

**Darien-Woodridge Fire Protection District  
State of Illinois**

Annual Financial Report

For the Year Ended  
May 31, 2011

# Darien-Woodridge Fire Protection District

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&  
ASSOCIATES, LTD.**

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Accounting  
Specialist  
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Financial  
Management  
Consultants

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**INDEPENDENT AUDITOR'S REPORT**

September 5, 2011

The Board of Trustees  
Darien-Woodridge Fire Protection District  
State of Illinois

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Darien-Woodridge Fire, as of and for the year ended May 31, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Darien-Woodridge Fire's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Darien-Woodridge Fire, as of May 31, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 12 and 41 through 42 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Darien-Woodridge Fire Protection District  
State of Illinois

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Darien-Woodridge Fire's financial statements as a whole. The combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Miriani & Associates, LTD.*

September 5, 2011

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# Darien-Woodridge Fire Protection District

## Management's Discussion and Analysis For the Year Ended May 31, 2011

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As the management of Darien-Woodridge Fire ("the District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended May 31, 2011. We encourage readers to consider the information presented here in conjunction with the District's financial statements (beginning on page 13).

The discussion and analysis is designed to: (1) assist the readers in focusing on significant financial issues, (2) provide an overview of the District's financial activities, (3) identify changes in the District's financial position (its ability to address the next and subsequent years challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

Historically, the primary focus of local government financial statements has been summarized funds types on a current financial resource basis. Due to the requirement of Government Accounting Standards Board Statement No. 34, beginning in 2003 this approach was modified so that now the District's financial statements present two kinds of statements, each with a different snapshot of the District's finances. The focus of the new financial statements are on both the District as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major funds) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the District's accountability.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34 "Basic Financial Statements and Management's Discussion and Analysis, for State and Local Governments" issued June 1999. Certain comparative information between the current and prior year is required to be presented in the MD&A.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's financial statements beginning on page 13.

### Financial Highlights

The District's liabilities exceed its assets at May 31, 2011, the close of the most recent fiscal year, by \$45,438, which includes \$4,685,555 invested in capital assets less related debt of \$6,562,881, leaving \$1,831,888 to be used for the District's ongoing obligations to its citizens.

The District's total net assets decreased \$154,962. A substantial portion of this decrease is attributed to depreciation of \$299,148 and an increase in net pension obligation of \$227,885.

As of May 31, 2011 the District's governmental funds reported combined ending fund balances of \$3,659,786, an increase of \$140,584 in comparison with the prior year. Of this amount the general fund had an ending fund balance of \$3,289,601 (unrestricted, undesignated fund balance) and governmental funds had an ending fund balance of \$370,185.

(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

## Management's Discussion and Analysis For the Year Ended May 31, 2011

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### Overview of the Financial Statements

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

### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of District finances, in a manner similar to a private-sector business and are reported using the accrual basis of accounting and economic resources measurement focus.

The statement of net assets presents information on all District assets and liabilities, with the difference between the two reported as net assets. Over time, the increase or decrease in net assets may serve as a useful indicator of whether or not the District's financial position is improving.

The statement of activities presents information showing how the District'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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and unpaid obligations).

The government-wide financial statement distinguishes District functions that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities reflected the District's basic services including fire, ambulance and other administrative functions.

The following Table 1 reflects the condensed Statement of Net Assets for the District as of May 31, 2011. Table 2 reflects a condensed Statement of Activities for the year ended May 31, 2011.

The government-wide financial statements are presented on page 13 - 14 of this report.

(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

## Management's Discussion and Analysis For the Year Ended May 31, 2011

### Government-Wide Financial Analysis

As noted earlier, assets may serve over time as a useful indicator of the District's financial position. In the District's case, liabilities exceeded assets by \$20,511 at May 31, 2011.

A substantial portion of the District's assets reflect its investment in capital assets (e.g. land, buildings & equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its citizens; consequently these assets are not available for future spending. Although the District's investment in 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.

**Table 1**  
**Condensed Statement of Net Assets**  
As of May 31,

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Cash & Investments	\$ 1,151,894	\$ 993,076
Receivables		
Property Taxes	5,332,140	5,315,406
Other	70,898	49,786
Other Current Assets	93,694	37,480
Capital Assets, Net of Accumulated Depreciation	<u>4,685,555</u>	<u>4,973,014</u>
<b>Total Assets</b>	<u><b>11,334,181</b></u>	<u><b>11,368,762</b></u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	125,469	109,294
Accrued Payroll	101,600	64,818
Other Liabilities	86,608	115,977
Bond & Lease Payable	259,205	235,808
Interest Payable	144,624	149,389
Deferred Revenue	2,675,163	2,657,703
Non Current Liabilities	<u>7,986,950</u>	<u>7,997,495</u>
<b>Total Liabilities</b>	<u><b>11,379,619</b></u>	<u><b>11,330,484</b></u>
<b>Net Assets</b>		
Invested in Capital Assets		
Net of Debt	(1,877,326)	(1,826,976)
Restricted	-	-
Unrestricted	<u>1,831,888</u>	<u>1,865,254</u>
<b>Total Net Assets</b>	<u><b>(45,438)</b></u>	<u><b>38,278</b></u>

(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

## Management's Discussion and Analysis For the Year Ended May 31, 2011

### Normal Impact on the District's Revenue & Expenses

#### Revenues:

**Economic condition** - this can reflect a declining, stable or growing economic environment and has a direct impact on property taxes, state replacement income tax, etc.

**Changing patterns in intergovernmental and grant revenue** - while certain recurring revenue (state shared revenue, etc) may experience significant changes due to the economic environment, non-recurring or one-time grants are less predictable and often distort their impact on year-to-year comparison.

**Market impacts on investment income** - market conditions may cause investment income to fluctuate.

#### Expenses:

**Changes in authorized personnel** - change in service demands may cause the District to change staffing levels. Personnel costs are a significant operating cost for the District.

**Table 2**  
**Condensed Statement of Activities**  
For the Year Ended May 31,

	<u>2011</u>	<u>2010</u>
<b>Revenues:</b>		
Taxes:		
Property	\$ 5,697,400	\$ 5,666,421
Replacement	64,763	30,329
Charge for Services	745,573	567,477
Grants	27,250	36,000
Investment Income	6,296	19,941
Miscellaneous	<u>175,740</u>	<u>131,408</u>
Total Revenue	<u>6,717,022</u>	<u>6,451,576</u>
<b>Expenditures:</b>		
Public Safety	6,522,101	6,255,084
Interest	<u>349,883</u>	<u>366,832</u>
Total Expenditures	<u>6,871,984</u>	<u>6,621,916</u>
Change in Net Assets	<u>(154,962)</u>	<u>(170,340)</u>
Net Assets, Beginning of Year	38,278	208,618
Prior year adjustment	<u>71,246</u>	<u>-</u>
Net Assets, End of Year	<u>\$ (45,438)</u>	<u>\$ 38,278</u>

(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

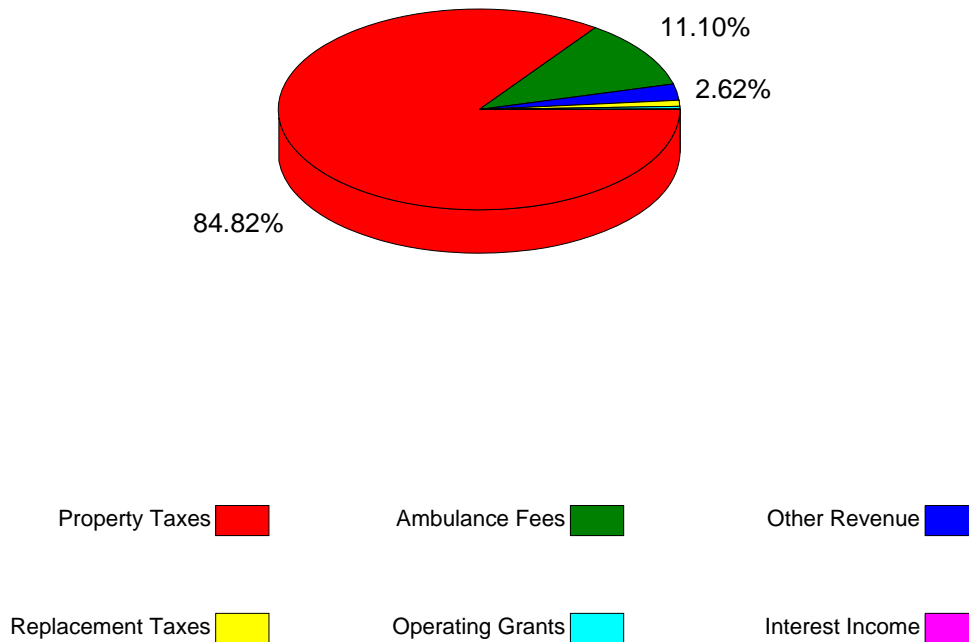
## Management's Discussion and Analysis For the Year Ended May 31, 2011

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### Government-wide Financial Analysis

The District's primary source of revenues is from property taxes while the primary use of funds is to provide public safety. Below are charts which represent the sources and uses of fund for the fiscal year ended May 31, 2011:

## Revenue by Source as of May 31, 2011



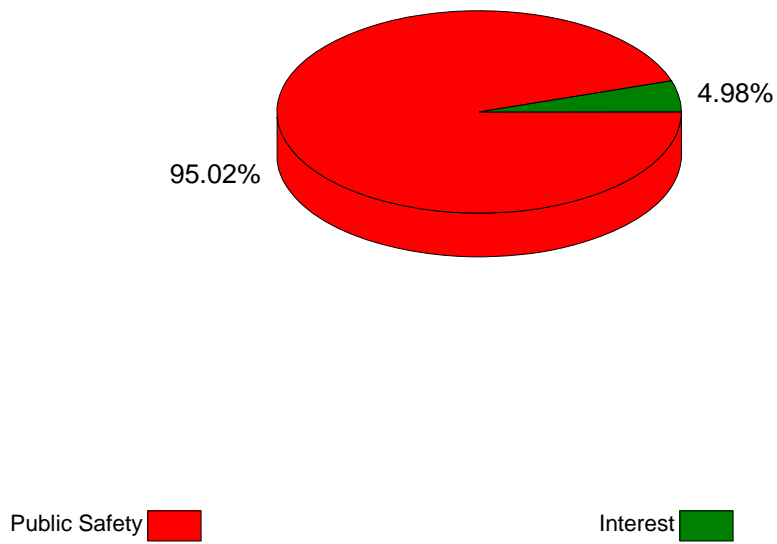
(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

Management's Discussion and Analysis  
For the Year Ended May 31, 2011

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## Expenses by Program as of May 31, 2011



(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

## Management's Discussion and Analysis For the Year Ended May 31, 2011

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### 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 District, like other units of government, uses fund accounting to ensure compliance with finance-related legal requirements. All of the District's funds are governmental funds.

