Balances	1,681,475	(556,859)	725,822
Total Liabilities and Fund Balances	2,047,905	6,269,153	812,143

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

Brandon/Noel Road Improvements	Capital Construction Bond	Village Hall Construction	Nonmajor Governmental Funds	Total Governmental Funds
265,440	711,829	14,823	885,773	4,389,256
-	-	-	-	6,409,187
-	-	-	-	182,716
-	-	-	33,556	33,556
-	-	-	21,829	47,736
265,440	711,829	14,823	941,158	11,062,451
-	2,372	14,823	26,338	833,594
-	-	-	-	79,515
-	-	-	-	6,409,187
-	2,372	14,823	26,338	7,322,296
-	-	-	21,829	47,736
-	-	-	83,664	83,664
-	-	-	147,488	147,488
-	-	-	-	79,702
-	-	-	-	1,575,866
-	-	-	661,839	661,839
-	-	-	-	(556,859)
265,440	709,457	-	-	1,700,719
265,440	709,457	-	914,820	3,740,155
265,440	711,829	14,823	941,158	11,062,451

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

VILLAGE OF ELWOOD, ILLINOIS

**Reconciliation of Total Governmental Fund Balance to
Net Assets of Governmental Activities**

April 30, 2008

Total Governmental Fund Balances	\$ 3,740,155
<p>Amounts reported for governmental Activities in the Statement of Net Assets are different because:</p>	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	132,692,059
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(167,403)
Installment Contracts Payable	(78,049)
General Obligation Bonds Payable	(6,715,000)
General Obligation Capital Appreciation Bonds Payable	(6,188,552)
Accretion - General Obligation Capital Appreciation Bonds Payable	(790,508)
TIF Notes Payable	(92,443,655)
Accretion - TIF Notes Payable	(56,368,324)
Accrued Interest Payable	<u>(48,641)</u>
Net Assets of Governmental Activities	<u>(26,367,918)</u>

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

VILLAGE OF ELWOOD, ILLINOIS

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

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

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

	General	Deer Run TIF	Phase I Improvements
Revenues			
Taxes	\$ 604,454	6,096,280	-
Intergovernmental	577,093	-	691,190
Charges for Services	2,521,267	-	1,000,000
Licenses and Permits	198,901	-	-
Fines and Forfeits	300,768	-	-
Interest Income	36,669	109,857	104,085
Miscellaneous	214,388	-	-
Total Revenues	4,453,540	6,206,137	1,795,275
Expenditures			
Current			
General Government	1,640,540	132,755	-
Public Safety	586,708	-	-
Public Works	583,347	-	-
Parks and Recreation	-	-	-
Capital Outlay	-	-	1,702,836
Debt Service			
Principal Retirement	-	6,907,279	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	2,810,595	7,040,034	1,702,836
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	1,642,945	(833,897)	92,439
Other Financing Sources (Uses)			
Transfers In	-	-	922,454
Transfers Out	(907,975)	-	(1,252,390)
	(907,975)	-	(329,936)
Net Change in Fund Balances	734,970	(833,897)	(237,497)
Fund Balances - Beginning	946,505	277,038	963,319
Fund Balances - Ending	1,681,475	(556,859)	725,822

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

Brandon/Noel Road Improvements	Capital Construction Bond	Village Hall Construction	Nonmajor Governmental Funds	Total Governmental Funds
50,000	-	-	781,252	7,481,986
-	-	-	45,157	1,363,440
-	-	-	36,267	3,557,534
-	-	-	-	198,901
-	-	-	-	300,768
5,501	-	352,245	18,842	627,199
-	711,829	50,000	57	976,274
55,501	711,829	402,245	881,575	14,506,102
<hr/>				
-	-	-	-	1,773,295
-	-	-	817,284	1,403,992
-	-	-	85,954	669,301
-	-	-	68,958	68,958
-	2,372	5,014,336	-	6,719,544
-	-	-	25,284	6,932,563
-	-	-	299,995	299,995
-	2,372	5,014,336	1,297,475	17,867,648
55,501	709,457	(4,612,091)	(415,900)	(3,361,546)
<hr/>				
-	-	907,975	344,415	2,174,844
-	(14,479)	-	-	(2,174,844)
-	(14,479)	907,975	344,415	-
55,501	694,978	(3,704,116)	(71,485)	(3,361,546)
209,939	14,479	3,704,116	986,305	7,101,701
265,440	709,457	-	914,820	3,740,155

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

VILLAGE OF ELWOOD, ILLINOIS

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

Year Ended April 30, 2008

Net Change in Fund Balances - Total Governmental Funds	\$ (3,361,546)
---	-----------------------

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

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

Capital Outlays	7,460,448
Depreciation Expense	(3,177,476)

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

Additions to Accretion - General Obligation Capital Appreciation Bonds	(376,412)
Additions to Accretion - TIF Notes Payable	(14,075,029)
Retirement of Debt	6,932,563
Additions to Compensated Absences Payable	<u>(73,354)</u>

Changes in Net Assets of Governmental Activities **(6,670,806)**

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Assets - Proprietary Funds
April 30, 2008

	Business-Type Activities - Enterprise		
	Water and Sewer	Nonmajor Garbage	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 737,794	6,826	744,620
Receivables - Net of Allowances			
Accounts	27,837	10,533	38,370
Prepays	44,416	11,399	55,815
	<u>810,047</u>	<u>28,758</u>	<u>838,805</u>
Capital Assets			
Nondepreciable Capital Assets	1,909,500	-	1,909,500
Depreciable Capital Assets	23,480,464	-	23,480,464
Accumulated Depreciation	(2,852,332)	-	(2,852,332)
	<u>22,537,632</u>	<u>-</u>	<u>22,537,632</u>
Total Assets	<u>23,347,679</u>	<u>28,758</u>	<u>23,376,437</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	43,668	5,323	48,991
Accrued Interest Payable	461,250	-	461,250
Compensated Absences Payable	1,603	-	1,603
	<u>506,521</u>	<u>5,323</u>	<u>511,844</u>
Long-Term Liabilities			
Compensated Absences Payable	6,410	-	6,410
Loans Payable	14,500,000	-	14,500,000
	<u>14,506,410</u>	<u>-</u>	<u>14,506,410</u>
Total Liabilities	<u>15,012,931</u>	<u>5,323</u>	<u>15,018,254</u>
NET ASSETS			
Invested in Capital Assets - Net			
of Related Debt	8,037,632	-	8,037,632
Unrestricted	<u>297,116</u>	<u>23,435</u>	<u>320,551</u>
Total Net Assets	<u>8,334,748</u>	<u>23,435</u>	<u>8,358,183</u>

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

VILLAGE OF ELWOOD, ILLINOIS

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

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Nonmajor Garbage	Totals
Operating Revenues			
Charges for Services	<u>\$ 451,651</u>	<u>135,846</u>	<u>587,497</u>
Operating Expenses			
Water Operations	375,652	-	375,652
Sewer Operations	327,303	-	327,303
Garbage Operations	-	129,659	129,659
Depreciation	559,896	-	559,896
Total Operating Expenses	<u>1,262,851</u>	<u>129,659</u>	<u>1,392,510</u>
Operating Income (Loss)	<u>(811,200)</u>	<u>6,187</u>	<u>(805,013)</u>
Nonoperating Revenues (Expenses)			
Interest Income	77,940	222	78,162
Interest and Fiscal Charges	<u>(150,612)</u>	-	<u>(150,612)</u>
	<u>(72,672)</u>	<u>222</u>	<u>(72,450)</u>
Income (Loss) Before Contributions	<u>(883,872)</u>	<u>6,409</u>	<u>(877,463)</u>
Contributions	<u>33,750</u>	-	<u>33,750</u>
Change in Net Assets	<u>(850,122)</u>	<u>6,409</u>	<u>(843,713)</u>
Net Assets - Beginning	<u>9,184,870</u>	<u>17,026</u>	<u>9,201,896</u>
Net Assets - Ending	<u>8,334,748</u>	<u>23,435</u>	<u>8,358,183</u>

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

VILLAGE OF ELWOOD, ILLINOIS

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

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Nonmajor Garbage	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 560,168	142,114	702,282
Payments to Employees	(63,612)	-	(63,612)
Payments to Suppliers	(1,072,244)	(142,368)	(1,214,612)
	<u>(575,688)</u>	<u>(254)</u>	<u>(575,942)</u>
Cash Flows from Capital and Related Financing Activities			
Contribution	33,750	-	33,750
Interest Paid	(150,612)	-	(150,612)
	<u>(116,862)</u>	<u>-</u>	<u>(116,862)</u>
Cash Flows from Investing Activities			
Interest Received	77,940	222	78,162
Net Change in Cash and Cash Equivalents	(614,610)	(32)	(614,642)
Cash and Cash Equivalents - Beginning	1,352,404	6,858	1,359,262
Cash and Cash Equivalents - Ending	<u>737,794</u>	<u>6,826</u>	<u>744,620</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(811,200)	6,187	(805,013)
Adjustments to Reconcile Operating Income to Net Income to Net Cash			
Provided by (Used in) Operating Activities:			
Depreciation Expense	559,896	-	559,896
(Increase) Decrease in Current Assets	108,517	6,268	114,785
Increase (Decrease) in Current Liabilities	(432,901)	(12,709)	(445,610)
	<u>235,512</u>	<u>(6,441)</u>	<u>229,071</u>
Net Cash Provided by (Used in) Operating Activities	<u>(575,688)</u>	<u>(254)</u>	<u>(575,942)</u>

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

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VILLAGE OF ELWOOD, ILLINOIS

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VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements
April 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

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

BASIS OF PRESENTATION

Government-Wide Statements

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

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

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

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

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

Fund Financial Statements

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

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

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

Governmental Funds

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

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Village maintains one major debt service fund, the Deer Run TIF Fund, which accounts for revenues received from incremental property taxes and expenditures for debt service payments related to tax increment financing bonds.