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

The District maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the Corporate Fund, Ambulance Fund, Capital Projects Fund and Special Revenue Funds. Data from the Special Revenue Funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and individual schedules elsewhere in the report.

Basic governmental fund financial statements are presented on pages 15 - 18 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 begin on page 21 of this report.

### Other Information

In addition to these basic financial statements and accompanying notes, this report also presents supplementary information concerning the District's progress in funding its obligations to provide pension benefits to its employees. This information can be found beginning on page 40 of this report.

Major funds are reported in the basic financial statements as discussed. Combining and/or individual statements and schedules are presented in a subsequent section of this report beginning on page 43 of this report.

(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

## Management's Discussion and Analysis For the Year Ended May 31, 2011

### Financial Analysis of the District's Funds

#### Changes in Fund Balance - Governmental Funds

Governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$3,659,786. Of this year-end total, the general fund reported a fund balance of \$3,289,601. The remaining \$370,185 is restricted and undesignated.

The following is a summary of changes in fund balances for the year ended May 31, 2011:

Governmental Funds	Fund Balance May 31, 2010	Increase (Decrease)	Fund Balance May 31, 2011
Corporate	\$ 427,124	\$ (59,289)	\$ 367,835
Ambulance	2,736,758	185,008	2,921,766
FICA & IMRF Fund	35,459	29,928	65,387
Insurance Fund	(35,689)	(20,082)	(55,771)
Audit Fund	861	2,074	2,935
Debt Service	287,303	-	287,303
Capital Replacement Fund	60,245	118	60,363
Foreign Fire Insurance Board	7,141	2,827	9,968
	<u>\$ 3,519,202</u>	<u>\$ 140,584</u>	<u>\$ 3,659,786</u>

#### Major Governmental Funds - Annual Budget

The District reports the Corporate Fund and the Ambulance Fund as major governmental funds. The following is a table summarizing the District's working budget fiscal year 2010/2011 these funds. More detailed information on the budget process can be found in Note 1 of the financial statements.

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Corporate Fund (Fire)			
Revenue	\$ 2,700,986	\$ 2,711,816	\$ 10,830
Expenditures	<u>2,848,615</u>	<u>2,790,112</u>	<u>58,503</u>
Excess (Defecit) of Revenue over Expenditures	<u>\$ (147,629)</u>	<u>\$ (78,296)</u>	<u>\$ (69,333)</u>
Ambulance Fund			
Revenue	\$ 3,002,186	\$ 3,009,496	\$ 7,310
Expenditures	<u>2,870,825</u>	<u>2,843,495</u>	<u>27,330</u>
Excess (Defecit) of Revenue over Expenditures	<u>\$ 131,361</u>	<u>\$ 166,001</u>	<u>\$ (34,640)</u>

(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

## Management's Discussion and Analysis For the Year Ended May 31, 2011

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### Capital Assets

The District's investment in capital assets, net of accumulated depreciation for governmental activities as of May 31, 2011 was \$4,685,555. The net decrease in capital assets was \$287,459 of which \$299,148 was depreciation expense. Additional information on the District's investment in capital assets can be found in Note 5 of the financial statements.

The following is a summary of capital assets, net of accumulated depreciation:

	May 31,	
	2010	2011
Land	\$ 805,000	\$ 805,000
Building & Improvements	5,430,000	5,456,595
Machinery & Equipment	1,240,200	1,218,023
Office Furniture & Equipment	54,498	54,498
Vehicles	<u>2,024,304</u>	<u>2,024,304</u>
Cost of capital assets	9,554,002	9,558,420
Less accumulated depreciation	<u>(4,580,988)</u>	<u>(4,872,865)</u>
Net capital assets	<u>\$ 4,973,014</u>	<u>\$ 4,685,555</u>

For fiscal year ended May 31, 2011 the District transferred \$60,000 to the Capital Replacement Fund.

### Outstanding Debt

As of May 31, 2011, the District had outstanding debt totaling \$6,562,881. The District's long-term debt is comprised of general obligation debt, compensated absences to employees, net pension obligations, and capitalized leases.

More detailed information on long-term debt activity can be found in Note 6 of the financial statements.

(See independent auditor's report.)

# Darien-Woodridge Fire Protection District

## Management's Discussion and Analysis For the Year Ended May 31, 2011

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### **Economic Factors in Next Year's Budget and Rates**

The District continues to experience an eroding tax rate imposed by the Property Tax Extension Limitation Law (PTELL), which, in general, limits the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy.

### **Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances, comply with finance related laws and regulations and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact the District at 7550 Lyman Avenue, Darien, IL 60561.

(See independent auditor's report.)

## **BASIC FINANCIAL STATEMENTS**

# Darien-Woodridge Fire Protection District

## Statement of Net Assets

May 31, 2011

	Governmental Activities
Assets	
Current Assets	
Cash & Cash Equivalents	\$ 1,151,894
Receivables:	
Property Taxes	5,332,140
Other	70,898
Prepaid Expenses	<u>93,694</u>
Total Current Assets	<u>6,648,626</u>
Noncurrent Assets	
Capital Assets, Net of Accumulated Depreciation	
Land	805,000
Building & Improvements	3,310,365
Machinery & Equipment	453,478
Office Furniture & Equipment	708
Vehicles	<u>116,004</u>
Total Noncurrent Assets	<u>4,685,555</u>
Total Assets	<u>11,334,181</u>
Liabilities	
Current Liabilities	
Accounts Payable	125,469
Accrued Payroll	101,600
Deferred Property Tax Revenue	2,675,163
Compensated Absences	86,608
Bonds Payable	175,000
Lease Payable	84,205
Interest Payable	<u>144,624</u>
Total Current Liabilities	3,392,669
Non-Current Liabilities	
Compensated Absences	1,047,693
Net Pension Obligation	635,581
Bonds Payable	6,050,000
Lease Payable	<u>253,676</u>
Total Non-Current Liabilities	7,986,950
Total Liabilities	11,379,619
Net Assets	
Invested in Capital Assets, Net of Related Debt	(1,877,326)
Unrestricted	<u>1,831,888</u>
Net Assets	<u>\$ (45,438)</u>

See Accompanying Notes to Financial Statements

# Darien-Woodridge Fire Protection District

## Statement of Activity Year Ended May 31, 2011

Functions/Program	Expenses	Program Revenue		Net (Expenses), Revenue and Changes in Net Assets
		Charge for Services	Operating Grants	
Governmental Activities				
General Government	\$ 6,522,099	\$ 745,571	\$ 27,250	\$ 5,749,278
Interest on Long Term Debt	<u>349,883</u>	<u>-</u>	<u>-</u>	<u>349,883</u>
Total Governmental Activities	<u>\$ 6,871,982</u>	<u>\$ 745,571</u>	<u>\$ 27,250</u>	<u>6,099,161</u>
General Revenues				
Taxes				
Property				5,697,400
Replacement				64,763
Investment Income				6,296
Miscellaneous				<u>175,740</u>
Total General Revenue				<u>5,944,199</u>
Increase (Decrease) in Net Assets				(154,962)
Net Assets				
Beginning				38,278
Prior Period Adjustment				<u>71,246</u>
Ending				<u>\$ (45,438)</u>

See Accompanying Notes to Financial Statements

# Darien-Woodridge Fire Protection District

## Governmental Funds

### Balance Sheet

May 31, 2011

	General Fund	Other Governmental Funds	Total
<b>Assets</b>			
Current Assets			
Cash & Cash Equivalents	\$ 1,099,142	\$ 52,752	\$ 1,151,894
Receivables:			
Property Taxes	4,744,149	587,991	5,332,140
Other	70,898	-	70,898
Prepaid Expenses	61,164	32,530	93,694
Total Assets	<u>\$ 5,975,353</u>	<u>\$ 673,273</u>	<u>\$ 6,648,626</u>
<b>Liabilities</b>			
Current Liabilities			
Accounts Payable	\$ 125,469	\$ -	\$ 125,469
Accrued Payroll	101,600	-	101,600
Deferred Property Tax Revenue	2,372,075	303,088	2,675,163
Compensated Absences	86,608	-	86,608
Total Liabilities	2,685,752	303,088	2,988,840
<b>Fund Balance</b>			
Unrestricted	3,228,437	-	3,228,437
Unrestricted, Special Revenue	-	(10,011)	(10,011)
Unrestricted, Debt Service	-	287,303	287,303
Restricted, Prepays	61,164	32,530	93,694
Restricted, Capital Replacement Fund	-	60,363	60,363
Total Fund Balance	<u>3,289,601</u>	<u>370,185</u>	<u>3,659,786</u>
Total Liabilities & Fund Balance	<u>\$ 5,975,353</u>	<u>\$ 673,273</u>	<u>\$ 6,648,626</u>

See Accompanying Notes to Financial Statements

# Darien-Woodridge Fire Protection District

## Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets

May 31, 2011

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Total Fund Balances - Governmental Funds	\$	3,659,786
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		4,685,555
Bond payable is not reported as liabilities in the funds financial statements.		(6,225,000)
Leases payable are not reported as liabilities in the funds financial statements.		(337,881)
Interest payable is not reported as liabilities in the funds financial statements.		(144,624)
Long term portion of compensated absences are not reported in the funds financial statements.		(1,047,693)
Net pension obligation is not reported in the fund financial statements.		<u>(635,581)</u>
Net Assets of Governmental Activities	\$	<u>(45,438)</u>

See Accompanying Notes to Financial Statements

# Darien-Woodridge Fire Protection District

## Governmental Funds

### Statement of Revenue, Expenditures and Changes in Fund Balances

For the Year Ended May 31, 2011

	General	Other Governmental Funds	Total
<b>REVENUES</b>			
Property Taxes	\$ 4,759,106	\$ 555,275	\$ 5,314,381
State Replacement Taxes	58,697	3,551	62,248
Interest Income	6,140	140	6,280
Charge for Services	734,047	-	734,047
Fees	11,526	-	11,526
SUFD Reimbursement	120,174	-	120,174
Grants Received	27,250	-	27,250
Other Income	4,372	13,180	17,552
Total Revenue	5,721,312	572,146	6,293,458
<b>EXPENDITURES</b>			
Fire Protection	2,532,788	10,353	2,543,141
Ambulance	2,586,171	-	2,586,171
Debt Service			
Principal	160,000	-	160,000
Interest	354,648	-	354,648
Payroll Taxes & I.M.R.F	-	121,839	121,839
Tort Liability Insurance	-	417,989	417,989
Audit	-	7,100	7,100
Total Expenditures	5,633,607	557,281	6,190,888
Excess (Deficiency) of Revenues over Expenditures	87,705	14,865	102,570
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Assets	38,014	-	38,014
Total Other Financing Sources (Uses)	38,014	-	38,014
Net Change in Fund Balances	125,719	14,865	140,584
Fund Balance, Beginning of Year	3,092,636	355,320	3,447,956
Prior Period Adjustment	71,246	-	71,246
Fund Balance, End of Year	\$ 3,289,601	\$ 370,185	\$ 3,659,786

See Accompanying Notes to Financial Statements

# Darien-Woodridge Fire Protection District

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended May 31, 2011

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Net Change in Fund Balances - Total Governmental Funds		
Statement of Revenues, Expenditures and Changes in Fund Balance	\$	140,584
Amounts reported for governments activities in the Statement of Activities are different because:		
Depreciation of capital assets is not considered an expenditure in the fund financial statements.		(299,148)
Purchases of capital assets are treated as an expenditure in the fund financial statements.		11,689
Changes in long-term compensated absences are not recorded in the fund financial statements.		(22,075)
Changes in net pension obligation are not recorded in the fund financial statements.		(227,885)
Payment of bond principal is treated as an expenditure in the fund financial statements.		160,000
Payments of lease principal are treated as an expenditure in the fund financial statements.		77,107
Changes in accrued interest are not considered an expenditure in the fund financial statements.		<u>4,766</u>
Changes in Net Assets of Governmental Activities		
Statement of Activities - "Increase (Decrease) in Net Assets"	\$	<u>(154,962)</u>

See Accompanying Notes to Financial Statements

# Darien-Woodridge Fire Protection District

## Firefighter's Pension Trust Fund

### A Fiduciary Component Unit

#### Statement of Fund Net Assets

May 31, 2011

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	<u>2011</u>	<u>2010</u>
Assets		
Cash & Cash Equivalents	\$ 287,234	\$ 478,965
Investments	14,410,995	12,514,903
Interest Receivable	107,621	103,825
Prepaid Expenses	<u>450</u>	<u>438</u>
Total Assets	<u>\$ 14,806,300</u>	<u>\$ 13,098,131</u>
Liabilities		
Accrued Expenses	<u>\$ 7,527</u>	<u>\$ 8,204</u>
Total Liabilities	7,527	8,204
Fund Balance		
Restricted for Pension Funds	<u>14,798,773</u>	<u>13,089,927</u>
Total Fund Balance	<u>14,798,773</u>	<u>13,089,927</u>
Total Liabilities & Fund Balance	<u>\$ 14,806,300</u>	<u>\$ 13,098,131</u>

See Accompanying Notes to Financial Statements

# Darien-Woodridge Fire Protection District

## Firefighter's Pension Trust Fund

### A Fiduciary Component Unit

#### Schedule of Revenues, Expenses and Changes in Fund Net Assets

For the Year Ended May 31, 2011

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Contributions		
Employer	\$ 385,549	\$ 359,269
Plan Member	215,417	209,244
Total Contributions	600,966	568,513
Investment Income		
Investment Earnings	448,501	427,227
Net Change in Fair Value of Investments	1,255,987	851,576
Total Investment Income	1,704,488	1,278,803
Less: Investment Expenses	(29,708)	(26,857)
Net Investment Income	1,674,780	1,251,946
Total revenue	2,275,746	1,820,459
<b>EXPENSES</b>		
Pension Benefits	520,536	417,430
Pension Refunds	5,388	-
Administrative Expenses	40,976	31,202
Total Expenditures	566,900	448,632
Net Change in Fund Balances	1,708,846	1,371,827
Fund Balance, Beginning of Year	13,089,927	11,718,100
Fund Balance, End of Year	\$ 14,798,773	\$ 13,089,927

See Accompanying Notes to Financial Statements

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Darien-Woodridge Fire Protection District (the "District") is a municipal corporation of the State of Illinois headquartered in the County of DuPage and duly chartered pursuant to the Illinois Fire Protection District Act, 70 ILCS 705. The District was formed in the 1950s; the Belmont Fire Protection District was merged into the Darien-Woodridge Fire Protection District in 1988.

The Darien-Woodridge Fire Protection District is made up of parts of the city of Darien, Villages of Downers Grove and Woodridge, and a large area in unincorporated DuPage County. The District provides both fire and emergency medical service to the residents of this area. In addition, the District has ongoing fire inspection and fire education programs and offers education in CPR and other medical topics along with a blood pressure screening program.

#### A. Reporting Entity

The District follows the provision of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14". As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

The District has concluded that the Firefighter's Pension Trust Fund and the Foreign Fire Insurance Board meet the criteria of Statement 39 for inclusion as blended component units. Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the District's Board or the component unit provides services entirely to the District. These component units' funds are blended into those of the District's by appropriate activity type to compose the primary government presentation.

#### B. Basis of Presentation

##### GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Basis of Presentation (Continued)

##### GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The District does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include charges to residents who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

##### FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, funds equity, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrative compliance with finance-related legal and contractual provisions.

Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental funds are at least ten percent of the corresponding total for all funds of that category or type, and
- Total assets, liabilities, revenue or expenditures/expenses of the individual governmental fund is at least five percent of the corresponding total for all governmental funds combined.

The District reports the following major governmental funds:

The General Fund, which accounts for the District's primary operating activities.

The District reports the following non-major governmental funds:

Payroll taxes and I.M.R.F  
Tort Liability  
Audit  
Debt Service  
Capital Replacement Fund

##### Governmental Funds (Governmental Activities)

Governmental fund types are those through which most governmental functions of the District are financed. The District's expendable financial resources are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position rather than upon net income determination. A brief explanation of the District's governmental funds follows:

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Basis of Presentation (Continued)

##### General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required, legally or by sound financial management, to be accounted for in another fund.

Funds included in this fund category are:

- Ambulance
- Fire Protection

##### Special Revenue Funds

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

Funds included in this fund category are:

- Payroll taxes and I.M.R.F.
- Tort Liability
- Audit
- Capital Replacement Fund

##### Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for the payment of general long-term debt principal, interest and related costs.

##### Fiduciary Fund Types

Fiduciary Fund are used to account for assets held by the District in a trustee capacity or as an agent for individual, private organizations, other governments, or other funds. The District considers the Firefighter's Pension Trust Fund a Fiduciary Fund.

##### Blended Component Units

The District reports the following blended component units:

**Firefighter's Pension Trust Fund** - The District considers the Firefighter's Pension Trust a blended component unit, and reports this as fiduciary fund in the financial statements.

**Foreign Fire Insurance Board** - The Foreign Fire Insurance Board is statutorily established for the purpose of expending funds received for the maintenance and benefit of the District.

Foreign Fire Insurance Company fees are assessed on insurance companies who are not incorporated under the laws of the State of Illinois and sell fire insurance within the District.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Basis of Presentation (Continued)

##### Blended Component Units (Continued)

The use of the Foreign Fire Insurance Company fees is restricted to expenditures for the maintenance, use and benefit of the District.

As the sole purpose of the organization is to benefit the District and the Board was created by a District ordinance, the Foreign Fire Insurance Board is considered a blended component unit of the District.

The Foreign Fire Insurance Board has a year-end of May 31 and has been reported as a Special Revenue Fund and is included in the governmental funds of the District.

#### C. Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the economic resources measurement of focus and 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 the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e. both measurable and available to finance the District's operations. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Property taxes, investment earnings, and charges for services are the primary revenue sources susceptible to accrual. The District considers property taxes available if they are due and collected within 60 days after year end. All other revenues are recognized when the cash is received. Expenditures are recorded when the related fund liability is incurred.

The District reports deferred revenues on its Governmental Funds Balance Sheet. For governmental funds financial statements, deferred revenues occur when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District, before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the Governmental Funds Balance Sheet and revenue is recognized accordingly.