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains four major capital projects funds, the Phase I Improvements Fund, Brandon/Noel Road Improvements Fund, Capital Construction Bond Fund, and the Village Hall Construction Fund. The CenterPoint Phase I Fund accounts for revenues received from development fees and expenditures for capital construction projects, including road construction and a new village hall facility. The Road Improvements Fund accounts for revenues and expenditures relative to the construction of road improvements. The Capital Construction Bond Fund accounts for revenues received from general obligation bond proceeds and expenditures for road improvements and reconstruction. The Village Hall Construction Fund accounts for revenues and expenditures relative to the construction of a new Village Hall.

Proprietary Funds

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

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major enterprise fund, the Water and Sewer Fund, which accounts for revenues and expenses relative to the operation of the water and sewer utilities.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

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

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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

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

Basis of Accounting

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

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

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

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

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

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

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

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

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Prepays

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

Receivables

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

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

Buildings and Improvements	10 – 40 Years
Machinery and Equipment	3 – 10 Years
Infrastructure	25 – 50 Years

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits.

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

Long-Term Obligations

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

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

Unearned/Deferred Revenue

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

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Fund Equity

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

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Prior to April 30, the Village Clerk submits to the Village Board a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to July 31, the budget is legally enacted through passage of an ordinance.

The Village Clerk is authorized to transfer budgeted amounts between departments within any fund; however, the Village Board must approve revisions that alter the total expenditures of any fund. Formal budgetary integration is employed as a management control device during the year for the General Fund. Budgeted amounts are as originally adopted by the Board of Trustees. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year several supplementary appropriations were necessary.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

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

Fund	Excess
General	\$ 720,605
Deer Run Tax Increment Financing	7,040,034
Phase I Improvements	252,939
Capital Construction Bond	2,372

These overexpenditures were funded by greater than anticipated revenues in the case of the General Fund, the Phase I Improvements Fund and the Capital Construction Bond Fund. The overexpenditures in the Deer Run Tax Increment Financing Fund were funded in part by greater than anticipated revenues, available fund balance and future anticipated revenues.

DEFICIT FUND EQUITY

The Deer Run Tax Increment Financing Fund had a deficit fund equity balance for the fiscal year of \$556,859.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits and Investments. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$4,004,220 and the bank balances totaled \$3,928,124. Also at year-end, the Village has \$1,129,656 invested in the Illinois Funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy limits interest rate risk by attempting to obtain the highest interest rate available while ensuring the maximum safety of principal and maintaining a portfolio that is sufficiently liquid to meet all operating costs which may be reasonably anticipated.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy does not mitigate credit risk. At year-end, the Village's investment in the Illinois Funds is rated AAAm by Standard and Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy states that at all times funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent, third party institution in the name of the municipality. At April 30, 2008, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. For an investment, this is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral. The Village's investment policy does not mitigate custodial credit risk for investments. At April 30, 2008, the Village's investment in the Illinois Funds is noncategorizable.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village does not have a formal written policy with regards to concentration credit risk for investments. At April 30, 2008, the Village's investment in the Illinois Funds is over 5 percent of the total cash and investment portfolio.

PROPERTY TAXES

Property taxes for 2007 attach as an enforceable lien on January 1, 2007, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Will County and are payable in two installments, on or about June 1, 2008 and September 1, 2008. The County collects such taxes and remits them periodically.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets- Not Being Depreciated				
Land	\$ 50,000	2,001,833	-	2,051,833
Construction in Progress	3,010,819	463,528	3,010,819	463,528
	<u>3,060,819</u>	<u>2,465,361</u>	<u>3,010,819</u>	<u>2,515,361</u>
Other Capital Assets				
Buildings and Improvements	273,441	6,006,125	-	6,279,566
Machinery and Equipment	791,985	361,880	-	1,153,865
Infrastructure	130,272,821	1,637,901	-	131,910,722
	<u>131,338,247</u>	<u>8,005,906</u>	<u>-</u>	<u>139,344,153</u>
Less Accumulated Depreciation				
Buildings and Improvements	273,441	-	-	273,441
Machinery and Equipment	401,246	96,950	-	498,196
Infrastructure	5,315,292	3,080,526	-	8,395,818
	<u>5,989,979</u>	<u>3,177,476</u>	<u>-</u>	<u>9,167,455</u>
Total Other Capital Assets	<u>125,348,268</u>	<u>4,828,430</u>	<u>-</u>	<u>130,176,698</u>
Total Capital Assets	<u>128,409,087</u>	<u>7,293,791</u>	<u>3,010,819</u>	<u>132,692,059</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 5,928
Public Safety	34,271
Public Works	<u>3,137,277</u>
<u>3,177,476</u>	

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets - Not Being Depreciated				
Land	\$ 1,909,500	-	-	1,909,500
Other Capital Assets				
Buildings and Improvements	12,651,715	-	-	12,651,715
Machinery and Equipment	170,370	-	-	170,370
Infrastructure	10,658,379	-	-	10,658,379
	<u>23,480,464</u>	-	-	<u>23,480,464</u>
Less Accumulated Depreciation				
Buildings and Improvements	1,642,395	319,697	-	1,962,092
Machinery and Equipment	69,928	24,338	-	94,266
Infrastructure	580,113	215,861	-	795,974
	<u>2,292,436</u>	<u>559,896</u>	-	<u>2,852,332</u>
Total Other Capital Assets	<u>21,188,028</u>	<u>(559,896)</u>	-	<u>20,628,132</u>
Total Capital Assets	23,097,528	(559,896)	-	22,537,632

Depreciation expense was charged to business-type as follows:

Water and Sewer \$ 559,896

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Phase I Improvements	\$ 907,975
Phase I Improvements	Nonmajor Governmental	52,567
Phase I Improvements	Nonmajor Governmental	291,848
Capital Construction Bond	Phase I Improvements	14,479
Phase I Improvements	Village Hall Construction	<u>907,975</u>
		<u>2,174,844</u>

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

LONG-TERM DEBT

TIF Notes Payable

Tax increment financing notes currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Increment Financing Notes of 2003	\$ 99,350,934	-	6,907,279	92,443,655

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts

Installment Contracts are utilized to acquire capital equipment. Installment Contracts currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Tractor Installment Contract of 2006 due in yearly installments of \$6,968, including interest at 7.70% through March 27, 2010.	\$ 18,053	-	5,577	12,476
Truck Installment Contract of 2006 due in annual installments of \$24,201, including interest at 5.27% through January 13, 2011.	85,280	-	19,707	65,573
	103,333	-	25,284	78,049

General Obligation Bonds Payable

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2005, due in annual installments of \$115,000 to \$165,000, plus interest at 4.20% to 4.50% through March 1, 2023.	\$ 6,715,000	-	-	6,715,000

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Capital Appreciation Bonds Payable

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Capital Appreciation Bonds of 2006, due in annual installments of \$729,226 to \$1,052,838 through March 1, 2030.	\$ 6,188,552	-	-	6,188,552

Loans Payable

Loans payable currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Department of Commerce and Economic Opportunity loans due in annual installments of \$90,000 to \$1,740,000 plus interest at 0% to 5.17% through September 1, 2022	\$ 14,500,000	-	-	14,500,000

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 94,049	146,708	73,354	167,403	33,481
Installment Contracts	103,333	-	25,284	78,049	26,752
General Obligation Bonds	6,715,000	-	-	6,715,000	-
General Obligation Capital Appreciation Bonds	6,188,552	-	-	6,188,552	-
Accretion - General Obligation Capital Appreciation Bonds					
Capital Appreciation Bonds	414,096	376,412	-	790,508	-
TIF Notes Payable	99,350,934	-	6,907,279	92,443,655	8,847,504
Accretion - TIF Notes Payable	42,293,295	14,075,029	-	56,368,324	-
	155,159,259	14,598,149	7,005,917	162,751,491	8,907,737
Business-Type Activities					
Compensated Absences	5,926	2,087	-	8,013	1,603
Loans Payable	14,500,000	-	-	14,500,000	-
	14,505,926	2,087	-	14,508,013	1,603

Payments on the general obligation bonds and general obligation capital appreciation bonds are made by Debt Service Fund. The Deer Run TIF Fund makes payments on TIF Notes Payable. The Water and Sewer Fund makes payments on the loans payable. For the governmental activities, compensated absences are generally liquidated by the general fund.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

Fiscal Year Ending April 30	Governmental Activities						
	General Obligation Bonds		General Obligation Capital Appreciation Bonds		Tax Increment Notes		Installment Contracts
	Principal	Interest	Principal/Accretion		Principal/Accretion	Principal	Interest
2009	\$ -	291,848	(397,870)		(5,833,003)	26,752	4,417
2010	-	291,848	(420,553)		(4,282,285)	28,308	2,860
2011	-	291,848	(444,528)		(2,935,366)	22,989	1,212
2012	115,000	291,848	(469,870)		(1,333,372)	-	-
2013	120,000	286,960	(496,657)		976,189	-	-
2014	125,000	281,860	(524,971)		3,702,950	-	-
2015	130,000	276,548	(554,899)		6,266,556	-	-
2016	540,000	271,022	(586,534)		8,951,042	-	-
2017	610,000	248,342	(619,972)		11,507,249	-	-
2018	685,000	222,722	(655,316)		13,437,941	-	-
2019	765,000	193,610	(692,675)		15,546,339	-	-
2020	850,000	160,715	(732,164)		17,852,221	-	-
2021	885,000	123,528	(773,904)		20,465,946	-	-
2022	925,000	84,588	(818,023)		23,403,500	-	-
2023	965,000	43,425	(864,658)		26,600,961	-	-
2024	-	-	1,925,584		14,485,111	-	-
2025	-	-	2,037,571		-	-	-
2026	-	-	2,153,732		-	-	-
2027	-	-	2,276,514		-	-	-
2028	-	-	2,406,296		-	-	-
2029	-	-	2,543,477		-	-	-
2030	-	-	2,688,479		-	-	-
	6,715,000	3,360,712	6,979,060		148,811,978	78,049	8,489

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year Ending April 30	Business-Type Activities		
	Loans Payable		
	Principal	Interest	
2009	\$ -	435,000	
2010	-	435,000	
2011	-	435,000	
2012	400,000	435,000	
2013	500,000	423,000	
2014	600,000	408,000	
2015	1,000,000	390,000	
2016	1,100,000	360,000	
2017	1,200,000	327,000	
2018	1,300,000	291,000	
2019	1,400,000	252,000	
2020	1,500,000	210,000	
2021	1,700,000	165,000	
2022	1,800,000	114,000	
2023	2,000,000	60,000	
Total	<u>14,500,000</u>	<u>4,740,000</u>	

Defeased Debt

In prior years the government defeased general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Since the requirements which normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Defeased bonds of \$285,000 remain outstanding as of the date of this report.