The Firefighter's Pension Trust Fund, a blended component and Fiduciary Fund Type, is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned and its expenses are recognized when they are incurred.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### D. Measurement Focus

On the government-wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the economic resources measurement focus, which means all assets and liabilities (whether current or non-current) are included of the Statement of Net Assets and the Statement of Activities presents increases and decreases in net total assets.

The measurement focus incorporates the current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements, but are excluded from fund financial statements. The related expenditures are recognized in the fund financial statements when the liabilities are liquidated. Historically, the expenditures have been recorded to the general and special revenue funds.

The Firefighter's Pension Trust Fund is accounted for on a capital maintenance measurement focus. This means that all liabilities (whether current or non-current) associated with their activity are included on the balance sheets.

#### E. Budgets and Budgetary Accounting

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

Prior to May 1, the Fire Chief submits to the Board of Trustees a tentative working budget for the fiscal year commencing the following June 1. The working budget includes proposed expenditures and the means of financing them. The working budget is then approved by the Board and adopted by June 1.

Based on the working budget the Board then prepares a tentative Budget and Appropriation Ordinance. This ordinance establishes the legal spending limit for the District. The Board holds public hearings to solicit comments and may add to, subtract from, or change appropriations, but may not change the form of the budget. Prior to August 31, the final budget is passed by an appropriation ordinance. The tax levy ordinance is filed with the County Clerk by the last Tuesday in December to obtain tax revenue.

The Board of Trustees must approve all formal appropriation transfers. Any increases to the final budget require a public hearing before the Board of Trustees' approval. No formal supplemental appropriation was made during the fiscal year. The Fire Chief can approve expenditures that exceed any line item of department expenditures of a fund as long as the expenditure does not exceed appropriations. Thus, the legal level of budgetary control is determined by fund.

The legal budgetary authority lapses at the end of the fiscal year.

The District incorporates the working budget within the financial statements. There were no changes to either the working budget or the budget and appropriation ordinance for the fiscal year ended May 31, 2011.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### F. Investments

All investments are stated at fair value, which is the market value as determined by published reports of such values.

#### G. Use of Estimates

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

#### H. Capital Assets

##### GOVERNMENT-WIDE FINANCIAL STATEMENTS

In the government-wide financial statements, the District has adopted a capitalization threshold of \$1,000 for equipment and apparatus and \$10,000 for buildings and improvements. All capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their fair market value as of the date donated.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Buildings	40 years
Machinery and Equipment	5 to 10 years
Vehicles	5 to 10 years
Furniture	3 to 10 years

##### FUND FINANCIAL STATEMENTS

In the fund financial statements, assets used in governmental fund operations are accounted for as capital outlays in the fund from which the expenditure was made.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### I. Accumulated Vacation and Sick Pay

All full-time employees earn vacation benefits in varying annual amounts. Nonunion employees are allowed to carry over up to 10 days of vacation benefits each year. These benefits are accumulated but do not vest. Unused benefits lapse if not used before termination or retirement. Due to uncertainty of the timing of nonunion vacation benefits, the entire accrued liability of \$86,608 is recorded as a non-current liability. Effective September 2, 1993, union employees must utilize vacation benefits each year or benefits lapse. Therefore, unused vacation pay of \$90,013 is expected to be expended from available resources and is recorded as an accrued liability in the appropriate general fund account.

Sick pay accumulates at a rate of 6 days per year (48 hours) for management personnel, which can accumulate to a maximum of one year's time (2080 hours). Firefighters hired prior to June 1, 2006 can accumulate sick pay of up to 120 shift days (2,880 hours). Firefighters hired on or after June 1, 2006 can accumulate sick pay of up to 60 shift days (1,440 days). Accumulated sick pay vests to nonunion employees after 19 years of service and the unused portion is paid at retirement. At year end, the unused sick pay for nonunion employees of \$476,330 is recorded as an accrued non-current liability.

Effective September 2, 1993, the union employees' sick pay vests only after 19 years of service and not at all for terminated employees. The District has estimated that union employees with 13 years or more of service can reasonably be expected to receive this benefit in the future. The accrual for this unused sick pay of \$481,652 is recorded as a non-current liability.

	Balance Beginning of Year	Net Increase (Decrease)	Balance End of Year	Amount Due Within One Year
Compensated Absences	<u>\$ 1,120,074</u>	<u>\$ 14,227</u>	<u>\$ 1,134,301</u>	<u>\$ 86,608</u>

#### J. Debt Commitments

In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the Statement of Net Assets. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. Equity Classifications

##### GOVERNMENT-WIDE FINANCIAL STATEMENTS

Equity is classified as net assets and displayed in three components:

Invested in capital assets - consists of capital assets, net of accumulated depreciation and net of related debt.

Restricted net assets - consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors, or law or regulations of other governments, or laws through constitutional provisions or enabling legislation.

Unrestricted net assets - consists of all other net assets that do not meet the definition of restricted or invested in capital assets.

##### FUND FINANCIAL STATEMENTS

Governmental fund equity is classified as fund balance. Fund balance may further be classified as restricted and unrestricted. The District has not designated any unrestricted fund balances for any particular purposes at May 31, 2011.

#### L. Total Columns on Combined Statements

Total columns on the Combined Statements are presented only to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 2 - PROPERTY TAXES

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The taxes attach as an enforceable lien on property on January 1. The owner of real property on January 1 in any year is liable for taxes on the year. The District has a statutory tax rate limit in various operating funds subject to change only by approval of the voters of the District. Also, the District is subject to the Property Tax Extension Limitation Act, which, in general, limited the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy. Certain bond issue levies and referendum increases are exempt from this limitation.

Property taxes are collected by the DuPage County Collector who remits to the District its share of taxes collected. Taxes levied in one year become payable during the following year in two equal installments, on June 1 and on September 1. Taxes on railroad real property used for transportation purposes are payable in one installment on August 1. The District generally receives the real estate taxes with 30 to 60 days of the due dates.

The tax extension of \$5,882,273 for the year 2010 is based upon an assessed valuation of \$1,183,079,767. The following are the tax rates limits permitted by Illinois statute and by local referendum and actual rates levied per \$100 of assessed valuation and the extensions produced there from:

Fund and/or purpose	Limit	Rate	Extension
Fire Protection	.4000	.2037	\$ 2,409,933
IMRF	NONE	.0038	44,957
Pension	NONE	.0465	550,132
Tort Liability Insurance	NONE	.0360	425,909
Social Security	NONE	.0091	107,660
Ambulance	.3000	.1973	2,334,216
Audit	.0050	.0008	9,465
TOTALS	NONE	<u>0.4972</u>	<u>\$ 5,882,272</u>

### NOTE 3 - PERSONAL PROPERTY REPLACEMENT TAX

The Personal Property Replacement Tax represents an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and Subchapter S corporations and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services.

Revenues are collected by the State of Illinois under the replacement tax and are allocated and paid by the State eight times a year. The replacement tax law provides that monies received should be first applied toward payment of the proportionate share of the pension or retirement obligation which were previously levied on personal property. Remaining allocations are made at the discretion of the Board of Trustees.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 4 - DEPOSITS AND INVESTMENTS

At May 31, 2011, the District had cash and investments on the financial statements consisting of the following:

	Governmental Funds	Fiduciary Funds	Total
Cash and investments	<u>\$ 1,151,894</u>	<u>\$ 14,698,229</u>	<u>\$ 15,850,123</u>

The District maintains a cash and investment pool that is available for use by all funds except the Firefighter's Pension Trust Fund. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". The deposits and investments of the Firefighter's Pension Trust Funds are held separately from other funds.

Illinois statute authorizes the District to invest in obligations of the U.S Treasury, U.S. Agencies and banks and savings and loan associations covered by federal depository insurance. The District may also invest in commercial paper of U.S. corporations with assets exceeding \$500,000,000 provided that (a) the obligations are rated with the 3 highest classifications by at least 2 standards rating services and they mature within 180 days from the date of purchase, and (b) no more that 25% of any fund is invested in such obligation at any one time and (c) such purchases do not exceed 10% of the corporation's outstanding obligations.

#### Investment Policy - Governmental Funds

The District holds money market type investments and deposits with financial institutions, including certificate of deposits. As of May 31, 2011, the carrying amount of the District's deposits for governmental funds totaled \$1,151,894 and the bank balances totaled \$1,202,587. The weighted-average maturity of these investments held by the District is less than one (1) year.

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

**Custodial Credit Risk:** In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral for all bank balances in excess of the federal depository insurance, at an amount of not less than 110% of the fair market value of the funds secured. At year-end the entire amount of the governmental fund's bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

**Credit Risk:** Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. At year-end the governmental funds did not hold any investments of this type.

**Concentrations:** This is a risk of loss attributed to the magnitude of the District's investment in a single issuer. Although the District's investment policy does not formally address this risk, it is the District's practice to diversify it's investments with various financial institutions.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

### NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

#### Firefighter's Pension Trust Fund - Investment Policy

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

The pension fund holds money market type investments and deposits with financial institutions. As of May 31, 2011, the carrying amount of the fund's deposits totaled \$287,234. The weighted-average maturity of these investments held by the District is less than one (1) year.

As of May 31, 2011, the District's investments consisted of the following:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6-10	More than 10
Certificate of Deposits	\$ 101,854	\$ -	\$ 101,854	\$ -	\$ -
US Treasury notes	939,169	16,825	590,465	331,879	-
US Government Agencies:					
GNMA	51,200	-	-	51,200	-
FFCB	1,356,189	-	305,881	1,050,308	-
FHLMC	488,382	-	269,478	-	218,904
FHLB	3,095,637	153,236	952,551	1,392,295	597,555
FNMA	1,003,758	135,978	309,866	153,480	404,434
State & Local Obligations	1,646,634	-	485,264	811,966	349,404
Mutual Funds	5,728,172	5,728,172	-	-	-
	<u>\$ 14,410,995</u>	<u>\$ 6,034,211</u>	<u>\$ 3,015,359</u>	<u>\$ 3,791,128</u>	<u>\$ 1,570,297</u>

The pension fund holds money market type investments and deposits with financial institutions. As of May 31, 2011, the carrying amount of the funds deposits totaled \$287,234. The weighted-average maturity of these investments held by the District is less than one (1) year.

**Custodial Credit Risk:** In the case of deposits, this is the risk that in the event of a financial institution failure, the District's deposits may not be returned to it. At year-end the entire amount of the pension fund's deposits were covered by collateral, federal depository or equivalent insurance.

**Credit Risk:** The fund's investment policy addresses the management of credit risk by limiting investments to those allowed by state statutes. At year-end the US Treasury Notes were rated AAA, Government Agencies Securities are rated AAA, and State and Local Obligations are rated either AAA, AA and A by Standards & Poor's or Aa1 and Aa2 by Moody's Investors Services. The Certificates of Deposit and Mutual Funds were unrated.

**Concentrations:** This is a risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy addresses this risk by inculding allocation guidelines by asset class for fixed income investments and its equity portfolio.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

### NOTE 5 - CAPITAL ASSETS

As of June 1, 2004, records were updated to report the actual capital assets in use, to prospectively report capital assets, and to calculate and report depreciation of governmental type capital assets, historical costs or estimated historical costs if actual costs is not available. Total depreciation expense for governmental activities for year ended May 31, 2011 was \$299,148. A summary of the changes in capital assets for the year follows.

	May 31, 2010	Additions	Retirement	May 31, 2011
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land	\$ 805,000	\$ -	\$ -	\$ 805,000
Capital Assets Subject to Depreciation				
Buildings	5,430,000	26,595	-	5,456,595
Furniture	54,498	-	-	54,498
Equipment	1,240,200	15,837	(38,014)	1,218,023
Vehicles	2,024,304	-	-	2,024,304
Total Assets Subject to Depreciation	8,749,002	42,432	(38,014)	8,753,420
Less: Accumulated Depreciation for:				
Buildings	2,014,375	131,855	-	2,146,230
Furniture	53,318	472	-	53,790
Equipment	671,383	100,433	(7,271)	764,545
Vehicles	1,841,912	66,388	-	1,908,300
Total Accumulated Depreciation	4,580,988	299,148	(7,271)	4,872,865
Net Capital Assets Subject to Depreciation	4,168,014	(256,716)	(30,743)	3,880,555
Net Capital Assets - Governmental Activities	\$ 4,973,014	\$ (256,716)	\$ (30,743)	\$ 4,685,555

### NOTE 6 - DEBT COMMITMENTS

#### General Obligation Bonds

The District issued a general obligation bond to provide funds for the construction of major capital facility. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

The following is a summary of debt transactions for the year ended May 31, 2011:

Issue	Balance May 31, 2010	Increases	Retirement	Balance May 31, 2011	Amounts Due Within One Year
2001 Refunding Bond	\$ 6,385,000	-	\$ 160,000	\$ 6,225,000	\$ 175,000

This refunding bond was originally issued for \$7,250,000 in 2001. Annual principal payments are required each January 1 through 2031. Interest is payable bi-annually on July 1 and January 1 for 4.3% to 6%.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

### NOTE 6 - DEBT COMMITMENTS (Continued)

#### General Obligation Bonds

The debt service requirements to maturity are as follows:

Year Ended May 31	Principal	Interest	Total
2012	\$ 175,000	\$ 347,048	\$ 522,048
2013	185,000	338,298	523,298
2014	195,000	328,123	523,123
2015	205,000	317,398	522,398
2016	220,000	305,918	525,918
2016-2020	1,280,000	1,326,853	2,606,853
2021-2025	1,720,000	901,370	2,621,370
2026-2030	2,245,000	366,188	2,611,188
	<u>\$ 6,225,000</u>	<u>\$ 4,231,196</u>	<u>\$ 10,456,196</u>

#### Capital Leases

The District entered into several lease contracts with Kansas State Bank to provide funds for the acquisition and installation of fire alarm monitoring equipment.

The following is a summary of lease transactions for the year ended May 31, 2011:

Issue	Balance May 31, 2010	Increases	Retirement	Balance May 31, 2011	Amounts Due Within One Year
Kansas State Bank					
Schedule 1	\$ 104,000	\$ -	\$ 21,248	\$ 82,751	\$ 23,106
Schedule 2	79,780	-	14,456	65,324	15,787
Schedule 3	79,780	-	14,142	65,638	15,443
Schedule 4	79,780	-	14,142	65,638	15,443
Schedule 5	46,377	-	8,104	38,272	8,912
Schedule 6	28,692	-	5,014	23,678	3,513
	<u>\$ 418,409</u>	<u>\$ -</u>	<u>\$ 77,107</u>	<u>\$ 341,303</u>	<u>\$ 82,204</u>

The leases call for quarterly principal payments and interest payments through 2015. Interest is calculated on the unpaid balance at 8.47%.

The debt service requirements to maturity are as follows:

Year Ended May 31	Principal	Interest	Total
2012	\$ 84,204	\$ 28,892	\$ 113,096
2013	91,957	20,591	112,548
2014	100,425	11,751	112,176
2015	64,717	2,677	67,394
	<u>\$ 341,303</u>	<u>\$ 63,911</u>	<u>\$ 405,214</u>

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 7 - RETIREMENT PLANS

The District contributes to the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system and the Firefighters' Pension Plan, a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

#### Illinois Municipal Retirement Fund

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

**Fund Policy.** As set by statute, the District's regular plan members are required to contribute 4.5% percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2010 was 13.16% percent of annual covered payroll. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits are set by statute.

**Annual Pension Cost.** For 2010, the District's annual pension of \$36,722 for Regular plan members was equal to the District's required actual contributions.

Three year trend information for the regular plan:

<u>Actual Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/10	\$ 36,722	100.00%	\$ 0
12/31/09	38,555	100.00%	0
12/31/08	37,724	100.00%	0

The required contribution for 2010 was determined as part of the December 31, 2008 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008, include (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses); (b) projected salary increases of 4% a year, attributable to inflation; (c) additional projected salary increases ranging from .4% to 10% per year depending on age and service, attribute to seniority/merit; and (d) post retirement benefit increases of 3% annually. The actuarial value of the District Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five (5) year period with a 20% corridor between the actuarial and market value of assets. The District's Regular plan's unfunded actuarial accrued liability at December 31, 2008 is being amortized as a level percentage of payroll on an open 30 year basis.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 7 - RETIREMENT PLANS (Continued)

#### Illinois Municipal Retirement Fund (Continued)

**Funded Status and Funding Progress.** As of December 31, 2010, the most recent actuarial valuation date, the regular plan was 73.39% funded. The actuarial accrued liability for benefits was \$757,940 and the actuarial value of assets was \$556,285, resulting in an underfunded actuarial accrued liability (UALL) of \$201,655. The covered payroll (annual payroll of active employees covered by the plan) was \$279,044 and the ratio of the UAAL to the covered payroll was 72 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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

#### Firefighter's Pension Plan

**Plan Description.** Sworn fire personnel are covered by the Firefighter's Pension Act. Although this is a single employer pension plan, the defined benefits and employee contribution levels are governed by Illinois State Statute (Chapter 40 ILCS 5/4) and may be amended only by the Illinois legislature. The District accounts for the plan as a pension trust fund, and in accordance with GABS accounts for it as a blended component unit. The Firefighter's Pension Plan provides retirement benefits as well as death and disability benefits. Participants attaining the age of 50 or more with 20 years or more of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement.

The monthly pension shall be increased by one-twelfth of 2.5% of such salary for each additional month over 20 years of service through 30 years of service and one-twelfth of 1% of such monthly service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

At May 31, 2011 the Firefighter's Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	18
Active Plan Members	
Vested	15
Nonvested	14
	<hr/>
Total	<u>47</u>

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

### NOTE 7 - RETIREMENT PLANS (Continued)

#### Firefighter's Pension Fund (Continued)

**Fund Policy.** Participants contribute a fixed percentage of their base salary to the plans. At May 31, 2011, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest.

The District is required to contribute at an actuarially determined rate (tax levy requirement). The tax levy requirement is determined as the annual contribution necessary to fund the value of benefits expected to accrue during the year (i.e., the normal costs) plus the amount necessary to amortize the unfunded accrued liabilities over a forty (40) year period which commenced in 1993.

**Annual Pension Cost and Net Pension Obligation.** For fiscal year ended May 31, 2011, the District's annual pension cost was \$566,135 for the Firefighter's Pension Plan. The District's actual contribution was \$385,549.