VILLAGE OF ELWOOD, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides that the General Assembly may limit the amount and require referenda for approval of debt payable from ad valorem property taxes in excess of one percent of assessed valuation. However, no such statute has been enacted as of this date. Therefore, as a home rule municipality, the Village of Elwood, Illinois has no debt limit.

FUND BALANCE/NET ASSETS – RESERVED FOR SPECIAL REVENUES

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

	<u>Amount</u>
Reserved for Special Revenues	
Motor Fuel Tax	\$ 531,128
Parks	104,674
Special Service Area	<u>279,018</u>
	<u>914,820</u>

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through insurance from private insurance companies. The Village currently reports all its risk management activities in the General Fund and Water and Sewer Fund. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2008

NOTE 4 – OTHER INFORMATION - Continued

POST-EMPLOYMENT BENEFITS

The Village provides COBRA health benefits to all prior employees as required by federal law. The prior employee pays 100 percent of the premium.

CONTINGENT LIABILITIES

Litigation

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

Grants

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

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

The Village contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2008

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The District is required to contribute at an actuarially determined rate. The employer rate for calendar year 2007 was 9.11 percent.

Funding Policy and Annual Pension Cost

For December 31, 2007, the Village's annual pension cost of \$73,535 was equal to the Village's required and actual contributions. The required contribution was determined as part of the December 31, 2005 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses), (b) projected salary increases ranging from 0.4% to 10.0% per year, and (c) 3.0% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 4.0%. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007 was 30 years.

Trend Information

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

Annual Pension Cost (APC)	2005	53,312
	2006	58,398
	2007	73,535
Actual Contributions	2005	53,312
	2006	58,398
	2007	73,535
Percentage of APC Contributed	2005	100.00%
	2006	100.00%
	2007	100.00%
Net Pension Obligation	2005	N/A
	2006	N/A
	2007	N/A

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Funding Progress
 - Illinois Municipal Retirement Fund (IMRF)
- Employer Contributions
 - Illinois Municipal Retirement Fund (IMRF)
- Budgetary Comparison Schedule – General Fund

Notes to the Required Supplementary Information

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

VILLAGE OF ELWOOD, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Funding Progress
April 30, 2008

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded)		(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
				Actuarial Liability (2) - (1)	Accrued Liability (2) - (1)		
2002	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	\$ N/A	N/A
2003	35,295	68,596	51.45%	33,301	263,316	12.65%	
2004	98,499	194,429	50.66%	95,930	476,228	20.14%	
2005	174,044	224,245	77.61%	50,201	557,917	9.00%	
2006	246,068	333,840	73.71%	87,772	597,115	14.70%	
2007	360,720	512,234	70.42%	151,514	807,191	18.77%	

N/A - Prior to the December 31, 2003 actuarial valuation date, the Village was not a member of the Illinois Municipal Retirement Fund.

VILLAGE OF ELWOOD, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Employer Contributions

April 30, 2008

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2002	\$ N/A	\$ N/A	N/A
2003	23,646	23,646	100.00%
2004	42,765	42,765	100.00%
2005	53,312	53,312	100.00%
2006	58,398	58,398	100.00%
2007	73,535	73,535	100.00%

N/A - Prior to calendar year 2003, the Village was not a member of the Illinois Municipal Retirement Fund.

VILLAGE OF ELWOOD, ILLINOIS

General Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Taxes	\$ 457,235	457,235	604,454
Intergovernmental	460,763	460,763	577,093
Charges for Services	332,583	332,583	2,521,267
Licenses and Permits	470,929	470,929	198,901
Fines and Forfeits	150,000	150,000	300,768
Interest Income	20,084	20,084	36,669
Miscellaneous	23,780	23,780	214,388
Total Revenues	1,915,374	1,915,374	4,453,540
Expenditures			
General Government	710,946	710,946	1,640,540
Public Safety	613,043	613,043	586,708
Public Works	766,001	766,001	583,347
Total Expenditures	2,089,990	2,089,990	2,810,595
Excess (Deficiency) of Revenues Over (Under) Expenditures	(174,616)	(174,616)	1,642,945
Other Financing Sources (Uses)			
Transfers In	170,000	170,000	-
Transfers Out	-	-	(907,975)
	170,000	170,000	(907,975)
Net Change in Fund Balance	(4,616)	(4,616)	734,970
Fund Balance - Beginning			946,505
Fund Balance - Ending			1,681,475

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the revenues received from the Village's allocation of state gasoline taxes and the expenditures for street construction and maintenance, which must be authorized by the Illinois Department of Transportation.

Park Fund

The Park Fund is used to account for revenues received from impact fees and the expenditures for park operations and improvements.

Special Service Area Fund

The Special Service Area Fund is used to account for revenues received from special service area property taxes and expenditures for maintenance within the special service area.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DEBT SERVICE FUNDS

Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deer Run Tax Increment Financing (TIF) Fund

The Deer Run Tax Increment Financing Fund is used to account for revenues received from incremental property taxes and expenditures for debt service payments related to tax increment financing bonds.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, the principal and interest on the 2005 general obligation bonds.

CAPITAL PROJECTS FUNDS

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

Phase I Improvements Fund

The Phase I Improvements Fund is used to account for revenues received from development fees and expenditures for capital construction projects, including road construction and a new village hall facility.

Brandon/Noel Road Improvements Fund

The Brandon/Noel Road Improvements Fund is used to account for revenues and expenditures relative to the construction of road improvements.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CAPITAL PROJECTS FUNDS – Continued

Capital Construction Bond Fund

The Capital Construction Bond Fund is used to account for revenues received from general obligation bond proceeds and expenditures for road improvements and reconstruction.

Village Hall Construction Fund

The Village Hall Construction Fund is used to account for revenues and expenditures relative to the construction of the new Village Hall.

PROPRIETARY FUNDS

ENTERPRISE FUNDS

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

Water and Sewer Fund

The Water and Sewer Fund is used to account for revenues and expenses relative to the operation of the water and sewer utilities.

Garbage Fund

The Garbage Fund is used to account for revenues and expenses relative to the disposal of residential solid waste.

VILLAGE OF ELWOOD, ILLINOIS

General Fund

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

	Budget		
	Original	Final	Actual
Taxes			
Property Taxes	\$ 98,900	98,900	99,091
Personal Property Replacement Tax	854	854	1,205
Road and Bridge Tax	57,000	57,000	61,081
Utility Tax	300,481	300,481	443,077
	457,235	457,235	604,454
Intergovernmental			
Sales Tax	149,051	149,051	204,529
Home Rule Sales Tax	157,488	157,488	191,717
Income Tax	133,650	133,650	152,630
Local Use Tax	20,574	20,574	28,217
	460,763	460,763	577,093
Charges for Services			
CenterPoint Administrative Fees	114,868	114,868	114,869
Professional Fees & Development	-	-	11,000
Overweight Truck Fee	150,000	150,000	1,704,944
Inspection Fees	30,735	30,735	11,512
Cable Franchise Fees	6,980	6,980	7,805
Impact Fees	30,000	30,000	16,101
Reimbursable Expenses	-	-	655,036
	332,583	332,583	2,521,267
Licenses and Permits			
Building Permits	452,529	452,529	181,401
Liquor Licenses	2,550	2,550	2,550
Business Licenses	850	850	1,200
Contractor Registration	15,000	15,000	13,750
	470,929	470,929	198,901
Fines and Forfeits			
Police Fines	150,000	150,000	300,768

VILLAGE OF ELWOOD, ILLINOIS**General Fund****Schedule of Revenues - Budget and Actual - Continued**
Year Ended April 30, 2008

	Budget		
	Original	Final	Actual
Interest Income	\$ 20,084	20,084	36,669
Miscellaneous			
Donations	1,000	1,000	10,439
Police Grants	-	-	9,105
Lease Agreement	19,780	19,780	20,652
Miscellaneous	3,000	3,000	174,192
	23,780	23,780	214,388
Total Revenues	1,915,374	1,915,374	4,453,540

VILLAGE OF ELWOOD, ILLINOIS

General Fund

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

	Budget		
	Original	Final	Actual
General Government			
Administration			
Salaries	\$ 99,709	99,709	144,889
Administration Benefits	15,458	15,458	14,938
Employee Group Insurance	24,447	24,447	19,755
Financial Consultants	37,500	37,500	28,045
Audit	15,760	15,760	16,460
Engineering Services	42,000	42,000	471,175
Legal Services	102,000	102,000	208,957
Telephone	8,250	8,250	9,340
Inspectors - Reinspections	1,200	1,200	19,914
Electric/Heating	720	720	8,597
Travel and Meetings	5,350	5,350	4,492
Custodial Services	13,600	13,600	7,731
Insurance - Liability/Workers Compensation	6,850	6,850	7,171
Printing/Binding	7,500	7,500	7,840
Dues and Subscriptions	6,250	6,250	11,569
Office Equipment Maintenance	14,500	14,500	4,698
Office Supplies	13,000	13,000	29,520
Other Supplies	2,500	2,500	5,025
Postage	3,000	3,000	4,531
Bank Charges	3,000	3,000	7,639
Donations	5,000	5,000	2,247
Miscellaneous	38,200	38,200	351,092
Equipment	1,500	1,500	3,638
Data Processing Equipment	4,745	4,745	-
Reimbursable Sales Tax	100,867	100,867	206,271
Nextel Lease Agreement	9,930	9,930	10,078
Total Administration	582,836	582,836	1,605,612
Building			
Salaries	87,500	87,500	26,030
Administration Benefits	11,278	11,278	7,229
Employee Group Insurance	13,582	13,582	-
Professional Services	250	250	-
Training	2,000	2,000	-