Three year trend information for the Firefighter's Pension Plan (based on the May 31, 2010 actuarial valuation report) :

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
05/31/11	\$ 588,507	68.10%	\$ 635,581
05/31/10	406,565	88.40%	454,995
05/31/09	404,701	70.80%	407,699

The pension liability for the Firefighter's Pension Plan as of May 31, 2011 was:

	<u>May 31, 2011</u>	<u>May 31, 2010</u>
Annual required contribution	\$ 557,930	\$ 398,485
Interest on net pension obligation	34,125	30,577
Adjustment of annual required contribution	(25,920)	(22,497)
Annual pension costs	566,135	406,565
Contributions made	385,549	359,269
Increase (decrease) in net pension obligation	180,586	47,296
Net pension obligation	454,995	407,699
Annual pension costs	<u>\$ 635,581</u>	<u>\$ 454,995</u>

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 7 - RETIREMENT PLANS (Continued)

#### *Annual Pension Costs and Net Pension Obligation (Continued)*

	<u>May 31, 2011</u>	<u>May 31, 2010</u>
Contribution rates:		
District		13.688%
Plan members	9.455%	9.455%
Annual pension costs	566135	406565
Contribution made	385,549	359269
Actuarial valuation date	May 31, 2011	May 31, 2010
Actuarial cost method	Entry age	Entry age
Amortization period	Level percentage of pay, closed	Level percentage of pay, closed
Remaining amortization period	30 years	23 years
Asset valuation method	Market	Market
Actuarial assumptions:		
Investment rate of return*	7.50%	7.50%
Projected salary increases* (*Includes inflation)	5.00%	5.00%
Cost of living adjustments	3.00%	3.00%

**Funded Status and Funding Progress.** As of May 31, 2010, the most recent actuarial valuation date, the Firefighter's Pension Plan was 69.1% funded. The actuarial accrued liability for benefits was \$18,747,284 and the actuarial value of assets was \$13,089,927, resulting in an underfunded actuarial accrued liability (UAAL) of \$5,657,357. The covered payroll (annual payroll of active employees covered by the plan) was \$2,209,172 and the ratio of the UAAL to the covered payroll was 256.1 percent. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on a closed 30 year basis.

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

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 8- COMMON BANK ACCOUNTS

Separate bank accounts are not maintained for all District funds; instead, certain funds maintain their un-invested cash balances in common checking accounts, with accounting records being maintained to show the portion of the common bank account balances attributed to each participating fund.

### NOTE 9 - DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all governmental employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation plan is not available to employees until termination, retirement, death or unforeseeable emergency.

During the fiscal year ended May 31, 1999, the plan was converted to a trust in the name of the District's fiduciary agent to comply with amendments to Section 457. In accordance with GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the District is not required to report the assets and liabilities of the plan on its balance sheet unless it is acting as a fiduciary agent. The District does not act as a fiduciary agent, and therefore removed the agency fund from its balance sheet.

### NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance from private insurance companies to cover these risks. Risks covered include general liability, workers' compensation, medical and other. Premiums have been recorded as expenditures in appropriate funds. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage during the year ended May 31, 2011.

### NOTE 11 - DEFICIT FUND BALANCE

The following funds have a fund deficit at May 31, 2011:

Tort Liability Insurance Fund	<u>\$ 55,771</u>
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### NOTE 12 - EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

For the year ended May 31, 2011, none of the District's funds had an excess of actual expenditures over the legally enacted budget and appropriation ordinance.

### NOTE 13 - JOINT VENTURE

The District is a member of the Southwest United Fire Districts. The District pays annual contributions to this organization for training and maintenance services provided to the District. During the year ended May 31, 2011, the District paid \$293,350 to this organization. Southwest United Fire District reimbursed District the \$120,174 for administrative expenses.

# Darien-Woodridge Fire Protection District

## Notes To The Financial Statements

For the Year Ended May 31, 2011

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### NOTE 14 - LEGAL DEBT MARGIN

Assessed Valuation	<u>\$ 1,183,079,767</u>
Legal Debt Limits - 5.75% of Assessed Valuation	\$ 68,027,087
Outstanding Debt	<u>\$ 6,566,303</u>
Legal Debt Margin, May 31, 2011	<u>\$ 61,460,784</u>

### NOTE 15 - PRIOR PERIOD ADJUSTMENTS

The following prior adjustment was made to for year ended May 31, 2011:

	Statement of Net Assets	Fire Protection Fund	Ambulance Fund
Fund Balance, beginning of year	\$ 38,278	391,501	2,701,135
Prepays	<u>71,246</u>	<u>35,623</u>	<u>35,623</u>
Adjusted Fund Balance, beginning of year	<u>\$ 109,524</u>	<u>\$ 427,124</u>	<u>2,736,758</u>

An adjustment was made during the current fiscal year to record a prepaid expense toward future energy costs. In prior years the District was on a monthly payment plan for natural gas and as a result had a surplus of \$71,246 which had not been recorded as in prepaid in prior years.

### NOTE 16 - CONTINGENCIES

Per administration, the District is not a defendant in any litigation. With regards to other pending matters, the eventual outcome and the related liability, if any, is not determinable at this time. Accordingly, no provision has been made in the accompanying financial statements for settlement costs.

## **REQUIRED SUPPLEMENTARY INFORMATION**

(Unaudited)

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
- Firefighter's Pension Fund

### Budgetary Comparison Schedule - General Fund

- Ambulance Fund
- Fire Protection Fund

# Darien-Woodridge Fire Protection District

## Required Supplementary Information

For the Year Ended May 31, 2011

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### PENSION PLAN COMMITMENT - ILLINOIS MUNICIPAL RETIREMENT FUND

#### SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-1)/c)
12/31/10	556,285	757,940	201,655	73.39%	279,044	72.27%
12/31/09	503,697	726,778	223,081	69.31%	290,763	76.72%
12/31/08	489,713	745,969	256,256	65.65%	283,854	90.28%

On a market basis, the actuarial value of assets as of December 31, 2010 is \$489,102. On a market basis, the funded ration would be 67.30%.

### PENSION PLAN COMMITMENT - FIREFIGHTER'S PENSION FUND

#### SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
05/31/10	13,089,927	18,747,284	5,657,357	69.82%	2,209,172	256.08%
05/31/09	11,718,100	16,942,804	5,224,704	69.16%	2,093,904	249.52%
05/31/08	12,372,624	14,864,987	2,492,363	83.23%	2,066,848	120.59%

# Darien-Woodridge Fire Protection District

## Ambulance Fund

### Budgetary Comparison Schedule

For the Year Ended May 31, 2011

	2011			Variance With Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Property Taxes	\$ 2,302,344	\$ 2,302,344	\$ 2,317,439	\$ 15,095	\$ 2,281,800
Replacement Taxes	12,113	12,113	15,107	2,994	12,114
Interest Income	6,404	6,404	3,066	(3,338)	9,814
Charge for Services	607,750	607,750	592,223	(15,527)	496,799
Fees	7,150	7,150	5,763	(1,387)	9,806
Grants	13,675	13,675	13,625	(50)	18,000
SUFD Reimbursements	52,500	52,500	60,087	7,587	50,659
Other Income	250	250	2,186	1,936	5,126
<b>Total Revenues</b>	<b>3,002,186</b>	<b>3,002,186</b>	<b>3,009,496</b>	<b>7,310</b>	<b>2,884,118</b>
<b>Expenses</b>					
General Administration	58,675	58,675	48,980	(9,695)	49,697
Debt Service					
Principal	257,375	257,375	80,000	(177,375)	77,500
Interest	-	-	177,324	177,324	180,811
Communications	177,640	177,640	195,701	18,061	187,735
Fire Station	82,150	82,150	79,634	(2,516)	74,458
Mobile Equipment	7,275	7,275	6,444	(831)	7,044
Apparatus Maintenance	115,475	115,475	116,447	972	110,676
Training	62,385	62,385	61,023	(1,362)	57,484
Quartermaster	20,980	20,980	19,777	(1,203)	20,816
EMS	27,650	27,650	21,455	(6,195)	15,280
Hazardous Materials	5,060	5,060	1,913	(3,147)	3,246
Payroll & Related	1,956,500	1,956,500	1,941,135	(15,365)	1,913,129
Health & Safety	14,800	14,800	6,985	(7,815)	8,417
Public Education	74,975	74,975	81,130	6,155	51,497
Portable Equipment	7,000	7,000	3,157	(3,843)	26,550
Rescue Specialist Team	2,885	2,885	2,390	(495)	1,586
<b>Total Expenditures</b>	<b>2,870,825</b>	<b>2,870,825</b>	<b>2,843,495</b>	<b>(27,330)</b>	<b>2,785,926</b>
<b>Excess (Deficiency) of Revenue over Expenditures</b>	<b>131,361</b>	<b>131,361</b>	<b>166,001</b>	<b>34,640</b>	<b>98,192</b>
<b>Other Financing Sources (Uses)</b>					
Sale of Assets	-	-	19,007	19,007	4,000
Transfers - In	-	-	-	-	-
Transfers - Out	-	-	-	-	(30,000)
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>19,007</b>	<b>19,007</b>	<b>(26,000)</b>
<b>Net Change in Fund Balance</b>	<b>\$ 131,361</b>	<b>\$ 131,361</b>	<b>185,008</b>	<b>\$ 53,647</b>	<b>72,192</b>
<b>Fund Balance</b>					
Beginning of Year			2,701,135		2,628,943
Prior Period Adjustment			35,623		-
<b>End of Year</b>			<b>\$ 2,921,766</b>		<b>\$ 2,701,135</b>

# Darien-Woodridge Fire Protection District

## Fire Protection Fund

### Budgetary Comparison Schedule

For the Year Ended May 31, 2011

	2011			Variance With Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Property Taxes	\$ 2,475,204	\$ 2,475,204	\$ 2,441,667	\$ (33,537)	\$ 2,501,679
Replacement Taxes	13,023	13,023	43,590	30,567	13,543
Interest Income	6,434	6,434	3,074	(3,360)	9,831
Charge for Services	132,750	132,750	141,824	9,074	51,066
Fees	7,150	7,150	5,763	(1,387)	9,806
Grants	13,675	13,675	13,625	(50)	18,000
SUFD Reimbursements	52,500	52,500	60,087	7,587	50,659
Other Income	250	250	2,186	1,936	5,126
<b>Total Revenues</b>	<b>2,700,986</b>	<b>2,700,986</b>	<b>2,711,816</b>	<b>10,830</b>	<b>2,659,710</b>
<b>Expenses</b>					
General Administration	58,675	58,675	48,931	(9,744)	49,637
Debt Service					
Principal	257,375	257,375	80,000	(177,375)	77,500
Interest	-	-	177,324	177,324	180,811
Communications	177,640	177,640	195,702	18,062	187,735
Fire Station	82,150	82,150	79,635	(2,515)	74,458
Mobile Equipment	7,275	7,275	6,445	(830)	7,044
Apparatus Maintenance	115,475	115,475	116,447	972	110,676
Training	62,385	62,385	61,023	(1,362)	57,484
Quartermaster	20,980	20,980	18,102	(2,878)	19,581
Fire Investigations	5,440	5,440	1,512	(3,928)	2,002
Hazardous Materials	5,060	5,060	1,913	(3,147)	3,246
Payroll & Related	1,956,500	1,956,500	1,909,416	(47,084)	1,878,891
Health & Safety	14,800	14,800	6,985	(7,815)	8,417
Public Education	74,975	74,975	81,130	6,155	51,497
Portable Equipment	7,000	7,000	3,157	(3,843)	26,549
Rescue Specialist Team	2,885	2,885	2,390	(495)	1,586
<b>Total Expenditures</b>	<b>2,848,615</b>	<b>2,848,615</b>	<b>2,790,112</b>	<b>(58,503)</b>	<b>2,737,114</b>
Excess (Deficiency) of Revenue over Expenditures	(147,629)	(147,629)	(78,296)	69,333	(77,404)
<b>Other Financing Sources (Uses)</b>					
Sale of Assets	-	-	19,007	19,007	4,000
Transfers - In	-	-	-	-	-
Transfers - Out	-	-	-	-	(30,000)
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>19,007</b>	<b>19,007</b>	<b>(26,000)</b>
<b>Net Change in Fund Balance</b>	<b>\$ (147,629)</b>	<b>\$ (147,629)</b>	<b>(59,289)</b>	<b>\$ 88,340</b>	<b>(103,404)</b>
<b>Fund Balance</b>					
Beginning of Year			391,501		494,905
Prior Period Adjustment			35,623		(391,501)
<b>End of Year</b>			<b>\$ 367,835</b>		<b>\$ 391,501</b>

## **MAJOR FUNDS**

The General Fund is the general operating fund of the District and is used to account for all financial resources not accounted for in other funds of the District. It consists of the following funds:

**Ambulance** - The Ambulance Fund accounts for the operations of the ambulance services provided by the District.

**Fire Protection** - The Fire Protection Fund accounts for the operations of the fire protection services provided by the District.

# Darien-Woodridge Fire Protection District

## General Funds

### Combining Balance Sheet

May 31, 2011

	Ambulance	Fire Protection	Totals	
			2011	2010
<b>Assets</b>				
<b>Current Assets</b>				
Cash & Cash Equivalents	\$ 1,845,718	\$ (746,576)	\$ 1,099,142	\$ 941,968
Receivables				
Property Taxes	2,334,216	2,409,933	4,744,149	4,774,601
Accrued Interest	-	-	-	5,370
Other	35,449	35,449	70,898	44,416
Prepaid Expenses	30,582	30,582	61,164	-
<b>Total Assets</b>	<b>\$ 4,245,965</b>	<b>\$ 1,729,388</b>	<b>\$ 5,975,353</b>	<b>\$ 5,766,355</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 62,987	\$ 62,482	\$ 125,469	\$ 109,294
Accrued Payroll	50,800	50,800	101,600	64,818
Deferred Property Tax Revenue	1,167,108	1,204,967	2,372,075	2,387,300
Other Liabilities	-	-	-	17,851
Compensated Absences	43,304	43,304	86,608	94,456
<b>Total Liabilities</b>	<b>1,324,199</b>	<b>1,361,553</b>	<b>2,685,752</b>	<b>2,673,719</b>
<b>Fund Balance</b>				
Unrestricted	2,921,766	367,835	3,289,601	3,092,636
<b>Total Fund Balance</b>	<b>2,921,766</b>	<b>367,835</b>	<b>3,289,601</b>	<b>3,092,636</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 4,245,965</b>	<b>\$ 1,729,388</b>	<b>\$ 5,975,353</b>	<b>\$ 5,766,355</b>

# Darien-Woodridge Fire Protection District

## General Fund

### Combining Schedule of Revenue, Expenditures and Changes in Fund Balance For the Year Ended May 31, 2011

	Ambulance	Fire Protection	Totals	
			2011	2010
<b>Revenues</b>				
Property Taxes	\$ 2,317,439	\$ 2,441,667	\$ 4,759,106	\$ 4,783,479
Replacement Taxes	15,107	43,590	58,697	25,657
Interest Income	3,066	3,074	6,140	19,645
Charge for Services	592,223	141,824	734,047	547,865
Fees	5,763	5,763	11,526	19,612
Grants	13,625	13,625	27,250	36,000
SUFD Reimbursements	60,087	60,087	120,174	101,318
Other Income	2,186	2,186	4,372	10,252
<b>Total Revenues</b>	<b>3,009,496</b>	<b>2,711,816</b>	<b>5,721,312</b>	<b>5,543,828</b>
<b>Expenses</b>				
General Administration	48,980	48,931	97,911	99,334
Debt Service				
Principal	80,000	80,000	160,000	155,000
Interest	177,324	177,324	354,648	361,622
Communications	195,701	195,702	391,403	375,470
Fire Station	79,634	79,635	159,269	148,916
Mobile Equipment	6,444	6,445	12,889	14,088
Apparatus Maintenance	116,447	116,447	232,894	221,352
Training	61,023	61,023	122,046	114,968
Quartermaster	19,777	18,102	37,879	40,397
Fire Investigations	-	1,512	1,512	2,002
EMS	21,455	-	21,455	15,280
Hazardous Materials	1,913	1,913	3,826	6,492
Payroll & Related	1,941,135	1,909,416	3,850,551	3,792,020
Health & Safety	6,985	6,985	13,970	16,834
Public Education	81,130	81,130	162,260	102,994
Portable Equipment	3,157	3,157	6,314	53,099
Rescue Specialist Team	2,390	2,390	4,780	3,172
<b>Total Expenditures</b>	<b>2,843,495</b>	<b>2,790,112</b>	<b>5,633,607</b>	<b>5,523,040</b>
<b>Excess (Deficiency) of Revenue over Expenditures</b>	<b>166,001</b>	<b>(78,296)</b>	<b>87,705</b>	<b>20,788</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Assets	19,007	19,007	38,014	8,000
Transfers - In	-	-	-	-
Transfers - Out	-	-	-	(60,000)
<b>Total Other Financing Sources (Uses)</b>	<b>19,007</b>	<b>19,007</b>	<b>38,014</b>	<b>(52,000)</b>
<b>Net Change in Fund Balance</b>	<b>185,008</b>	<b>(59,289)</b>	<b>125,719</b>	<b>(31,212)</b>
<b>Fund Balance</b>				
Beginning of Year	2,701,135	391,501	3,092,636	3,123,848
Prior Period Adjustment	35,623	35,623	71,246	-
<b>End of Year</b>	<b>\$ 2,921,766</b>	<b>\$ 367,835</b>	<b>\$ 3,289,601</b>	<b>\$ 3,092,636</b>

## **NON-MAJOR FUNDS**

**Payroll Taxes and IMRF** - The Payroll Taxes and IMRF Fund accounts for the District's participation in the Illinois Municipal Retirement Fund and contributions to employee social security benefits. Financing is provided by a specific annual property tax levy which provided a sufficient amount to pay the District's contributions on behalf of its employees.

**Tort Liability** - The Tort Liability Fund accounts for the operations of the District's insurance and risk management activities. Financing is provided by an annual tax levy.

**Audit** - The Audit Fund accounts for revenues derived from a specific property tax levy and expenditures of these monies for the District's annual audit.

**Debt Service** - The Debt Service Fund accounts for the accumulation of resources for the payment of bond principal, interest, and related costs.

**Capital Replacement Fund** - The Capital Replacement Fund accounts for the accumulation of resources for the future replacement/purchase of capital equipment.

**Foreign Fire Insurance Board** - The Foreign Fire Insurance Board accounts for the accumulation of resources for the purpose of expensing funds received for the maintenance and benefit of the District..

# Darien-Woodridge Fire Protection District

## Non-Major Funds

### Combining Balance Sheet

May 31, 2011

	Special Revenue Funds						Totals	
	Payroll Taxes and IMRF	Tort Liability	Audit	Foreign Fire Insurance	Capital Replacements Fund	Debt Service	2011	2010
<b>Assets</b>								
Current Assets								
Cash & Cash Equivalents	\$ (10,921)	\$ (292,163)	\$ (1,798)	\$ 9,968	\$ 60,363	\$ 287,303	\$ 52,752	\$ 51,108
Receivables:								
Property Taxes	152,617	425,909	9,465	-	-	-	587,991	540,805
Prepaid Expenses	-	32,530	-	-	-	-	32,530	37,480
Total Assets	<u>\$ 141,696</u>	<u>\$ 166,276</u>	<u>\$ 7,667</u>	<u>\$ 9,968</u>	<u>\$ 60,363</u>	<u>\$ 287,303</u>	<u>\$ 673,273</u>	<u>\$ 629,393</u>
<b>Liabilities</b>								
Current Liabilities								
Deferred Property Tax Revenue	\$ 76,309	\$ 222,047	\$ 4,732	\$ -	\$ -	\$ -	\$ 303,088	\$ 270,403
Other Liabilities	-	-	-	-	-	-	-	3,670
Total Liabilities	76,309	222,047	4,732	-	-	-	303,088	274,073
<b>Fund Balance</b>								
Unrestricted	65,387	(55,771)	2,935	9,968	60,363	287,303	370,185	355,320
Total Fund Balance	<u>65,387</u>	<u>(55,771)</u>	<u>2,935</u>	<u>9,968</u>	<u>60,363</u>	<u>287,303</u>	<u>370,185</u>	<u>355,320</u>
Total Liabilities & Fund Balance	<u>\$ 141,696</u>	<u>\$ 166,276</u>	<u>\$ 7,667</u>	<u>\$ 9,968</u>	<u>\$ 60,363</u>	<u>\$ 287,303</u>	<u>\$ 673,273</u>	<u>\$ 629,393</u>