VILLAGE OF ELWOOD, ILLINOIS

General Fund

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

	Budget		
	Original	Final	Actual
General Government - Continued			
Building - Continued			
Insurance	\$ 950	950	-
Uniforms	750	750	-
Travel and Meetings	750	750	785
Telephone	1,650	1,650	-
Dues and Subscriptions	500	500	30
Maps and Plats	500	500	-
Vehicle Maintenance	500	500	-
Office Supplies	1,000	1,000	293
Gas and Oil	1,750	1,750	-
Photo Supplies	1,000	1,000	561
Miscellaneous	500	500	-
Equipment Purchases	2,150	2,150	-
Village Building Improvements	250	250	-
Data Processing Equipment	1,250	1,250	-
 Total Building	 128,110	 128,110	 34,928
 Total General Government	 710,946	 710,946	 1,640,540

Public Safety

Police

Salaries	325,245	325,245	379,751
Administration Benefits	50,617	50,617	60,878
Employee Group Insurance	49,091	49,091	13,305
Legal Services	53,300	53,300	16,993
Data Processing	3,840	3,840	857
Insurance - Liability/Workers Compensation	3,680	3,680	8,377
Printing/Binding	1,040	1,040	1,469
Dues and Subscriptions	800	800	555
Telephone	3,750	3,750	3,989
Office Equipment Maintenance	1,360	1,360	669
Radio Maintenance	800	800	399
Vehicle Maintenance	2,640	2,640	3,891
Training	2,400	2,400	1,543
Travel and Meetings	1,400	1,400	60

VILLAGE OF ELWOOD, ILLINOIS

General Fund

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

	Budget		
	Original	Final	Actual
Public Safety - Continued			
Police - Continued			
Custodial Services	\$ 5,000	5,000	3,396
Medical Expenses	400	400	699
Animal Control	400	400	510
Rental	2,560	2,560	2,451
Office Supplies	6,000	6,000	2,463
Gas and Oil	5,600	5,600	16,824
Uniforms	3,600	3,600	3,170
Photo Supplies	400	400	-
Postage	400	400	9
Ammunition	1,600	1,600	269
Other Supplies	2,400	2,400	1,143
Agreements	38,400	38,400	28,302
Miscellaneous	2,400	2,400	22,240
Equipment	42,000	42,000	12,183
Data Processing Equipment	1,920	1,920	313
 Total Public Safety	 613,043	 613,043	 586,708

Public Works

Streets			
Salaries	147,588	147,588	125,880
Administration Benefits	24,935	24,935	22,149
Employee Group Insurance	35,695	35,695	11,376
Professional Services	800	800	588
Data Processing	9,000	9,000	660
Insurance	13,258	13,258	3,535
Uniforms	4,500	4,500	3,696
Street Cleaning	7,500	7,500	4,741
Landfill	6,000	6,000	3,263
Travel and Meetings	2,000	2,000	1,609
Tree Removal	43,500	43,500	9,375
Truck Inspections	200	200	90
Electric	51,000	51,000	56,270
Telephone	5,625	5,625	4,152

VILLAGE OF ELWOOD, ILLINOIS

General Fund

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

	Budget		
	Original	Final	Actual
Public Works - Continued			
Streets - Continued			
Heating	\$ 8,000	8,000	10,023
Equipment Rentals	4,000	4,000	5,023
Communication Repairs	1,000	1,000	121
Building Maintenance	7,000	7,000	12,492
Street Light Maintenance	8,000	8,000	16,739
Vehicle Maintenance	6,750	6,750	6,967
Mosquito Abatement	21,750	21,750	20,447
Office Supplies	2,000	2,000	1,964
Vehicle Supplies	4,688	4,688	6,553
Gas and Oil	5,663	5,663	11,202
Gravel	2,000	2,000	1,343
Asphalt and Sealer	3,000	3,000	3,019
Operating Supplies	10,000	10,000	8,922
Restoration Materials	3,500	3,500	2,752
Drainage Materials	1,500	1,500	7,688
Traffic Signs and Safety Materials	6,000	6,000	3,583
Small Tools and Equipment	7,500	7,500	4,696
Miscellaneous	3,999	3,999	3,620
Equipment	66,150	66,150	38,997
Village Building Improvements	-	-	2,877
Vehicle Purchases	104,500	104,500	109,222
Road Maintenance	132,400	132,400	54,964
Data Processing Equipment	5,000	5,000	2,749
 Total Public Works	 766,001	 766,001	 583,347
 Total Expenditures	 2,089,990	 2,089,990	 2,810,595

VILLAGE OF ELWOOD, ILLINOIS**Deer Run Tax Increment Financing - Debt Service Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2008**

	Budget		
	Original	Final	Actual
Revenues			
Taxes			
Property Taxes	\$ -	-	6,096,280
Interest Income	-	-	109,857
Total Revenues	-	-	6,206,137
Expenditures			
General Government			
Management Fees	-	-	132,755
Debt Service			
Principal Retirement	-	-	6,907,279
Total Expenditures	-	-	7,040,034
Net Change in Fund Balance			(833,897)
Fund Balance - Beginning			<u>277,038</u>
Fund Balance - Ending			<u>(556,859)</u>

VILLAGE OF ELWOOD, ILLINOIS

Phase I Improvements - Capital Projects Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Charges for Services			
Development Fees	\$ 1,000,000	1,000,000	1,000,000
Intergovernmental			
Reimbursements	-	-	691,190
Interest Income	195,000	195,000	104,085
Total Revenues	<u>1,195,000</u>	<u>1,195,000</u>	<u>1,795,275</u>
Expenditures			
Capital Outlay			
Chicago Street	-	-	63
Mississippi Street	592,385	592,385	495,419
Road Engineering	-	-	908
Other Projects	857,512	857,512	118,641
St. Louis Street	-	-	24,807
Jackson/Matteson Streets	-	-	78,311
Meadowbrook Detention	-	-	14,697
Elwood Town Ctr./Lincoln Way Dr.	-	-	641,649
Diagonal Road Extension	-	-	103,461
Gardner Street	-	-	38,240
Route 53 Turn Lane	-	-	186,640
Total Expenditures	<u>1,449,897</u>	<u>1,449,897</u>	<u>1,702,836</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	<u>(254,897)</u>	<u>(254,897)</u>	<u>92,439</u>
Other Financing Sources (Uses)			
Transfers In	-	-	922,454
Transfers Out	(521,878)	(521,878)	(1,252,390)
	<u>(521,878)</u>	<u>(521,878)</u>	<u>(329,936)</u>
Net Change in Fund Balance			
	<u>(776,775)</u>	<u>(776,775)</u>	<u>(237,497)</u>
Fund Balance - Beginning			<u>963,319</u>
Fund Balance - Ending			<u>725,822</u>

VILLAGE OF ELWOOD, ILLINOIS

Brandon/Noel Road Improvements - Capital Projects Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Intergovernmental			
Grants	\$ 50,000	50,000	50,000
Interest Income	5,200	5,200	5,501
Total Revenues	<u>55,200</u>	<u>55,200</u>	<u>55,501</u>
Expenditures			
Capital Outlay	-	-	-
Net Change in Fund Balance	<u>55,200</u>	<u>55,200</u>	<u>55,501</u>
Fund Balance - Beginning			<u>209,939</u>
Fund Balance - Ending			<u>265,440</u>

VILLAGE OF ELWOOD, ILLINOIS**Capital Construction Bond - Capital Projects Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2008**

	Budget		
	Original	Final	Actual
Revenues			
Miscellaneous	\$ -	-	711,829
Expenditures			
Capital Outlay	-	-	2,372
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	709,457
Other Financing (Uses)			
Transfer Out	-	-	(14,479)
Net Change in Fund Balance	-	-	694,978
Fund Balance - Beginning			14,479
Fund Balance - Ending			709,457

VILLAGE OF ELWOOD, ILLINOIS**Village Hall Construction - Capital Projects Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2008**

	Budget		
	Original	Final	Actual
Revenues			
Interest Income	\$ 50,000	50,000	352,245
Miscellaneous	-	-	50,000
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>402,245</u>
Expenditures			
Capital Outlay			
Village Hall Construction	<u>5,539,456</u>	<u>5,539,456</u>	<u>5,014,336</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,489,456)	(5,489,456)	(4,612,091)
Other Financing Sources			
Transfer In	-	-	907,975
Net Change in Fund Balance	<u>(5,489,456)</u>	<u>(5,489,456)</u>	<u>(3,704,116)</u>
Fund Balance - Beginning			<u>3,704,116</u>
Fund Balance - Ending			<u> </u>

VILLAGE OF ELWOOD, ILLINOIS

Combining Balance Sheet

Nonmajor Governmental Funds

April 30, 2008

	Special Revenue Funds			Debt Service	Total Nonmajor Governmental Funds
	Motor Fuel Tax	Park	Special Service Area		
ASSETS					
Cash and Investments	\$ 527,572	75,436	282,765	-	885,773
Due from Other Governments	3,556	30,000	-	-	33,556
Prepays	-	45	21,784	-	21,829
Total Assets	531,128	105,481	304,549	-	941,158
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	-	807	25,531	-	26,338
Fund Balances					
Reserved - Prepays	-	45	21,784	-	21,829
Reserved - Road Improvements	-	-	83,664	-	83,664
Reserved - Road Reconstruction	-	-	147,488	-	147,488
Unreserved	531,128	104,629	26,082	-	661,839
Total Fund Balances	531,128	104,674	279,018	-	914,820
Total Liabilities and Fund Balances	531,128	105,481	304,549	-	941,158

VILLAGE OF ELWOOD, ILLINOIS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended April 30, 2008

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Motor Fuel Tax	Park	Special Service Area	Debt Service	
Revenues					
Taxes	\$ -	-	781,252	-	781,252
Intergovernmental	45,157	-	-	-	45,157
Charges for Services	-	36,267	-	-	36,267
Interest Income	12,048	1,009	5,785	-	18,842
Miscellaneous	-	57	-	-	57
Total Revenues	57,205	37,333	787,037	-	881,575
Expenditures					
Public Safety	-	-	817,284	-	817,284
Public Works	-	-	85,954	-	85,954
Parks and Recreation	-	68,958	-	-	68,958
Debt Service					
Principal Retirement	-	-	25,284	-	25,284
Interest and Fiscal Charges	-	-	8,147	291,848	299,995
Total Expenditures	-	68,958	936,669	291,848	1,297,475
Excess (Deficiency) of Revenues Over (Under) Expenditures	57,205	(31,625)	(149,632)	(291,848)	(415,900)
Other Financing Sources					
Transfer In	-	52,567	-	291,848	344,415
Net Change in Fund Balances	57,205	20,942	(149,632)	-	(71,485)
Fund Balances - Beginning	473,923	83,732	428,650	-	986,305
Fund Balances - Ending	531,128	104,674	279,018	-	914,820

VILLAGE OF ELWOOD, ILLINOIS**Motor Fuel Tax - Special Revenue Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2008**

	Budget		
	Original	Final	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	47,190	47,190	45,157
Interest Income	13,686	13,686	12,048
Total Revenues	60,876	60,876	57,205
Expenditures			
Capital Outlay	464,201	464,201	-
Net Change in Fund Balance	(403,325)	(403,325)	57,205
Fund Balance - Beginning			473,923
Fund Balance - Ending			531,128

VILLAGE OF ELWOOD, ILLINOIS

Park - Special Revenue Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Charges for Services			
Event Fees	\$ 6,814	6,814	10,985
Impact Fees	16,840	16,840	17,974
Rental Fees	500	500	875
Registration Fees	11,000	11,000	6,433
Interest Income	132	132	1,009
Miscellaneous			
Donations	31,000	31,000	57
Total Revenues	<u>66,286</u>	<u>66,286</u>	<u>37,333</u>
Expenditures			
Parks and Recreation	<u>118,853</u>	<u>118,853</u>	<u>68,958</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(52,567)	(52,567)	(31,625)
Other Financing Sources			
Transfers In	<u>52,567</u>	<u>52,567</u>	<u>52,567</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>20,942</u>
Fund Balance - Beginning			<u>83,732</u>
Fund Balance - Ending			<u>104,674</u>

VILLAGE OF ELWOOD, ILLINOIS**Park - Special Revenue Fund****Schedule of Expenditures - Budget and Actual**
Year Ended April 30, 2008

	Budget		
	Original	Final	Actual
Parks and Recreation			
Salaries	\$ 51,234	51,234	33,949
Administration Benefits	4,934	4,934	3,589
Employee Group Insurance	2,297	2,297	901
Repairs and Maintenance	2,000	2,000	-
Cleaning	1,200	1,200	2,925
Referees	1,600	1,600	650
Instructors	2,500	2,500	1,235
Legal	2,000	2,000	512
Consultant Study	10,000	10,000	4,344
Postage	500	500	416
Advertising	1,000	1,000	330
Trailer Rental	9,288	9,288	3,876
Printing	2,000	2,000	-
General Supplies	1,300	1,300	4,710
Materials	5,000	5,000	-
Development Supplies	2,500	2,500	-
Miscellaneous	1,000	1,000	(5,885)
Training	1,500	1,500	-
Children's Garden	17,000	17,000	17,406
 Total Expenditures	 118,853	 118,853	 68,958

VILLAGE OF ELWOOD, ILLINOIS**Special Service Area - Special Revenue Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2008**

	Budget		
	Original	Final	Actual
Revenues			
Taxes			
Property Tax	\$ 781,253	781,253	781,252
Interest Income	10,000	10,000	5,785
Total Revenues	<u>791,253</u>	<u>791,253</u>	<u>787,037</u>
Expenditures			
Public Safety	802,302	802,302	748,502
Public Works	203,198	203,198	154,736
Debt Service			
Principal Retirement	44,500	44,500	25,284
Interest and Fiscal Charges	-	-	8,147
Total Expenditures	<u>1,050,000</u>	<u>1,050,000</u>	<u>936,669</u>
Net Change in Fund Balance	<u>(258,747)</u>	<u>(258,747)</u>	<u>(149,632)</u>
Fund Balance - Beginning			<u>428,650</u>
Fund Balance - Ending			<u>279,018</u>

VILLAGE OF ELWOOD, ILLINOIS

Special Service Area - Special Revenue Fund

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

	Budget		
	Original	Final	Actual
Public Safety			
Salaries	\$ 200,653	200,653	305,647
Benefits	60,995	60,995	91,600
Training	3,600	3,600	2,708
Uniforms	5,400	5,400	4,078
Insurance	12,850	12,850	17,381
Automotive	6,600	6,600	31,571
Supplies and Materials	31,000	31,000	33,174
Contingencies	2,500	2,500	414
Agreements	57,600	57,600	42,633
Miscellaneous Expense	162,500	162,500	7,392
Purchase Equipment	112,900	112,900	63,612
Road Maintenance Reserve	27,888	27,888	2,320
Purchase Vehicle	96,500	96,500	144,940
Data Processing Equipment	2,880	2,880	1,032
Road Construction Reserve	18,436	18,436	-
Total Public Safety	802,302	802,302	748,502
Public Works			
Salaries	44,271	44,271	53,525
Benefits	16,812	16,812	15,257
Uniforms	1,750	1,750	697
Snow Removal	7,500	7,500	5,488
Vehicle Maintenance	6,000	6,000	5,740
Equipment Maintenance	2,000	2,000	1,490
Administrative/Legal	78,865	78,865	53,679
Retention Pond Maintenance	30,000	30,000	9,579
Roadway Maintenance	10,000	10,000	8,591
Landfill	6,000	6,000	690
Total Public Works	203,198	203,198	154,736

VILLAGE OF ELWOOD, ILLINOIS**Special Service Area - Special Revenue Fund****Schedule of Expenditures - Budget and Actual - Continued**
Year Ended April 30, 2008

	Budget		
	Original	Final	Actual
Debt Service			
Principal Retirement	\$ 44,500	44,500	25,284
Interest and Fiscal Charges	-	-	8,147
Total Debt Service	44,500	44,500	33,431
Total Expenditures	1,050,000	1,050,000	936,669

VILLAGE OF ELWOOD, ILLINOIS**Debt Service Fund****Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2008**

	Budget		
	Original	Final	Actual
Revenues			
Interest Income	\$ -	-	-
Expenditures			
Debt Service			
Principal Retirement	90,000	90,000	-
Interest and Fiscal Charges	819,845	819,845	291,848
Total Expenditures	<u>909,845</u>	<u>909,845</u>	<u>291,848</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(909,845)	(909,845)	(291,848)
Other Financing Sources			
Transfers In	909,845	909,845	291,848
Net Change in Fund Balance			
	<u> </u>	<u> </u>	<u> </u>
Fund Balance - Beginning			
	<u> </u>	<u> </u>	<u> </u>
Fund Balance - Ending			
	<u> </u>	<u> </u>	<u> </u>

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services	\$ 620,823	620,823	451,651
Operating Expenses			
Water Operations	388,830	388,830	375,652
Sewer Operations	443,613	443,613	327,303
Depreciation	-	-	559,896
Total Operating Expenses	<u>832,443</u>	<u>832,443</u>	<u>1,262,851</u>
Operating (Loss)	<u>(211,620)</u>	<u>(211,620)</u>	<u>(811,200)</u>
Nonoperating Revenues (Expenses)			
Interest Income	125	125	77,940
Interest and Fiscal Charges	<u>(522,650)</u>	<u>(522,650)</u>	<u>(150,612)</u>
	<u>(522,525)</u>	<u>(522,525)</u>	<u>(72,672)</u>
(Loss) Before Contributions	<u>(734,145)</u>	<u>(734,145)</u>	<u>(883,872)</u>
Contributions	<u>-</u>	<u>-</u>	<u>33,750</u>
Change in Net Assets	<u>(734,145)</u>	<u>(734,145)</u>	<u>(850,122)</u>
Net Assets - Beginning			<u>9,184,870</u>
Net Assets - Ending			<u>8,334,748</u>

VILLAGE OF ELWOOD, ILLINOIS**Water and Sewer - Enterprise Fund****Schedule of Operating Revenues - Budget and Actual**
Year Ended April 30, 2008

	Budget		
	Original	Final	Actual
Charges for Services			
Water Charges	\$ 218,674	218,674	227,230
Sewer Charges	218,674	218,674	154,722
Water Tap on Fees	75,075	75,075	12,163
Sewer Tap on Fees	92,400	92,400	12,973
Meter Sales	15,000	15,000	5,728
Miscellaneous	1,000	1,000	38,835
 Total Operating Revenues	 620,823	 620,823	 451,651

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		
	Original	Final	Actual
Water Operations			
Salaries	\$ 27,392	27,392	28,843
Administration Benefits	4,049	4,049	4,539
Employee Group Insurance	2,077	2,077	1,340
Insurance - Liability/Workers Compensation	12,072	12,072	8,731
Audit	2,600	2,600	1,620
Engineering Services	13,025	13,025	24,206
Data Processing	500	500	345
Legal Services	3,100	3,100	4,922
Plant Operator Fee	154,300	154,300	174,981
Telephone	3,900	3,900	4,274
Electric	55,000	55,000	69,811
Heating	1,250	1,250	250
Printing/Binding	650	650	770
Dues and Subscriptions	270	270	2,400
Equipment Rental	5,000	5,000	-
Building Maintenance	7,000	7,000	3,320
Equipment Maintenance	25,500	25,500	7,239
System Maintenance	23,875	23,875	9,133
Vehicle Maintenance	750	750	-
Operational Supplies	5,000	5,000	994
Gas and Oil	1,000	1,000	736
Small Tools/Equipment	1,000	1,000	218
Postage	3,720	3,720	2,038
Water Supplies	5,000	5,000	2,516
Maintenance Supplies	2,000	2,000	485
Vehicle Supplies	500	500	83
Chemicals	500	500	7,870
Restoration Materials	1,500	1,500	196
Miscellaneous	3,000	3,000	584
Purchase Equipment	2,500	2,500	-
Water Meters	18,800	18,800	13,208
Data Processing Equipment	2,000	2,000	-
 Total Water Operations	 388,830	 388,830	 375,652