# Darien-Woodridge Fire Protection District

## Non-Major Funds

### Combining Schedule of Revenue, Expenditures and Changes in Fund Balance For the Year Ended May 31, 2011

	Special Revenue Funds						Totals	
	Payroll Taxes and IMRF	Tort Liability	Audit	Foreign Fire Insurance	Capital Replacements Fund	Debt Service	2011	2010
<b>Revenues</b>								
Property Taxes	\$ 150,783	\$ 395,376	\$ 9,116	\$ -	\$ -	\$ -	\$ 555,275	\$ 530,513
Replacement Taxes	978	2,515	58	-	-	-	3,551	2,786
Interest Income	6	16	-	-	118	-	140	275
Other Income	-	-	-	13,180	-	-	13,180	11,838
<b>Total Revenues</b>	<b>151,767</b>	<b>397,907</b>	<b>9,174</b>	<b>13,180</b>	<b>118</b>	<b>-</b>	<b>572,146</b>	<b>545,412</b>
<b>Expenses</b>								
Payroll taxes & IMRF	121,839	-	-	-	-	-	121,839	131,084
Tort Liability Insurance	-	417,989	-	-	-	-	417,989	368,667
Audit	-	-	7,100	-	-	-	7,100	7,150
Foreign Fire Insurance	-	-	-	10,353	-	-	10,353	4,697
<b>Total Expenditures</b>	<b>121,839</b>	<b>417,989</b>	<b>7,100</b>	<b>10,353</b>	<b>-</b>	<b>-</b>	<b>557,281</b>	<b>511,598</b>
<b>Excess (Deficiency) of Revenue over Expenditures</b>	<b>29,928</b>	<b>(20,082)</b>	<b>2,074</b>	<b>2,827</b>	<b>118</b>	<b>-</b>	<b>14,865</b>	<b>33,814</b>
<b>Other Financing Sources (Uses)</b>								
Transfers - In	-	-	-	-	-	-	-	60,000
Transfers - Out	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,000</b>
<b>Net Change in Fund Balance</b>	<b>29,928</b>	<b>(20,082)</b>	<b>2,074</b>	<b>2,827</b>	<b>118</b>	<b>-</b>	<b>14,865</b>	<b>93,814</b>
<b>Fund Balance</b>								
Beginning of Year	35,459	(35,689)	861	7,141	60,245	287,303	355,320	261,506
End of Year	<u>\$ 65,387</u>	<u>\$ (55,771)</u>	<u>\$ 2,935</u>	<u>\$ 9,968</u>	<u>\$ 60,363</u>	<u>\$ 287,303</u>	<u>\$ 370,185</u>	<u>\$ 355,320</u>

# Darien-Woodridge Fire Protection District

## Payroll Taxes and IMRF Fund

### Schedule of Revenue, Expenditures and Changes in Fund Balance

#### Budget and Actual

For the Year Ended May 31, 2011

	2011			Variance With Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Property Taxes	\$ 149,062	\$ 149,062	\$ 150,783	\$ 1,721	\$ 144,688
Replacement Taxes	784	784	978	194	752
Interest Income	26	26	6	(20)	8
Total Revenues	149,872	149,872	151,767	1,895	145,448
Expenses					
IMRF Expense	39,000	39,000	32,260	(6,740)	37,960
Payroll Taxes	100,000	100,000	89,579	(10,421)	93,124
Total Expenditures	139,000	139,000	121,839	(17,161)	131,084
Net Change in Fund Balance	\$ 10,872	\$ 10,872	29,928	\$ 19,056	14,364
Fund Balance					
Beginning of Year			35,459		21,095
End of Year			\$ 65,387		\$ 35,459

# Darien-Woodridge Fire Protection District

## Tort Liability Fund

### Schedule of Revenue, Expenditures and Changes in Fund Balance

#### Budget and Actual

For the Year Ended May 31, 2011

	2011			Variance With Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Property Taxes	\$ 383,307	\$ 383,307	\$ 395,376	\$ 12,069	\$ 378,314
Replacement Taxes	2,017	2,017	2,515	498	2,000
Interest Income	67	67	16	(51)	22
<b>Total Revenues</b>	<b>385,391</b>	<b>385,391</b>	<b>397,907</b>	<b>12,516</b>	<b>380,336</b>
<b>Expenses</b>					
Worker's Compensation	325,500	325,500	362,885	37,385	313,226
Vehicle Insurance	21,000	21,000	13,796	(7,204)	12,434
General Liability	35,000	35,000	39,756	4,756	41,621
Accident & Sickness	1,500	1,500	1,552	52	1,386
<b>Total Expenditures</b>	<b>383,000</b>	<b>383,000</b>	<b>417,989</b>	<b>34,989</b>	<b>368,667</b>
<b>Net Change in Fund Balance</b>	<b>\$ 2,391</b>	<b>\$ 2,391</b>	<b>(20,082)</b>	<b>\$ (22,473)</b>	<b>11,669</b>
<b>Fund Balance</b>					
Beginning of Year			(35,689)		(47,358)
End of Year			\$ (55,771)		\$ (35,689)

# Darien-Woodridge Fire Protection District

## Audit Fund

### Schedule of Revenue, Expenditures and Changes in Fund Balance

#### Budget and Actual

For the Year Ended May 31, 2011

	2011			Variance With Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Property Taxes	\$ 8,771	\$ 8,771	\$ 9,116	\$ 345	\$ 7,511
Replacement Taxes	46	46	58	12	34
Interest Income	2	2	-	(2)	-
Total Revenues	8,819	8,819	9,174	355	7,545
Expenses					
Audit	8,000	8,000	7,100	(900)	7,150
Total Expenditures	8,000	8,000	7,100	(900)	7,150
Net Change in Fund Balance	\$ 819	\$ 819	2,074	\$ 1,255	395
Fund Balance					
Beginning of Year			861		466
End of Year			\$ 2,935		\$ 861

# Darien-Woodridge Fire Protection District

## Debt Service Fund

### Schedule of Revenue, Expenditures and Changes in Fund Balance

#### Budget and Actual

For the Year Ended May 31, 2011

	2011				2010
	Budgeted Amounts		Actual	Variance With Final Budget	Actual
	Original	Final			
Revenues					
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Expenses					
Total Expenditures	0	0	0	0	0
Net Change in Fund Balance	\$ 0	\$ 0	0	\$ 0	0
Fund Balance					
Beginning of Year			287,303		287,303
End of Year			\$ 287,303		\$ 287,303

**SUPPLEMENTAL INFORMATION  
and  
STATISTICAL SECTION**

**Darien-Woodridge Fire Protection District**  
**Statistical Comparison of Property Taxes Levied to Property Taxes Collected**  
**Tax Years 2009-2004**

	2010	2009	2008	2007	2006	2005
Assessed Valuation	<u>\$ 1,183,079,767</u>	<u>\$ 1,251,861,647</u>	<u>\$ 1,254,956,142</u>	<u>\$ 1,185,924,743</u>	<u>\$ 1,092,143,188</u>	<u>\$ 1,005,868,461</u>
<b>Tax Rates</b>						
Fire Protection	0.2037	0.1976	0.2018	0.1958	0.2030	0.2174
Ambulance	0.1973	0.1838	0.1805	0.1979	0.2042	0.2169
Pension	0.0465	0.0306	0.0281	0.0244	0.0249	0.0199
Audit	0.0008	0.0007	0.0005	0.0008	0.0007	0.0008
Payroll Taxes and IMRF	0.0129	0.0119	0.0112	0.0118	0.0106	0.0093
Tort Liability	<u>0.0360</u>	<u>0.0306</u>	<u>0.0298</u>	<u>0.0261</u>	<u>0.0316</u>	<u>0.0285</u>
<b>Total Tax Rates</b>	<u>0.4972</u>	<u>0.4552</u>	<u>0.4519</u>	<u>0.4568</u>	<u>0.4750</u>	<u>0.4928</u>
<b>Tax Extension</b>						
Fire Protection	\$ 2,409,933	\$ 2,473,678	\$ 2,532,501	\$ 2,322,041	\$ 2,217,051	\$ 2,186,758
Ambulance	2,334,216	2,300,922	2,265,196	2,346,945	2,230,156	2,181,729
Pension	550,132	383,070	352,643	289,366	271,944	191,115
Audit	9,465	8,763	6,275	9,487	7,645	9,053
Payroll Taxes and IMRF	152,617	148,971	140,555	139,939	115,767	101,593
Tort Liability	<u>425,909</u>	<u>383,070</u>	<u>373,977</u>	<u>309,526</u>	<u>345,117</u>	<u>286,673</u>
<b>Total Tax Extension</b>	<u>\$ 5,882,272</u>	<u>\$ 5,698,474</u>	<u>\$ 5,671,147</u>	<u>\$ 5,417,304</u>	<u>\$ 5,187,680</u>	<u>\$ 4,956,921</u>
<b>Amount Collected</b>		<u>\$ 5,312,448</u>	<u>\$ 5,662,494</u>	<u>\$ 5,411,637</u>	<u>\$ 5,182,611</u>	<u>\$ 4,951,263</u>
<b>Percentage of Extensions Collected</b>		<u>93.23%</u>	<u>99.85%</u>	<u>99.90%</u>	<u>99.90%</u>	<u>99.89%</u>