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

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

	Budget		
	Original	Final	Actual
Sewer Operations			
Salaries	\$ 27,392	27,392	34,769
Administration Benefits	4,049	4,049	4,539
Employee Group Insurance	2,077	2,077	1,340
Insurance - Liability/Workers Compensation	12,072	12,072	1,640
Audit	4,342	4,342	1,620
Engineering Services	19,203	19,203	36,178
Data Processing	-	-	125
Legal Services	3,133	3,133	4,695
Plant Operator Fee	154,296	154,296	147,783
Telephone	1,100	1,100	1,846
Electric	51,879	51,879	85,932
Heating	55,000	55,000	5,624
Printing/Binding	1,000	1,000	648
Dues and Subscriptions	1,000	1,000	10,900
Equipment Rental	5,000	5,000	4,375
Building Maintenance	2,500	2,500	961
Equipment Maintenance	3,570	3,570	5,479
System Maintenance	30,000	30,000	3,460
Vehicle Maintenance	500	500	-
Operational Supplies	2,000	2,000	598
Gas and Oil	2,500	2,500	-
Small Tools and Equipment	3,000	3,000	-
Postage	800	800	2,038
Sewer Supplies	3,000	3,000	-
Maintenance Supplies	9,800	9,800	361
Vehicle Supplies	1,000	1,000	-
Chemicals	18,900	18,900	9,412
Miscellaneous	12,000	12,000	341
Construction Expense	-	-	(37,361)
Purchase Equipment	10,000	10,000	-
Data Processing Equipment	2,500	2,500	-
Total Sewer Operations	443,613	443,613	327,303

VILLAGE OF ELWOOD, ILLINOIS**Garbage - Enterprise Fund****Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended April 30, 2008**

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services	\$ 134,400	134,400	135,846
Operating Expenses			
Garbage Operations	132,980	132,980	129,659
Operating Income	1,420	1,420	6,187
Nonoperating Revenue			
Interest Income	100	100	222
Change in Net Assets	1,520	1,520	6,409
Net Assets - Beginning			17,026
Net Assets - Ending			23,435

VILLAGE OF ELWOOD, ILLINOIS

Garbage - Enterprise Fund

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

	Budget		
	Original	Final	Actual
Garbage Operations			
Garbage Collection	\$ 131,232	131,232	126,260
Printing/Binding	200	200	539
Miscellaneous	300	300	1,238
Postage	1,248	1,248	1,622
 Total Garbage Operations	 132,980	 132,980	 129,659

STATISTICAL SECTION (Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

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

VILLAGE OF ELWOOD, ILLINOIS

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

	2005	2006	2007	2008
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$ (4,643,933)	11,652,801	10,793,782	27,266,803
Restricted	1,933,592	1,703,193	1,214,702	914,820
Unrestricted	2,753,285	(22,716,974)	(31,705,596)	(54,549,541)
Total Governmental Activities Net Assets	42,944	(9,360,980)	(19,697,112)	(26,367,918)
Business-Type Activities				
Invested in Capital Assets, Net of Related Debt	23,252,237	8,970,809	8,777,528	8,037,632
Unrestricted	(12,330,618)	1,410,372	424,368	320,551
Total Business-Type Activities Net Assets	10,921,619	10,381,181	9,201,896	8,358,183
Primary Government				
Invested in Capital Assets, Net of Related Debt	18,608,304	20,623,610	19,571,310	35,304,435
Restricted	1,933,592	1,703,193	1,214,702	914,820
Unrestricted	(9,577,333)	(21,306,602)	(31,281,228)	(54,228,990)
Total Primary Government Net Assets	10,964,563	1,020,201	(10,495,216)	(18,009,735)

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

VILLAGE OF ELWOOD, ILLINOIS

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

	2005	2006	2007	2008
Expenses				
Governmental Activities				
General Government	\$ 917,834	1,582,783	2,697,423	1,816,816
Public Safety	667,761	1,004,814	769,922	1,317,095
Public Works	416,868	2,938,655	655,478	3,222,603
Parks and Recreation	74,198	69,450	2,939,609	68,958
Interest on Long-Term Debt	11,703,839	13,134,085	14,065,749	14,751,436
Total Governmental Activities Expenses	13,780,500	18,729,787	21,128,181	21,176,908
Business-Type Activities				
Water and Sewer	1,453,781	1,715,996	1,708,927	1,413,463
Garbage	110,181	116,611	124,518	129,659
Total Business-Type Activities Net Assets	1,563,962	1,832,607	1,833,445	1,543,122
Total Primary Government Expenses	15,344,462	20,562,394	22,961,626	22,720,030
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	2,876,547	3,826,513	2,107,835	3,720,168
Public Safety	93,812	116,919	161,322	300,768
Parks and Recreation	33,884	16,658	42,451	36,267
Operating Grants/Contributions	50,837	46,550	87,161	45,157
Capital Grants/Contributions	167,369	50,000	50,000	50,000
Total Governmental Activities Program Revenues	3,222,449	4,056,640	2,448,769	4,152,360
Business-Type Activities				
Charges for Services				
Water and Sewer	528,246	726,974	384,692	451,651
Garbage	100,197	126,847	124,862	135,846
Operating Grants/Contributions	80,718	-	-	-
Capital Grants/Contributions	836,661	376,169	19,500	33,750
Total Business-Type Activities Program Revenues	1,545,822	1,229,990	529,054	621,247
Total Primary Government Program Revenues	4,768,271	5,286,630	2,977,823	4,773,607

	2005	2006	2007	2007
Net (Expense) Revenue				
Governmental Activities	\$ (10,558,051)	(14,673,147)	(18,679,412)	(17,024,548)
Business-Type Activities	(18,140)	(602,617)	(1,304,391)	(921,875)
Total Primary Government Net Revenue (Expense)	(10,576,191)	(15,275,764)	(19,983,803)	(17,946,423)
General Revenues and Other Changes in Net Assets				
Governmental Activities				
Taxes				
Property Taxes	3,285,888	4,139,633	5,714,095	7,038,909
Utility Taxes	252,181	310,122	339,502	443,077
Intergovernmental - Unrestricted				
Sales Taxes	196,516	297,821	1,365,439	396,246
Income Taxes	121,922	153,023	164,319	180,847
Reimbursements	-	-	299,142	691,190
Interest Income	125,688	224,495	338,629	627,199
Miscellaneous	51,434	144,129	73,513	976,274
Total Governmental Activities	4,033,629	5,269,223	8,294,639	10,353,742
Business-Type Activities				
Investment Income	8,274	62,179	125,106	78,162
Miscellaneous	-	-	-	-
Total Business-Type Activities	8,274	62,179	125,106	78,162
Total Primary Government	4,041,903	5,331,402	8,419,745	10,431,904
Changes in Net Assets				
Governmental Activities	(6,524,422)	(9,403,924)	(10,384,773)	(6,670,806)
Business-Type Activities	(9,866)	(540,438)	(1,179,285)	(843,713)
Total Primary Government	(6,534,288)	(9,944,362)	(11,564,058)	(7,514,519)

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

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

	1999	2000	2001	2002
General Fund				
Reserved	\$ -	-	-	-
Unreserved	<u>183,672</u>	<u>141,305</u>	<u>208,923</u>	<u>(328,392)</u>
Total General Fund	<u>183,672</u>	<u>141,305</u>	<u>208,923</u>	<u>(328,392)</u>
All Other Governmental Funds				
Reserved	-	-	-	-
Unreserved, Reported in:				
Special Revenues Funds	461,814	300,533	248,809	2,348,846
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	-	39,113
Total All Other Governmental Funds	<u>461,814</u>	<u>300,533</u>	<u>248,809</u>	<u>2,387,959</u>

Data Source: Village Records

2003	2004	2005	2006	2007	2008
33,195	29,138	48,861	11,603	13,085	25,907
(296,434)	(874,035)	390,273	791,730	933,420	1,655,568
<u>(263,239)</u>	<u>(844,897)</u>	<u>439,134</u>	<u>803,333</u>	<u>946,505</u>	<u>1,681,475</u>
1,707,226	486,202	1,567,930	1,109,592	469,639	252,981
3,845,336	9,902,825	453,528	642,242	793,704	661,839
-	-	-	-	-	(556,859)
593	2,720,973	2,265,998	11,754,489	4,891,853	1,700,719
<u>5,553,155</u>	<u>13,110,000</u>	<u>4,287,456</u>	<u>13,506,323</u>	<u>6,155,196</u>	<u>2,058,680</u>

VILLAGE OF ELWOOD, ILLINOIS**General Governmental Revenues By Source - Last Ten Fiscal Years**
April 30, 2008 (Unaudited)

Source	1999	2000	2001	2002
Taxes	\$ 273,140	288,093	309,526	589,143
Intergovernmental	-	-	27,583	1,309,612
Charges for Services	-	-	110,972	22,641
Licenses and Permits	218,594	518,516	153,807	117,037
Fines and Forfeits	10,271	5,479	225	18,212
Interest Income	9,384	11,979	10,015	82,848
Miscellaneous	623,172	66,632	670,739	3,439,290
Total	<u>1,134,561</u>	<u>890,699</u>	<u>1,282,867</u>	<u>5,578,783</u>

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

The Village implemented GASB 34 in Fiscal Year 2005. Includes all Governmental Funds.

Data Source: Village Records

2003	2004	2005	2006	2007	2008
1,654,037	2,109,670	3,538,069	4,449,755	6,053,597	7,481,986
2,665,589	2,039,146	536,664	547,394	1,966,061	1,363,440
38,251	63,483	2,737,438	2,802,384	2,071,685	3,557,534
102,777	250,798	172,993	481,353	78,601	198,901
13,417	48,055	93,812	116,919	161,322	300,768
98,553	73,116	125,668	281,891	338,629	627,199
3,308,269	11,498,555	51,434	646,167	73,513	976,274
7,880,893	16,082,823	7,256,078	9,325,863	10,743,408	14,506,102

VILLAGE OF ELWOOD, ILLINOIS**General Governmental Expenditures By Function - Last Ten Fiscal Years
April 30, 2008 (Unaudited)**

Function	1999	2000	2001	2002
General Government	\$ 473,730	653,617	759,724	519,459
Public Safety	111,320	112,238	90,811	170,348
Public Works	59,718	287,386	354,464	1,360,805
Parks and Recreation	N/A	N/A	N/A	N/A
Capital Outlay	82,735	-	61,973	12,334,196
Debt Service				
Principal	15,000	15,000	20,000	20,000
Interest and Fiscal Charges	26,804	26,107	25,188	23,806
Total	769,307	1,094,348	1,312,160	14,428,614

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

The Village implemented GASB 34 in Fiscal Year 2005. Includes all Governmental Funds.

Data Source: Village Records

N/A - Not Available

2003	2004	2005	2006	2007	2008
1,552,103	1,356,413	930,079	1,530,702	2,678,321	1,773,295
304,055	487,526	689,769	1,011,725	812,160	1,403,992
742,679	710,042	424,632	500,530	556,032	669,301
N/A	N/A	74,198	69,450	114,429	68,958
17,605,306	18,173,413	7,481,335	5,489,388	7,946,124	6,719,544
436,412	-	2,282,662	3,732,507	5,544,850	6,932,563
5,757	-	-	311,129	299,447	299,995
20,646,312	20,727,394	11,882,675	12,645,431	17,951,363	17,867,648

VILLAGE OF ELWOOD, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2008 (Unaudited)

	1999	2000	2001	2002
Revenues				
Taxes	\$ 273,140	288,093	309,526	589,143
Licenses and Permits	218,594	518,516	153,807	117,037
Intergovernmental	-	-	27,583	1,309,612
Charges for Services and Fees	-	-	110,972	22,641
Fines and Forfeits	10,271	5,479	225	18,212
Investment Income	9,384	11,979	10,015	82,848
Miscellaneous	623,172	66,632	670,739	3,439,290
Total Revenues	1,134,561	890,699	1,282,867	5,578,783
Expenditures				
General Government	473,730	653,617	759,724	519,459
Public Safety	111,320	112,238	90,811	170,348
Public Works	59,718	287,386	354,464	1,360,805
Parks and Recreation	N/A	N/A	N/A	N/A
Capital Outlay	82,735	-	61,973	12,334,196
Debt Service				
Principal	15,000	15,000	20,000	20,000
Interest and Fiscal Charges	26,804	26,107	25,188	23,806
Total Expenditures	769,307	1,094,348	1,312,160	14,428,614
Excess of Revenues Over (Under) Expenditures	365,254	(203,649)	(29,293)	(8,849,831)
Other Financing Sources (Uses)				
Debt Issuance	-	-	-	10,948,409
Discount on Debt Issuance	-	-	-	-
Transfers In	41,804	-	-	-
Transfers Out	-	-	-	(25,483)
Total Other Financing Sources (Uses)	41,804	-	-	10,922,926
Net Change in Fund Balances	407,058	(203,649)	(29,293)	2,073,095
Debt Service as a Percentage of Noncapital Expenditures	6.09%	3.76%	3.61%	2.09%

Data Source: Village Records

2003	2004	2005	2006	2007	2008
1,654,037	2,109,670	3,538,069	4,449,755	6,053,597	7,481,986
102,777	250,798	172,993	481,353	78,601	198,901
2,665,589	2,039,146	536,664	547,394	1,966,061	1,363,440
38,251	63,483	2,737,438	2,802,384	2,071,685	3,557,534
13,417	48,055	93,812	116,919	161,322	300,768
98,553	73,116	125,668	281,891	338,629	627,199
<u>3,308,269</u>	<u>11,498,555</u>	<u>51,434</u>	<u>646,167</u>	<u>73,513</u>	<u>976,274</u>
<u>7,880,893</u>	<u>16,082,823</u>	<u>7,256,078</u>	<u>9,325,863</u>	<u>10,743,408</u>	<u>14,506,102</u>
1,552,103	1,356,413	930,079	1,530,702	2,678,321	1,773,295
304,055	487,526	689,769	1,011,725	812,160	1,403,992
742,679	710,042	424,632	500,530	556,032	669,301
N/A	N/A	74,198	69,450	114,429	68,958
<u>17,605,306</u>	<u>18,173,413</u>	<u>7,481,335</u>	<u>5,489,388</u>	<u>7,946,124</u>	<u>6,719,544</u>
436,412	-	2,282,662	3,732,507	5,544,850	6,932,563
5,757	-	-	311,129	299,447	299,995
<u>20,646,312</u>	<u>20,727,394</u>	<u>11,882,675</u>	<u>12,645,431</u>	<u>17,951,363</u>	<u>17,867,648</u>
(12,765,419)	(4,644,571)	(4,626,597)	(3,319,568)	(7,207,955)	(3,361,546)
11,122,347	-	-	13,037,752	-	-
-	-	-	(135,118)	-	-
80,000	-	350,000	10,066,009	527,942	2,174,844
(80,000)	-	(350,000)	(10,066,009)	(527,942)	(2,174,844)
<u>11,122,347</u>	<u>-</u>	<u>-</u>	<u>12,902,634</u>	<u>-</u>	<u>-</u>
(1,643,072)	(4,644,571)	(4,626,597)	9,583,066	(7,207,955)	(3,361,546)
14.54%	0.00%	51.86%	56.51%	58.41%	69.50%

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

Tax Levy Year	Residential Property	Farm
1998	\$ 15,450,972	\$ 216,590
1999	17,391,609	228,551
2000	19,985,936	710,910
2001	22,132,218	2,404,703
2002	24,533,782	2,366,461
2003	28,800,884	301,971
2004	31,578,434	290,977
2005	36,627,762	302,243
2006	40,384,258	201,714
2007	45,385,712	200,458

Data Source: Will County Tax Extension Office

Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 650,449	\$ 1,189,512	\$ 17,507,523	\$ 29,195	\$ 17,536,718	0.106
675,680	3,091,700	21,387,540	28,451	21,415,991	0.091
759,750	5,324,294	26,780,890	29,683	26,810,573	0.077
761,718	5,324,294	30,622,933	31,044	30,653,977	0.070
757,949	5,399,900	33,058,092	36,951	33,095,043	0.130
794,834	7,749,771	37,647,460	39,999	37,687,459	0.120
965,549	7,994,121	40,829,081	45,108	40,874,189	0.116
988,941	7,309,053	45,227,999	42,489	45,270,488	0.209
1,046,857	7,345,882	48,978,711	42,357	49,021,068	0.202
1,114,810	7,665,210	54,366,190	46,519	54,412,709	0.270

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

	1998	1999	2000	2001
Village of Elwood	0.106	0.091	0.077	0.070
Village of Elwood Road and Bridge	0.137	0.136	0.130	0.134
Forest Preserve	0.129	0.139	0.137	0.135
Will County Bldg Comm	0.060	0.058	0.055	0.052
Jackson Township Town Funds	0.099	0.097	0.089	0.092
Jackson Township Road Funds	0.170	0.167	0.160	0.165
Elwood Fire Protection District	0.439	0.441	0.444	0.457
School District 203	2.482	2.454	2.777	2.795
High School District 204	1.992	1.950	1.920	2.031
Community College District 525	0.220	0.219	0.222	0.224
Manhattan Public Library	0.000	0.000	0.572	0.163
Will County	0.566	0.572	0.572	0.571
Total Tax Rate Per \$100 EAV	6.398	6.324	7.154	6.889
Village's Share of Total Tax Rate	2.01%	2.20%	1.91%	1.96%

Data Source: Office of the Will County Clerk

2002	2003	2004	2005	2006	2007
0.130	0.120	0.116	0.209	0.2019	0.2701
0.135	0.131	0.129	0.127	0.1245	0.1183
0.132	0.127	0.124	0.148	0.1369	0.1424
0.048	0.045	0.042	0.012	0.0127	0.0117
0.093	0.090	0.089	0.088	0.0859	0.0816
0.167	0.161	0.159	0.157	0.1538	0.1461
0.463	0.465	0.507	0.561	0.6176	0.6657
2.813	2.707	2.699	2.616	2.5405	2.4285
2.272	2.172	2.151	2.089	2.0244	1.9572
0.221	0.211	0.214	0.209	0.1936	0.1901
0.162	0.155	0.170	0.178	0.1697	0.1610
0.558	0.537	0.529	0.526	0.5027	0.4826
7.193	6.919	6.928	6.920	6.7642	6.6553
1.83%	1.83%	1.67%	3.02%	2.98%	4.06%

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

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Village	Taxable Assessed Value	Rank	Percentage of Total Village
			Taxable Assessed Value			Taxable Assessed Value
Walmart Stores	\$ 22,766,449	1	23.40%	\$ N/A		N/A
Walmart Stores	20,234,674	2	8.62%	N/A		N/A
CJFI, LLC	12,951,055	3	6.69%	N/A		N/A
Georgia Pacific	12,680,763	4	5.30%	N/A		N/A
Benderson Company, Inc.	8,119,599	5	4.81%	N/A		N/A
RB-3 Associates Et Al	7,799,220	6	0.82%	N/A		N/A
Elwood Energy	4,020,797	7	0.76%	N/A		N/A
Centerpoint Elwood LLC	2,927,677	8	0.52%	N/A		N/A
CJFI, LLC	2,839,676	9	0.43%	N/A		N/A
Elwood Energy	2,242,067	10	0.38%	N/A		N/A
	<u>96,581,977</u>		<u>51.73%</u>	<u>N/A</u>		<u>N/A</u>

Data Source: Office of the County Clerk of Will County

N/A - Information for 1999 is not available.

VILLAGE OF ELWOOD, ILLINOIS

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

Fiscal Year Ended April 30	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1999	1997	\$ 18,642	\$ 18,642	100.00%	N/A	\$ 18,642	100.00%
2000	1998	19,574	19,574	100.00%	N/A	19,574	100.00%
2001	1999	20,563	20,563	100.00%	N/A	20,563	100.00%
2002	2000	21,580	21,580	100.00%	N/A	21,580	100.00%
2003	2001	43,024	43,024	100.00%	N/A	43,024	100.00%
2004	2002	45,112	45,131	100.04%	N/A	45,131	100.04%
2005*	2003	2,735,358	2,735,367	100.00%	N/A	2,735,367	100.00%
2006*	2004	3,323,658	3,323,760	100.00%	N/A	3,323,760	100.00%
2007*	2005	4,992,956	4,988,692	99.91%	N/A	4,988,692	99.91%
2008*	2006	6,195,253	6,195,382	100.00%	N/A	6,195,382	100.00%

Data Source: Office of the County Clerk of Will County

N/A - Not Available

* Includes incremental taxes for the Deer Run TIF Fund.

VILLAGE OF ELWOOD, ILLINOIS**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years**
April 30, 2008 (Unaudited)

Fiscal Year Ended April 30	Governmental Activities		
	General Obligation Bonds	General Obligation Capital Appreciation	Capital Leases Payable
1999	\$ 445,000	\$ -	\$ -
2000	430,000	-	-
2001	410,000	-	-
2002	390,000	-	-
2003	-	-	-
2004	-	-	-
2005	-	-	-
2006	6,715,000	6,246,538	127,232
2007	6,715,000	6,422,136	103,333
2008	6,715,000	6,979,060	78,049

Data Source: Village's Records**Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.****(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.**

Tax Increment Notes Payable	Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita (1)
	Loans Payable				
\$ -	\$ -	\$ 445,000	N/A	\$ 468.42	
-	-	430,000	N/A	452.63	
-	-	410,000	1.13%	253.09	
-	2,940,567	3,330,567	9.16%	2,055.91	
-	14,500,000	14,500,000	39.88%	8,950.62	
-	14,500,000	14,500,000	39.88%	8,950.62	
124,947,957	14,500,000	139,447,957	383.56%	86,078.99	
133,803,629	14,500,000	161,392,399	443.92%	99,624.94	
141,934,229	14,500,000	169,674,698	466.70%	104,737.47	
148,811,979	14,500,000	177,084,088	487.08%	109,311.17	

VILLAGE OF ELWOOD, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2008 (Unaudited)

Fiscal Year Ended April 30	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
1999	\$ 445,000	\$ -	\$ 445,000	2.54%	\$ 468.42
2000	430,000	-	430,000	2.01%	452.63
2001	410,000	-	410,000	1.53%	253.09
2002	390,000	-	390,000	1.27%	240.74
2003	-	-	-	0.00%	-
2004	-	-	-	0.00%	-
2005	-	-	-	0.00%	-
2006	6,715,000	-	6,715,000	14.83%	4,145.06
2007	6,715,000	-	6,715,000	13.70%	4,145.06
2008	6,715,000	-	6,715,000	12.34%	4,145.06

Data Source: Village Records

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

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

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

VILLAGE OF ELWOOD, ILLINOIS**Schedule of Direct and Overlapping Bonded Debt**
April 30, 2008 (Unaudited)

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Elwood	\$ 13,694,060	100.00%	\$ 13,694,060
Will County	42,280,000	7.60%	3,213,280
Forest Preserve	150,343,688	2.14%	3,217,355
School District 203	1,723,450	37.80%	651,464
High School District 204	26,168,020	30.19%	7,900,125
Community College District 525	3,825,000	3.02%	115,515
Subtotal	29,993,020		15,097,739
Totals	43,687,080		28,791,799

(1) Determined by the ratio of assessed value of property in the Village of Elwood subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

Data Source: Will County Clerk's Office

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Legal Debt Margin

April 30, 2008 (Unaudited)

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides that the General Assembly may limit the amount and require referenda for approval of debt payable from ad valorem property taxes in excess of one percent of assessed valuation. However, no such statute has been enacted as of this date. Therefore, as a home rule municipality, the Village of Elwood, Illinois has no debt limit.

VILLAGE OF ELWOOD, ILLINOIS**Pledged-Revenue Coverage - Last Ten Fiscal Years**
April 30, 2008 (Unaudited)

Fiscal Year Ended April 30	Property Tax Revenues	Principal	Interest	Coverage
1999	\$ -	\$ -	\$ -	-
2000	-	-	-	-
2001	-	-	-	-
2002	-	-	-	-
2003	-	-	-	-
2004	-	-	-	-
2005	-	-	-	-
2006	-	-	62,423	-
2007	-	-	-	-
2008	-	-	-	-

Data Source: Village Records

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

VILLAGE OF ELWOOD, ILLINOIS

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

Fiscal Year Ended April 30	(1) Population	Personal Income (in Thousands)		(1) Per Capita Personal Income	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
1999	950	\$	N/A	\$	N/A	35	303
2000	950		N/A		N/A	35	308
2001	1,620		36,356		22,442	35	322
2002	1,620		36,356		22,442	35	347
2003	1,620		36,356		22,442	35	362
2004	1,620		36,356		22,442	35	396
2005	1,620		36,356		22,442	35	421
2006	1,620		36,356		22,442	35	426
2007	1,620		36,356		22,442	35	433
2008	1,620		36,356		22,442	35	431

N/A - Not Available

Data Sources:

- (1) U.S. Census Bureau
- (2) Annual School Census
- (3) Illinois Department of Employment Security

VILLAGE OF ELWOOD, ILLINOIS

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

Employer	2008			1999		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Wal-Mart	2,000	1	N/A	N/A	N/A	N/A
BNSF	855	2	N/A	N/A	N/A	N/A
DCS Logistics	265	3	N/A	N/A	N/A	N/A
Potlach	220	4	N/A	N/A	N/A	N/A
Georgia Pacific	100	5	N/A	N/A	N/A	N/A
Elwood School District	40	6	N/A	N/A	N/A	N/A
Village of Elwood	26	7	N/A	N/A	N/A	N/A
Bridge Terminal Transport	25	8	N/A	N/A	N/A	N/A
	<u>676</u>		<u>0.00%</u>	<u>-</u>		<u>0.00%</u>

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

N/A - Information for 1999 is not available.

VILLAGE OF ELWOOD, ILLINOIS

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

Function	1999	2000	2001	2002
General Government				
Administration	1	1	2	2
Finance	-	1	2	2
Public Works	1	1	1	1
Police	2	3	3	4
Water and Sewer	1	1	1	1
Total	5	7	9	10

Data Source: Village Records

2003	2004	2005	2006	2007	2008
2	3	2	2	3	3
2	2	2	2	2	2
2	3	3	4	5	5
5	5	5	6	7	12
1	1	1	1	1	1
12	14	13	15	18	23

VILLAGE OF ELWOOD, ILLINOIS

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

Function/Program	1999	2000	2001	2002
Public Works				
Forestry				
Number of Parkway Trees Planted	N/A	N/A	N/A	N/A
Number of Parkway Trees Trimmed	N/A	N/A	N/A	N/A
Brush Pickup Program (Cubic Yds Collected)	N/A	N/A	N/A	N/A
Fleet Services				
Number of Vehicles Maintained	N/A	N/A	4	4
Preventative Maintenance Services	N/A	N/A	4	6
Public Safety				
Police				
Criminal	N/A	N/A	N/A	N/A
Quasi Criminal	N/A	N/A	N/A	N/A
Calls for Service	N/A	N/A	N/A	N/A
State Tickets Issued	N/A	N/A	N/A	N/A
Community Development				
Number of Building Permits Issued	N/A	N/A	56	21
Number of Building Inspections	N/A	N/A	168	63
Number of Food Service Inspections	N/A	N/A	N/A	N/A
Highways and Streets				
Sidewalk Replaced (Sq. Ft.)	-	-	-	-
Water and Sewer				
Water Main Breaks	N/A	N/A	N/A	N/A
Hydrants Flushed	N/A	N/A	N/A	N/A
Water Meters Read	N/A	N/A	N/A	N/A
Water Meter Service Requests	N/A	N/A	N/A	N/A
Water Meters Replaced	N/A	N/A	5	4
Total Distribution Pumpage (1,000 Gallons)	N/A	N/A	N/A	N/A
Average Daily Pumpage (1,000 Gallons)	N/A	N/A	N/A	N/A
Sanitary Sewer Televising (Feet)	N/A	N/A	N/A	N/A
Sanitary Sewer Repairs	N/A	N/A	N/A	N/A

N/A: Not Available

Data Source: Village Records

	2003	2004	2005	2006	2007	2008
N/A	80	50	131	163	163	
N/A	0	10	100	-	-	
35	60	65	80	50	60	
5	6	7	10	13	18	
9	10	14	17	20	50	
N/A	N/A	600	1,200	1,800	591	
N/A	N/A	1,520	1,249	499	556	
N/A	N/A	1,551	2,880	2,336	2,341	
N/A	N/A	678	1,149	1,632	3,900	
26	54	26	17	26	11	
78	162	78	51	78	33	
N/A	N/A	N/A	N/A	N/A	N/A	
-	30	150	-	-	-	
N/A	3	2	-	-	-	
200	284	355	536	549	549	
740	755	768	790	830	900	
N/A	N/A	60	30	40	192	
5	204	531	122	12	-	
89,302	127,713	96,484	124,866	94,905	91,389	
287	287	253	254	350	250	
N/A	N/A	N/A	N/A	17,000	-	
N/A	N/A	N/A	N/A	1	-	

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

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	2	3	3	4	6	7	8	8	8	9
Fire Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (Miles)	N/A	30	33	41	41	41	41	47	47	50.7
Sidewalks (Miles)	N/A	8	9	11	11	13	14	15	15	15
Streetlights	N/A	N/A	N/A	N/A	8	40	48	165	165	165
Water and Sewer										
Water Mains (Miles)	N/A	N/A	N/A	8.76	13.47	25.54	26.19	26.60	26.60	26.60
Fire Hydrants	N/A	N/A	N/A	200	284	355	536	549	549	549
Sanitary Sewers (Miles)	N/A	N/A	N/A	10.10	12.42	19.67	20.45	20.89	20.89	20.89
Manholes	N/A	N/A	N/A	200	289	300	350	391	391	391

N/A - Not Available

Data Source: Village Records